



**Draft Prospectus**

**Dated: 23<sup>rd</sup> August, 2024**

**Fixed Price Issue**

**Please read section 26 and 32 of the Companies Act, 2013  
(This Draft Prospectus will be updated upon filing with the RoC)**

**JIVIAL INDUSTRIES LIMITED**

Corporate Identification Number: U28999GJ2021PLC123516

REGISTERED OFFICE	CORPORATE OFFICE	CONTACT PERSON	EMAIL AND TELEPHONE	WEBSITE
Shade No. A1/5, Road C, Beside Daynamatic Forge, Aji Gidc, Rajkot Aji Ind Estate, Rajkot, Rajkot, Gujarat, India, 360003	-	Ms. Ritu Garg; Company Secretary and Compliance Officer	Email: <a href="mailto:cs@jivialrailings.com">cs@jivialrailings.com</a> ; Phone No: +91 8469022953	<a href="http://www.jivialrailings.com">www.jivialrailings.com</a>

**PROMOTER OF THE COMPANY: MR. ANAND JITENDRABHAI CHOVIYA AND MRS. SHEETALBEN ANAND CHOVIYA**

DETAILS OF THE ISSUE				
Types	Fresh Issue Size (₹ in Lakhs)	OFS Size (by Nos. of Shares or by amount in ₹)	Total Issue Size	Eligibility
Fresh Issue	Upto 13,69,200 Equity Shares aggregating to ₹1,300.74 Lakhs	Nil	₹1,300.74 Lakhs	THIS ISSUE IS BEING MADE IN TERMS OF CHAPTER IX OF THE SEBI (ICDR) REGULATIONS, 2018 AS AMENDED

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

**RISK IN RELATION TO THE FIRST ISSUE**

The face value of the Equity Shares is ₹10/- each and the Issue Price is 9.50 times of the face value of the Equity Shares. The Issue Price (determined and justified by our Company in consultation with the Lead Manager as stated in “Basis For Issue Price” on page no. 68 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 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 entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue including the risks involved. The Equity Shares issued in the Issue have not been recommended or approved by the Securities and Exchange Board of India (“SEBI”), nor does SEBI guarantee the accuracy or adequacy of the Draft Prospectus. Specific attention of the investors is invited to the section “Risk Factors” beginning on page no. 15 of this Draft Prospectus.


**ISSUER’S ABSOLUTE RESPONSIBILITY**

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


**LISTING**

The Equity Shares Issued through this Draft 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. For the purpose of this Issue, the Designated Stock Exchange will be the National Stock Exchange of India Limited (“NSE”).

**LEAD MANAGER TO THE ISSUE**

Name and Logo	Contact Person	Email and Telephone
 <b>SWASTIKA INVESTMART LIMITED</b>	Mr. Mohit Goyal	Email Id: <a href="mailto:merchantbanking@swastika.co.in">merchantbanking@swastika.co.in</a> Telephone Number: +91-22-26254568-69 / 0731-6644244

**REGISTRAR TO THE ISSUE**

 <b>BIGSHARE SERVICES PRIVATE LIMITED</b>	Mr. Vinayak Morbale	Email Id: <a href="mailto:ipo@bigshareonline.com">ipo@bigshareonline.com</a> Telephone Number: +91-22-62638200 / +91-22-62638299

**ISSUE SCHEDULE**

ISSUE OPENS ON: [●]	ISSUE CLOSES ON: [●]
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## JIVIAL INDUSTRIES LIMITED

Our Company was originally incorporated as Private Limited, under the Companies Act, 2013 ("Companies Act") in the name and style of "Jivial Industries Private Limited" on June 23<sup>rd</sup>, 2021 under the provisions of the Companies Act, 2013 vide Certificate of Incorporation issued by the Registrar of Companies, Ahmedabad, Gujarat. Later on, company was converted into public limited company, the name of the Company has changed to "Jivial Industries Limited" and for the same fresh Certificate of Incorporation dated January 01<sup>st</sup>, 2024, issued by the Registrar of Companies, Ahmedabad, Gujarat. For details of Conversion of Company, please refer to section titled "History and Certain Corporate Matters" beginning on page no. 108 of this Draft Prospectus.

**CIN: U28999GJ2021PLC123516**

**Registered office:** Shade No. A1/5, Road C, Beside Daynamic Forge, Aji Gidc, Rajkot Aji Ind Estate, Rajkot, Rajkot, Gujarat, India, 360003;

**Website:** [www.jivialrailings.com](http://www.jivialrailings.com); **E-Mail:** [cs@jivialrailings.com](mailto:cs@jivialrailings.com); **Phone No.:** +91 8469022953; **Company Secretary and Compliance Officer:** Ms. Ritu Garg

**PROMOTER OF THE COMPANY: MR. ANAND JITENDRABHAI CHOVIATYA AND MRS. SHEETALBEN ANAND CHOVIATYA**

### DETAILS OF THE ISSUE

**INITIAL PUBLIC ISSUE OF 13,69,200 EQUITY SHARES OF FACE VALUE OF ₹10/- EACH OF JIVIAL INDUSTRIES LIMITED ("JIL" OR THE "COMPANY" OR THE "ISSUER") FOR CASH AT A PRICE OF ₹95/- PER EQUITY SHARE INCLUDING A SHARE PREMIUM OF ₹85/- PER EQUITY SHARE (THE "ISSUE PRICE") AGGREGATING TO ₹1,300.74 LAKHS ("THE ISSUE"), OF WHICH 70,800 EQUITY SHARES OF FACE VALUE OF ₹10/- EACH FOR CASH AT A PRICE OF ₹95/- PER EQUITY SHARE INCLUDING A SHARE PREMIUM OF ₹85/- PER EQUITY SHARE AGGREGATING TO ₹67.26 LAKHS WILL BE RESERVED FOR SUBSCRIPTION BY MARKET MAKER TO THE ISSUE (THE "MARKET MAKER RESERVATION PORTION"). THE ISSUE LESS THE MARKET MAKER RESERVATION PORTION i.e. NET ISSUE OF 12,98,400 EQUITY SHARES OF FACE VALUE OF ₹10/- EACH AT A PRICE OF ₹95/- PER EQUITY SHARE INCLUDING A SHARE PREMIUM OF ₹85/- PER EQUITY SHARE AGGREGATING TO ₹1,233.48 LAKHS IS HEREIN AFTER REFERRED TO AS THE "NET ISSUE". THE ISSUE AND THE NET ISSUE WILL CONSTITUTE 29.26% AND 27.75% RESPECTIVELY OF THE POST ISSUE PAID UP EQUITY SHARE CAPITAL OF OUR COMPANY.**

**THIS ISSUE IS BEING IN TERMS OF CHAPTER IX OF THE SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIERMENTS) REGULATIONS, 2018 AS AMENDED FROM TIME TO TIME.**

For further details see "Terms of the Issue" beginning on page no. 160 of this Draft Prospectus.

In terms of the SEBI Circular No. CIR/CFD/POLICYCELL/11/2015, dated November 10, 2015 and the all potential investors shall participate in the Issue only through an Application Supported by Blocked Amount ("ASBA") process providing details about the bank account which will be blocked by the Self-Certified Syndicate Banks ("SCSBs") for the same. Further pursuant to SEBI circular bearing no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, for implementation of Phased II for UPI facility, which is effective from July 01, 2019, all potential Bidders (except Anchor Investors) are required to mandatorily utilize the Application Supported by Blocked Amount ("ASBA") process providing details of their respective ASBA accounts or UPI ID (in case of RIIs), in which the corresponding Application Amounts will be blocked by the SCSBs or under the UPI Mechanism, as applicable. For details, see "Issue Procedure" on page no. 168 of this Draft Prospectus.

**THE FACE VALUE OF THE EQUITY SHARES IS ₹10/- EACH AND THE ISSUE PRICE IS ₹95/-. THE ISSUE PRICE IS 9.50 TIMES OF THE FACE VALUE.**

### RISK IN RELATION TO THE FIRST ISSUE

This being the first Public Issue of our Company, there has been no formal market for the securities of our Company. The face value of the shares is ₹10/- per Equity Shares and the Issue price is 9.50 times of the face value. The Issue Price (as determined by our Company in consultation with the Lead Manager) as stated in the chapter titled on "Basis for Issue Price" beginning on page no. 68 of this Draft 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 of our Company nor regarding the price at which the Equity Shares will be traded after listing.

### GENERAL RISKS

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in this offering. For taking an investment decision, investors must rely on their own examination of our Company and the Issue including the risks involved. The Equity Shares offered in the Issue have neither been recommended nor approved by Securities and Exchange Board of India nor does Securities and Exchange Board of India guarantee the accuracy or adequacy of this Draft Prospectus. Specific attention of the investors is invited to the section titled "Risk Factors" beginning on page no. 15 of this Draft Prospectus.

### ISSUER'S ABSOLUTE RESPONSIBILITY

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

### LISTING

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

### LEAD MANAGER TO THE ISSUE



**SWASTIKA INVESTMART LIMITED**

**SEBI Registration Number:** INM000012102

**Registered Office:** Flat No18 Floor 2 North Wing Madhaveswar Coop Hsg Society Ltd Madhav Nagar, 11/12 S V Road Andheri W Mumbai Mumbai City - 400058 (Maharashtra).

**Merchant Banking Division Address:** 48 Jaora Compound, M.Y.H Road, Indore (MP) – 452001;

**Telephone Number:** +91-22-26254568-69 / 0731-6644244;

**Email Id:** [merchantbanking@swastika.co.in](mailto:merchantbanking@swastika.co.in);

**Investors Grievance Id:** [mb.investorgrievance@swastika.co.in](mailto:mb.investorgrievance@swastika.co.in);

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

**Contact Person:** Mr. Mohit R. Goyal;

**CIN:** L65910MH1992PLC067052.

### REGISTRAR TO THE ISSUE



**BIGSHARE SERVICES PRIVATE LIMITED;**

**SEBI Registration Number:** INR000001385;

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

**Tel. Number:** +91 22 6263 8200;

**Fax Number:** +91 22 6263 8299;

**Email Id:** [ipo@bigshareonline.com](mailto:ipo@bigshareonline.com);

**Investors Grievance Id:** [investor@bigshareonline.com](mailto:investor@bigshareonline.com);

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

**Contact Person:** Mr. Vinayak Morbale.

### ISSUE SCHEDULE

**ISSUE OPENS ON: [●]**

**ISSUE CLOSES ON: [●]**

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## SECTION I – GENERAL

### DEFINITIONS AND ABBREVIATIONS

#### General Terms

Term	Description
“Jivial”, “our Company”, “we”, “us”, “our”, “the Company”, “the Issuer Company” or “the Issuer”	Jivial Industries Limited, a Public Limited Company, Registered Under The Companies Act, 2013 and having its Registered Office at Shade No. A1/5, Road C, Beside Daynamic Forge, AJI GIDC, Rajkot AJI Ind Estate, Rajkot, Gujarat, India, 360003.
“We”, “us” or “our” or “Group”	Unless the context otherwise indicates or implies, refers to our Company.
“you”, “your” or “yours”	Prospective investors in this Issue.
Our Promoters	Mr. Anand Jitendrabhai Chovatiya and Mrs. Sheetalben Anand Chovatiya
Promoters’ Group	Companies, individuals and entities (other than companies) as defined under Regulation 2(1)(pp) of the SEBI (ICDR) Regulations, 2018 which is provided in the chapter titled “Our Promoters and Promoter’s Group”.

#### Company Related Terms

Term	Description
Articles / Articles of Association / AOA	Articles of Association of our Company.
Audit Committee	The audit committee of the Board of Directors constituted in accordance with Section 177 of the Companies Act, 2013. For details refer section titled “Our Management” on page no. 112 of this Draft Prospectus.
Statutory Auditor	The Statutory Auditors of our Company, being M/s JNCY & Associates, Chartered Accountant.
Peer Review Auditor	The Peer Review Auditor of our Company, being M/s SVJK & Associates, Chartered Accountant, holding a valid peer review certificate as mentioned in the section titled “General Information” beginning on page no. 32 of this Draft Prospectus.
Bankers to the Company	Kotak Mahindra Bank.
Board of Directors / Board / BOD	The Board of Directors of Jivial Industries Limited unless otherwise specified.
Companies Act	The Companies Act, 2013, as amended from time to time.
CIN	Corporate Identification Number of our Company i.e.U28999GJ2021PLC123516.
CMD	Chairman and Managing Director.
Chief Financial Officer (CFO)	The Chief Financial officer of our Company, being Mrs. Dhara Jatin Vekariya.
Company Secretary and Company Officer (CS)	The Company Secretary of our Company, being Mrs. Ritu Garg.
Depositories Act	The Depositories Act, 1996, as amended from time to time.
DIN	Directors Identification Number.
Equity Shares	Equity Shares of our Company of Face Value of ₹10/- each unless otherwise specified in the context thereof.
Equity Shareholders	Persons/ Entities holding Equity Shares of Our Company.
ED	Executive Director.
Group Companies	Group Companies as defined under Regulation 2(1)(t) of the SEBI (ICDR) Regulations, 2018, “Group companies shall include such companies (other than our 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 as disclosed in Information with respect to “Information with respect to Group Companies” on page no. 146 of this Draft Prospectus.
Independent Director	A non-executive & Independent Director as per the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
Indian GAAP	Generally Accepted Accounting Principles in India.
ISIN	INE0V3T01017.
Key Managerial Personnel / Key Managerial Employees	The officer vested with executive power and the officers at the level immediately Below the Board of Directors as described in the section titled “Our Management” on page no. 112 of this Draft Prospectus.
Materiality Policy	The policy on identification of group companies, material creditors and material



Term	Description
	litigation, adopted by our Board on 30 <sup>th</sup> March, 2024 in accordance with the requirements of the SEBI ICDR Regulations.
MD	Managing Director.
MOA / Memorandum / Memorandum of Association	Memorandum of Association of our Company as amended from time to time.
Non Residents	A person resident outside India, as defined under FEMA.
Nomination and Remuneration Committee	The nomination and remuneration committee of our Board of Directors constituted in accordance with Section 178 of the Companies Act, 2013. For details refer section titled “ <i>Our Management</i> ” on page no. 112 of this Draft Prospectus.
Non-Executive Director	A Director not being an Executive Director or an Independent Director.
NRIs / Non Resident Indians	A person resident outside India, as defined under FEMA and who is a citizen of India or a Person of Indian Origin under Foreign Outside India Regulation, 2000.
Registered Office	The Registered office of our Company located at Shade No. A1/5, Road C, Beside Daynamic Forge, Aji Gidc, Rajkot Aji Ind Estate, Rajkot, Gujarat, India, 360003.
Restated Financial Statements	The restated financial information of our Company, which comprises the restated statement of assets and liabilities, the restated statement of profit and loss, the restated statement of cash flows for the financial year ended on March 31 <sup>st</sup> , 2024, 2023 and 2022 and the summary statement of significant accounting policies read together with the annexures and notes thereto and other restated financial information, prepared in terms of the requirements of Section 26 of the Companies Act, the SEBI (ICDR) Regulations, 2018 and the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the ICAI, as amended from time to time.
ROC / Registrar of Companies	Registrar of Companies, Ahmedabad.
Stakeholders’ Relationship Committee	The Stakeholders’ Relationship Committee of our Board of Directors constituted in accordance with Section 178 of the Companies Act, 2013. For details refer section titled “ <i>Our Management</i> ” on page no. 112 of this Draft Prospectus.
WTD	Whole-Time Director.

#### Issue Related Terms

Term	Description
Applicant	Any prospective investor who makes an application for Equity Shares in terms of this Draft Prospectus.
Abridged Prospectus	Abridged Prospectus means a memorandum containing such salient features of a Prospectus as may be specified by SEBI in this behalf.
Acknowledgement Slip	The slip or document issued by the Designated Intermediary to an Applicant as proof of registration of the Application.
Application Form	The Form in terms of which the applicant shall apply for the Equity Shares of our Company.
Application Supported by Blocked Amount / ASBA	An application, whether physical or electronic, used by applicants to make an application authorising a SCSB to block the application amount in the ASBA Account maintained with the SCSB.
ASBA Account	An account maintained with the SCSB and specified in the application form submitted by ASBA applicant for blocking the amount mentioned in the application form.
Allotment	Issue of the Equity Shares pursuant to the Issue to the successful applicants.
Allottee	The successful applicant to whom the Equity Shares are being / have been issued.
Basis of Allotment	The basis on which equity shares will be allotted to successful applicants under the Issue and which is described in the section “ <i>Issue Procedure - Basis of allotment</i> ” on page no. 168 of this Draft Prospectus.
Bankers to the Issue, Sponsor and Refund Banker	[●].
Bidding Centers	Centers at which the Designated Intermediaries shall accept the Application Forms i.e. Designated SCSB Branch for SCSBs, Specified Locations for members of the Syndicate, Broker Centers for Registered Brokers, Designated RTA Locations for RTAs and Designated CDP Locations for CDPs.
Business Day	Monday to Friday (except public holidays).





Term	Description
Broker Centers	Broker centers notified by the Stock Exchanges where investors can submit the Application Forms to a Registered Broker. The details of such Broker Centers, along with the names and contact details of the Registered Brokers are available on the websites of the Stock Exchange.
CAN or Confirmation of Allocation Note	The Note or advice or intimation sent to each successful applicant indicating the Equity which will be allotted, after approval of Basis of Allotment by the designated Stock Exchange.
Client Id	Client Identification Number maintained with one of the Depositories in relation to demat account.
Depository	A depository registered with SEBI under the SEBI (Depositories and Participants) Regulations, 2018.
Demographic Details	The demographic details of the Applicants such as their Address, PAN, name of the applicant father / husband, investor status, occupation and Bank Account details.
Designated Date	The date on which amounts blocked by the SCSBs are transferred from the ASBA Accounts, as the case may be, to the Public Issue Account or the Refund Account, as appropriate, in terms of the Draft Prospectus, after finalization of the Basis of Allotment in consultation with the Designated Stock Exchange, following which the Board of Directors may allot Equity Shares to successful Bidders in the Issue.
Designated Intermediaries	The members of the Syndicate, sub-syndicate / agents, SCSBs, Registered Brokers, CDPs and RTAs, who are categorized to collect Application Forms from the Applicant, in relation to the Issue.
Depository Participant	A Depository Participant as defined under the Depositories Act, 1996.
DP ID	Depository Participant's Identity Number.
Draft Prospectus	The Draft Prospectus dated 23 <sup>rd</sup> August, 2024 issued in accordance with Section 26 and 32 of the Companies Act filed with the Emerge Platform of National Stock Exchange of India Limited under SEBI (ICDR) Regulations.
Eligible NRI	NRIs from jurisdictions outside India where it is not unlawful to make an issue or invitation under the Issue and in relation to whom the Draft Prospectus constitutes an invitation to subscribe to the Equity Shares Allotted herein.
Emerge Platform of NSE	The Emerge Platform of NSE for listing of equity shares offered under Chapter IX of the SEBI (ICDR) Regulations, 2018 which was approved by SEBI as an SME Exchange on March 12, 2012.
Engagement Letter	The engagement letter dated 30 <sup>th</sup> July, 2024 between our Company and the LM.
Fraudulent Borrower	Fraudulent borrower as defined under Regulation 2(1)(III) of the SEBI ICDR Regulations.
Issue Opening Date	The date on which the Issue opens for subscription.
Issue Closing date	The date on which the Issue closes for subscription.
Issue Period	The periods between the Issue Opening Date and the Issue Closing Date inclusive of both days and during which prospective Applicants may submit their application.
IPO	Initial Public Offering.
Issue / Issue Size / Public Issue	The Public Issue of 13,69,200 Equity Shares of ₹10/- each at ₹95/- per Equity Share including share premium of ₹85/- per Equity Share aggregating to ₹1,300.74 Lakhs out of which 70,800 Equity Shares of face value ₹10/- each for cash at a price of ₹95/- per Equity Share including share premium of ₹85/- per Equity Share aggregating to ₹67.26 Lakhs will be reserved for the subscription by the Market Maker.
Issue Price	The price at which the Equity Shares are being issued by our Company through this Draft Prospectus, being ₹95/- (including share premium of ₹85/- per Equity Share).
LM / Lead Manager	Lead Manager to the Issue, in this case being Swastika Investmart Limited.
Listing Agreement	Unless the context specifies otherwise, this means the SME Equity Listing Regulation to be signed between our company and the Emerge Platform of National Stock Exchange of India Limited ("NSE Emerge") ("NSE").
Market Maker	The Market Maker to the Issue, in this case being Sunflower Broking Private Limited.
Net Issue	The Issue (excluding the Market Maker Reservation Portion) of 12,98,400 Equity Shares of ₹10/- each at ₹95/- per Equity Share including share premium of ₹85/- per Equity Share aggregating to ₹1,233.48 Lakhs by Jivial Industries Limited.
NPCI	NPCI, a Reserve Bank of India (RBI) initiative, is an umbrella organization for all retail payments in India. It has been set up with the guidance and support of the



Term	Description
	Reserve Bank of India (RBI) and Indian Banks Association (IBA).
Non Retail Portion including Qualified Institution Buyers (NRII)	The remaining portion of the Net Offer, after retail portion, being not more than 50% of the Net issue which shall be available for allocation to NRIs in accordance with the SEBI ICDR Regulations.
Prospectus	The Prospectus, to be filed with the ROC containing, inter alia, the Issue opening and closing dates and other information.
Public Issue Account	An Account of the Company under Section 40 of the Companies Act, 2013 where the funds shall be transferred by the SCSBs from bank accounts of the ASBA Investors.
Qualified Institutional Buyers / QIBs	The Qualified Institutional Buyers as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations.
Refund Account	Account opened / to be opened with a SEBI Registered Banker to the Issue from which the refunds of the whole or part of the Application Amount, if any, shall be made.
Registrar / Registrar to the Issue	Registrar to the Issue being Bigshare Services Private Limited.
Regulations	Unless the context specifies something else, this means the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018.
Retail Individual Investors /(RII)	Individual investors (including HUFs applying through their Karta and Eligible NRI Bidders) who applies or bids for the Equity Shares of a value of not more than ₹ 2,00,000/-.
Retail Portion	The portion of the Net Offer being not less than 50% of the Net Equity Shares which shall be available for allocation to RIIs in accordance with the SEBI ICDR Regulations.
SCSB	A Self Certified Syndicate Bank registered with SEBI under the SEBI (Bankers to an Issue) Regulations, 1994 and offers the facility of ASBA, including blocking of bank account. A list of all SCSBs is available at <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;in tmlId=35">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;in tmlId=35</a>
Sponsor Bank	The Banker to the Offer registered with SEBI and appointed by our Company to act as a conduit between the Stock Exchanges and the NPCI in order to push the mandate collect requests and / or payment instructions of the Retail Individual Bidders into the UPI and carry out other responsibilities, in terms of the UPI Circulars.
Underwriter	Underwriter to the issue being Swastika Investmart Limited.
Underwriting Agreement	The Agreement entered into between the Underwriters and our Company dated 30 <sup>th</sup> July, 2024.
UPI	Unified payment Interface, which is an instant payment mechanism, developed by NPCI.
UPI Circular	The SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, SEBI Circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, Circular number SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, Circular number SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/47 dated March 31, 2021, SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and any subsequent circulars or notifications issued by SEBI in this regard and any subsequent circulars or notifications issued by SEBI in this regard.
UPI ID	ID created on UPI for single-window mobile payment system developed by the NPCI.
UPI Mandate Request	A request (intimating the Retail Individual Bidder by way of a notification on the Mobile App and by way of a SMS directing the Retail Individual Bidder to such Mobile App) to the Retail Individual Bidder initiated by the Sponsor Bank to authorize blocking of funds on the Mobile App equivalent to Bid Amount and Subsequent debit of funds in case of Allotment.
UPI Mechanism	The bidding mechanism that may be used by a RII to make a Bid in the Offer in accordance with the UPI Circulars.
UPI PIN	Password to authenticate UPI transactions.



Term	Description
Willful Defaulter	Willful defaulter as defined under Regulation 2(1)(III) of the SEBI ICDR Regulations.
Working Days	i. Till Application / Issue closing date: All days other than a Saturday, Sunday or a public holiday; ii. Post Application / Issue closing date and till the Listing of Equity Shares: All trading days of stock exchanges excluding Sundays and bank holidays in accordance with the SEBI circular no. SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016 and the SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018.

#### Technical and Industry Related Terms

Term	Description
EMDEs	Emerging Market and Developing Economies.
DIY	Do-it-yourself.
LED	Light Emitting Diode.
S.S.	Stainless Steel.
MM	Millimeter.
GIDC	Gujarat Industrial Development Corporation.
PCS	Pieces.
Sq. Mtr.	Square Meter.

#### Conventional and General Terms / Abbreviations

Term	Description
A/c	Account.
Act or Companies Act	Companies Act, 1956 and/or the Companies Act, 2013, as amended from time to time.
AGM	Annual General Meeting.
AO	Assessing Officer.
ASBA	Application Supported by Blocked Amount.
AS	Accounting Standards issued by the Institute of Chartered Accountants of India.
AY	Assessment Year.
BG	Bank Guarantee.
CAGR	Compounded Annual Growth Rate.
CAN	Confirmation Allocation Note.
CDSL	Central Depository Services (India) Limited.
CIN	Corporate Identity Number.
CIT	Commissioner of Income Tax.
CRR	Cash Reserve Ratio.
Depositories	NSDL and CDSL.
Depositories Act	The Depositories Act, 1996 as amended from time to time.
Depository	A depository registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996, as amended from time to time.
DIN	Director's Identification Number.
DP/ Depository Participant	A Depository Participant as defined under the Depository Participant Act, 1996.
DP ID	Depository Participant's Identification.
EBIDTA	Earnings Before Interest, Depreciation, Tax and Amortization.
ECS	Electronic Clearing System.
EGM	Extra-ordinary General Meeting.
EPS	Earnings Per Share i.e. profit after tax for a fiscal year divided by the weighted average outstanding number of equity shares at the end of that fiscal year.
Financial Year / Fiscal Year / FY	The period of twelve months ended March 31 of that particular year.
FDI	Foreign Direct Investment.
FDR	Fixed Deposit Receipt.





Term	Description
FEMA	Foreign Exchange Management Act, 1999, read with rules and regulations thereunder and as amended from time to time.
FEMA Regulations	Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000, as amended.
FII	Foreign Institutional Investor (as defined under SEBI FII (Foreign Institutional Investors) Regulations, 1995, as amended from time to time) registered with SEBI under applicable laws in India.
FII Regulations	Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995, as amended.
FIs	Financial Institutions.
FIPB	Foreign Investment Promotion Board.
FVCI	Foreign Venture Capital Investor registered under the Securities and Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000, as amended from time to time.
GDP	Gross Domestic Product.
GIR Number	General Index Registry Number.
Gov/ Government/GoI	Government of India.
HUF	Hindu Undivided Family.
IFRS	International Financial Reporting Standard.
ICSI	Institute of Company Secretaries of India.
ICAI	Institute of Chartered Accountants of India.
Indian GAAP	Generally Accepted Accounting Principles in India.
I.T. Act	Income Tax Act, 1961, as amended from time to time.
ITAT	Income Tax Appellate Tribunal.
INR/ Rs./ Rupees / ₹	Indian Rupees, the legal currency of the Republic of India.
Ltd.	Limited.
Pvt. Ltd.	Private Limited.
MCA	Ministry of Corporate Affairs.
Merchant Banker	Merchant Banker as defined under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992 as amended.
MOF	Ministry of Finance, Government of India.
MOU	Memorandum of Understanding.
NA	Not Applicable.
NAV	Net Asset Value.
NEFT	National Electronic Fund Transfer.
NOC	No Objection Certificate.
NR/ Non Residents	Non Resident.
NRE Account	Non Resident External Account.
NRI	Non Resident Indian, is a person resident outside India, as defined under FEMA and the FEMA Regulations.
NRO Account	Non Resident Ordinary Account.
NSDL	National Securities Depository Limited.
NTA	Net Tangible Assets.
p.a.	Per annum.
P/E Ratio	Price/ Earnings Ratio.
PAN	Permanent Account Number allotted under the Income Tax Act, 1961, as amended from time to time.
PAT	Profit After Tax.
PBT	Profit Before Tax.
PIO	Person of Indian Origin.
PLR	Prime Lending Rate.
R & D	Research and Development.
RBI	Reserve Bank of India.
RBI Act	Reserve Bank of India Act, 1934, as amended from time to time.
RoNW	Return on Net Worth.
RTGS	Real Time Gross Settlement.



Term	Description
SAT	Security appellate Tribunal.
SCRA	Securities Contracts (Regulation) Act, 1956, as amended from time to time.
SCR	Securities Contracts (Regulation) Rules, 1957, as amended from time to time.
SCSBs	Self-Certified Syndicate Banks.
SEBI	The Securities and Exchange Board of India constituted under the SEBI Act, 1992.
SEBI Act	Securities and Exchange Board of India Act 1992, as amended from time to time.
SEBI Insider Trading Regulations	SEBI (Prohibition of Insider Trading) Regulations, 1992, as amended from time to time, including instructions and clarifications issued by SEBI from time to time.
SEBI ICDR Regulations / ICDR Regulations / SEBI ICDR / ICDR	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended from time to time.
SEBI Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended from time to time.
SEBI Rules and Regulations	SEBI (ICDR) Regulations, 2018, SEBI (Underwriters) Regulations, 1993, as amended, the SEBI (Merchant Bankers) Regulations, 1992, as amended, and any and all other relevant rules, regulations, guidelines, which SEBI may issue from time to time, including instructions and clarifications issued by it from time to time.
Sec.	Section.
Securities Act	The U.S. Securities Act of 1933, as amended.
S&P BSE SENSEX	S&P Bombay Stock Exchange Sensitive Index.
SICA	Sick Industrial Companies (Special Provisions) Act, 1985, as amended from time to time.
SME	Small and Medium Enterprises.
Stamp Act	The Indian Stamp Act, 1899, as amended from time to time.
State Government	The Government of a State of India.
Stock Exchanges	Unless the context requires otherwise, refers to the Emerge Platform of National Stock of India Limited.
STT	Securities Transaction Tax.
TDS	Tax Deducted at Source.
TIN	Tax payer Identification Number.
TRS	Transaction Registration Slip.
UIN	Unique Identification Number.
U.S. GAAP	Generally accepted accounting principles in the United States of America.
VCFs	Venture capital funds as defined in, and registered with SEBI under, the erstwhile Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996, as amended, which have been repealed by the SEBI AIF Regulations.  In terms of the SEBI AIF Regulations, a VCF shall continue to be regulated by the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996 till the existing fund or scheme managed by the fund is wound up, and such VCF shall not launch any new scheme or increase the targeted corpus of a scheme. Such VCF may seek re-registration under the SEBI AIF Regulations.

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

Notwithstanding the foregoing, terms in “Description of Equity Shares and Terms of The Articles of Association”, “Statement of Tax Benefits”, “Industry Overview”, “Key Industry Regulations”, “Restated Financial Statements”, “Outstanding Litigations and Material Developments” and “Issue Procedure”, will have the meaning ascribed to such terms in these respective sections.



## PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA

### CERTAIN CONVENTIONS

All references to India contained in this Draft Prospectus are to the Republic of India. In this Draft Prospectus, our Company has presented numerical information in lakhs units. One represents 1,00,000.

### FINANCIAL DATA

Unless stated otherwise, the financial data in the Draft Prospectus is derived from our restated audited financial statements for the financial year ended on March 31<sup>st</sup>, 2024, 2023 and 2022 prepared in accordance with Indian GAAP, the Companies Act and restated in accordance with the SEBI (ICDR) Regulations, 2018 and the Indian GAAP which are included in the Draft Prospectus, and set out in the section titled “*Restated Financial Statements*” beginning on page no. 129 of the Draft Prospectus. Our Financial Year commences on April 1 and ends on March 31 of the following year, so all references to a particular Financial Years are to the twelve-month period ended March 31 of that year. In the Draft Prospectus, discrepancies in any table, graphs or charts between the total and the sums of the amounts listed are due to rounding-off.

There are significant differences between Indian GAAP, IFRS and U.S. GAAP. Our Company has not attempted to explain those differences or quantify their impact on the financial data included herein, and the investors should consult their own advisors regarding such differences and their impact on the financial data. Accordingly, the degree to which the restated financial statements included in the Draft Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting practices. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in the Draft Prospectus should accordingly be limited.

Any percentage amounts, as set forth in the sections / chapters titled “*Risk Factors*”, “*Business Overview*” and “*Management’s Discussion and Analysis of Financial Position and Results of Operations*” beginning on page nos. 15, 85 and 132 respectively of this Draft Prospectus and elsewhere in the Draft Prospectus, unless otherwise indicated, have been calculated on the basis of our restated financial statements prepared in accordance with Indian GAAP, the Companies Act and restated in accordance with the SEBI (ICDR) Regulations, 2018 and the Indian GAAP.

### INDUSTRY AND MARKET DATA

Unless stated otherwise, industry data used throughout the Draft 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 Draft Prospectus is reliable, it has not been independently verified.

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

### CURRENCY AND UNITS OF PRESENTATION

**In the Draft Prospectus, unless the context otherwise requires, all references to:**

- ‘Rupees’ or ‘₹’ or ‘Rs.’ or ‘INR’ are to Indian rupees, the official currency of the Republic of India.
- ‘US Dollars’ or ‘US\$’ or ‘USD’ or ‘\$’ are to United States Dollars, the official currency of the United States of America, EURO or “€” are Euro currency.
- All references to the word ‘Lakh’, means ‘One hundred thousand’ and the word ‘Million’ means ‘Ten Lakh’ and the word ‘Crore’ means ‘Ten Million’ and the word ‘Billion’ means ‘One thousand Million’.



## FORWARD LOOKING STATEMENTS

All statements contained in the Draft 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 Draft Prospectus regarding matters that are not historical facts. These forward looking statements and any other projections contained in the Draft Prospectus (whether made by us or any third party) are predictions and involve known and unknown risks, uncertainties and other factors that may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by such forward looking statements or other projections.

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

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

For further discussion of factors that could cause the actual results to differ from the expectations, see the sections/chapters “*Risk Factors*”, “*Business Overview*” and “*Management’s Discussion and Analysis of Financial Position and Results of Operations*” on page nos. 15, 85 and 132 respectively of this Draft Prospectus. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual gains or losses could materially differ from those that have been estimated.

Forward looking statements reflect the current views as of the date of this Draft Prospectus and are not a guarantee of future performance. These statements are based on the management’s beliefs and assumptions, which in turn are based on currently available information. Although our Company believes the assumptions upon which these forward looking statements are based are reasonable, any of these assumptions could prove to be inaccurate, and the forward looking statements based on these assumptions could be incorrect. None of our Company, the Directors, the LM, or any of their respective affiliates have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. Our Company and the Directors will ensure that investors in India are informed of material developments until the time of the grant of listing and trading permission by the Stock Exchange.



## SECTION II – SUMMARY OF DRAFT PROSPECTUS

### PRIMARY BUSINESS OF THE COMPANY

Our Company, an ISO 9001:2015 certified company, promoted by Mr. Anand Jitendrabhai Chovatiya and Mrs. Sheetalben Anand Chovatiya located in the Rajkot district of Gujarat, India. We specialize in manufacturing of Aluminium railings and related products catering to small and medium level construction projects. Our journey began in 2018 as a proprietorship firm “Jivial Industries”.

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

The global aluminum railing market is estimated to be valued at US\$ 970.9 million in 2023 and is projected to reach US\$ 1,170 million by 2030, growing at a CAGR of 2.7% from 2023 to 2030.

The growth of the aluminum railing market is being driven by the increasing demand for aluminum railings in residential, commercial, and industrial applications. Aluminum railings are lightweight, durable, and corrosion-resistant, making them a popular choice for a variety of applications. Additionally, the rising demand for sustainable materials is also driving the growth of the aluminum railing market. The residential segment is expected to be the largest market for aluminum railings during the forecast period. This is due to the increasing demand for aluminum railings in new construction and renovation projects. The commercial segment is also expected to grow at a significant rate during the forecast period, owing to the increasing demand for aluminum railings in office buildings, hotels, and hospitals.

[Source: <https://www.coherentmarketinsights.com/market-insight/aluminum-railing-market-6139>].

### NAME OF PROMOTER

The Promoters of our Company are Mr. Anand Jitendrabhai Chovatiya and Mrs. Sheetalben Anand Chovatiya.

For detailed information on our Promoter and Promoters’ Group, please refer to Chapter titled “Our Promoters and Promoter Group” on page no. 124 of this Draft Prospectus.

### SIZE OF THE ISSUE

Our Company is proposing the public issue of 13,69,200 equity shares of face value of ₹10/- each of (“JIL” or the “Company” or the “Issuer”) for cash at a price of ₹95/- per equity share including a share premium of ₹85/- per equity share (the “Issue Price”) aggregating to ₹1,300.74 Lakhs (“The Issue”), of which 70,800 equity shares of face value of ₹10/- each for cash at a price of ₹95/- per equity share including a share premium of ₹85/- per equity share aggregating to ₹67.26 Lakhs will be reserved for subscription by market maker to the issue (the “Market Maker Reservation Portion”), the issue less the market maker reservation portion i.e. net issue of 12,98,400 equity shares of face value of ₹10/- each at a price of ₹95/- per equity share including a share premium of ₹85/- per equity share aggregating to ₹1,233.48 Lakhs is herein after referred to as the “Net Issue”. The issue and the net issue will constitute 29.26% and 27.75% respectively of the post issue paid up equity share capital of our company.

### OBJECT OF THE ISSUE

Particulars	Amount (₹ in) Lakhs
Gross Issue Proceeds	1,300.74
Less: Public Issue Related Expenses	85.00
<b>Net Issue Proceeds</b>	<b>1,215.74</b>

### UTILIZATION OF NET PROCEEDS

The Net Issue Proceeds will be utilized for following purpose:

S. No.	Particulars	Amount (₹ in) Lakhs	% of Gross Issue Proceeds	% of Net Issue Proceeds
1.	To Meet Capital Expenditure	616.00	47.36	50.67
2.	To Meet Incremental Working Capital Requirements.	400.00	30.75	32.90
3.	General Corporate Purpose.	199.74	15.36	16.43



S. No.	Particulars	Amount (₹ in Lakhs)	% of Gross Issue Proceeds	% of Net Issue Proceeds
	Net Issue Proceeds	1215.74	93.47	100.00

## SHAREHOLDING

The shareholding pattern of our Promoter and Promoters' Group before and after the Issue is as under:

S. No.	Name of shareholders	Pre issue		Post issue	
		No. of equity shares	As a % of Issued Capital*	No. of equity Shares	As a % of Issued Capital*
Promoters					
1.	Mr. Anand Jitendrabhai Chovatiya	15,84,000	47.86	15,84,000	33.85
2.	Mrs. Sheetalben Anand Chovatiya	14,24,000	43.02	14,24,000	30.43
Total – A		30,08,000	90.88	30,08,000	64.28
Promoters’ Group					
1.	Mr. Jitendra Lavji Chovatiya	60,400	1.82	60,400	1.29
2.	Mrs. Sangitaben Jitendrabhai Chovatiya	60,400	1.82	60,400	1.29
3.	Mr. Vijay Lavjibhai Chovatiya	60,400	1.82	60,400	1.29
4.	Mrs. Nitaben Vijaybhai Chovatiya	60,400	1.82	60,400	1.29
5.	Mr. Lavjibhai Hirabhai Chovatiya	60,400	1.82	60,400	1.29
Total-B		3,02,000	9.12	10	3,02,000
Total Promoters and Promoters’ Group (A+B)		33,10,000	100.00	33,10,000	70.74

\*Rounded off.

## FINANCIAL DETAILS

(Amount in ₹ Lakhs)

S. No.	Particulars	31 <sup>st</sup> March, 2024	31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2022
1.	Share Capital	331.00	1.00	1.00
2.	Net worth	575.41	153.26	36.57
3.	Revenue from operations	1,105.73	839.93	279.99
4.	Profit After Tax	242.18	116.69	35.57
5.	Earnings Per Share – Basic	10.23	7.73	2.36
6.	Earnings Per Share – Diluted	10.23	7.73	2.36
7.	NAV per Equity Shares	24.30	10.15	2.42
8.	Total Borrowings (As per Balance Sheet) (Including Current Maturity of Long Term Debt).	43.68	18.00	15.50

## AUDITORS' QUALIFICATIONS

There is no auditor qualification which have not been given effect to in the Restated Financial Statements.

## OUTSTANDING LITIGATIONS

There are no pending or any Outstanding Litigation against our Company, Group Companies nor against our Promoters or Directors of the company for more details about our outstanding litigations please refer section titled “*Outstanding Litigations and Material Developments*” beginning on page no. 139 of this Draft Prospectus.

## RISK FACTORS

Investors should read chapter titled “*Risk Factors*” beginning on page no. 15 of this Draft Prospectus to get a more informed view before making any investment decisions.

## CONTINGENT LIABILITIES





(Amount in ₹ Lakhs)

S. No.	Particulars	31 <sup>st</sup> March, 2024	31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2022
1.	Bank Guarantee/ LC Discounting for which FDR margin money has been given to the bank as Security	-	-	-
2.	Capital Commitment	-	-	-
3.	Income Tax Demand	-	-	-
4.	TDS Demands	-	-	-
	<b>Total</b>	-	-	-

For details about our Contingent Liabilities please refer section titled “Restated Financial Statements” beginning on page no. 129 of this Draft Prospectus.

## RELATED PARTY TRANSACTIONS

### A. LIST OF RELATED PARTIES AND NATURE OF RELATIONSHIP:

Name of the Related Party	Nature of Relationship
Anand Jitendrabhai Chovatiya	Key management personnel
Sheetalben Anand Chovatiya	Key management personnel
Dhara Jitendrabhai Chovatiya	Relative of key management personnel
Meera Vijaybhai Chovatiya	Relative of key management personnel
Jitendrabhai Lavjibhai Chovatiya	Relative of key management personnel
Vijaybhai Lavjibhai Chovatiya	Relative of key management personnel
Jivial Industries (Prop. Of Anand Jitendrabhai Chovatiya)	Proprietor firm of KMP

### B. TRANSACTION WITH RELATED PARTIES:

(Amount in ₹ Lakhs)

Name of the Related Party	For the period ended 31/03/2024	For the period ended 31/03/2023	For the period ended 31/03/2022
<b>Remuneration &amp; Salary</b>			
Anand Jitendrabhai Chovatiya	17.05	9.00	-
Sheetalben Anand Chovatiya	13.84	8.00	6.50
Dhara Jitendrabhai Chovatiya	2.40	2.40	2.50
Meera Vijaybhai Chovatiya	2.40	2.40	2.50
Jitendrabhai Lavjibhai Chovatiya	2.75	2.40	-
Vijaybhai Lavjibhai Chovatiya	2.75	2.40	-
<b>Purchase of Goods</b>			
Jivial Industries	5.24	0.15	7.79
<b>Loan received from Related Parties</b>			
Anand Jitendrabhai Chovatiya	22.00	5.00	17.00
Sheetalben Anand Chovatiya	16.79	-	-
Lavjibhai Hirabhai Chovatiya	5.00	-	-
<b>Loan Repaid to Related Parties</b>			
Anand Jitendrabhai Chovatiya	40.00	2.50	1.50
Sheetalben Anand Chovatiya	16.00	-	-

### C. OUTSTANDING BALANCE WITH RELATED PARTIES:

(Amount in ₹ Lakhs)

Name of the Related Party	As at 31 <sup>st</sup> March 2024	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
Anand Jitendrabhai Chovatiya	-	18.00	15.50
Sheetalben Anand Chovatiya	0.79	-	-
Lavjibhai Hirabhai Chovatiya	5.00	-	-
Jivial Industries	0.22	-	3.14



For details about our Related Party Transaction please refer section titled “*Restated Financial Statements*” beginning on page no. 129 of this Draft Prospectus.

## **FINANCING ARRANGMENTS**

There have been no financing arrangements whereby our Promoter, members of the Promoter Group or our Directors and their relatives (as defined in the Companies Act, 2013) have financed the purchase by any other person of securities of our Company (other than in the normal course of business of the financing entity) during the period of six months immediately preceding the date of this Draft Prospectus.

## **COST OF ACQUISITION AND WEIGHTED AVERAGE COST**

Weighted average price at which the Equity Shares were acquired by our Promoters in Last One Year:

S. No.	Name of Promoters	No. of Equity Shares Acquired during last one Year	Weighted Average Price* (in ₹ per equity share)
1.	Mr. Anand Jitendrabhai Chovatiya	15,80,000	6.20
2.	Mrs. Sheetalben Anand Chovatiya	14,20,000	5.77

### **Average Cost of Acquisitions of Shares for Promoters:**

S. No.	Name of Promoters	No. of Equity Shares	Average Price* (in ₹ per equity share)
1.	Mr. Anand Jitendrabhai Chovatiya	15,84,000	6.21
2.	Mrs. Sheetalben Anand Chovatiya	14,24,000	5.79

\*The average cost of acquisition of Equity Shares by our Promoters has been calculated by taking into account the amount paid by them, by way of fresh issuance or transfer, the Equity Shares less amount received by them for the sale of Equity Shares through transfer, if any and the net cost of acquisition has been divided by total number of shares held as on date of the Draft Prospectus.

\*As per the CA Certificate by SVJK and Associates, Chartered Accountant dated 02<sup>nd</sup> August, 2024.

## **PRE-IPO PLACEMENT**

Our Company has not allotted any shares under Pre-IPO Placement.

## **ISSUE OF SHARES FOR CONSIDERATION OTHER THAN CASH**

Our Company has not issued shares for consideration other than cash during last one year as otherwise specified on page no. 40 in section titled “*Capital Structure*” in this Draft Prospectus.

## **SPLIT / CONSOLIDATION**

No Split or Consolidation were happened during the last one year.

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

Our company has not applied or received any exemption from complying with any provisions of securities laws by SEBI.



### SECTION III - RISK FACTORS

An investment in equity involves a high degree of risk. Investors should carefully consider all the information in this Draft Prospectus, including the risks and uncertainties described below, before making an investment in our equity shares. Any of the following risks as well as other risks and uncertainties discussed in this Draft Prospectus could have a material adverse effect on our business, financial condition and results of operations and could cause the trading price of our Equity Shares to decline, which could result in the loss of all or part of your investment. In addition, the risks set out in this Draft Prospectus may not be exhaustive and additional risks and uncertainties, not presently known to us, or which we currently deem immaterial, may arise or become material in the future. Unless otherwise stated in the relevant risk factors set forth below, we are not in a position to specify or quantify the financial or other risks mentioned herein.

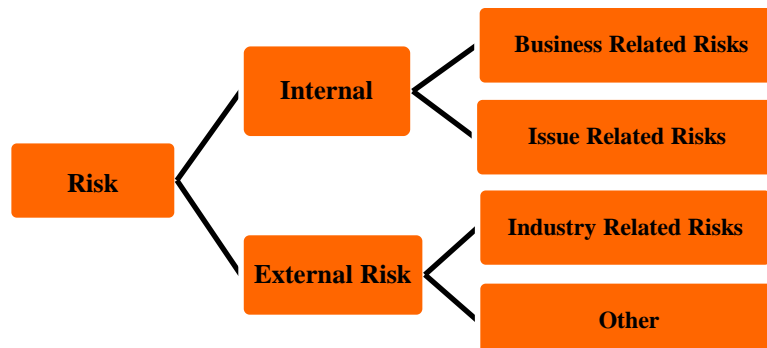
If any one or more of the following risks as well as other risks and uncertainties discuss in the Draft Prospectus were to occur, our financial condition and results of our operation could suffer material adverse effects and could cause the trading price of our equity shares and the value of investment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

The Draft 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 Draft Prospectus.

#### MATERIALITY

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

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



#### NOTE:

The risk factors are disclosed as envisaged by the management along with the proposals to address the risk if any. Unless specified or quantified in the relevant risk factors below, we are not in a position to quantify the financial implication of any of the risks described in this section.

In this Draft Prospectus, any discrepancies in any table between total and the sums of the amount listed are due to rounding off. Any percentage amounts, as set forth in “*Risk Factors*” and elsewhere in this Draft Prospectus unless otherwise indicated, has been calculated on the basis of the amount disclosed in our restated financial statements prepared in accordance with Indian GAAP.

Unless otherwise specifically provided in the respective Risk Factors given below, the amounts of impact of risks specified hereunder, on our financial conditions, are not quantifiable.

#### INTERNAL RISK FACTORS

1. *Our Company is dependent on few numbers of customers for sales. Loss of any of this large customer may affect our revenues and profitability.*



Our Top 10 customers contribute 43.22%, 35.31% and 643.86% of our total sales for the year ended on March 31<sup>st</sup>, 2024, 2023 and 2022 respectively. Our Company is engaged in the business of manufacturing of high quality array of Aluminium Railings and Stainless Steel Glass Railing Products. Our business operations are highly dependent on our customers and the loss of any of our customers may adversely affect our sales and consequently on our business and results of operations. The loss of one or more of these significant or key customers or a reduction in the amount of business we obtain from them could have an adverse effect on our business, results of operations, financial condition and cash flows. We cannot assure you that we will be able to maintain historic levels of business and/or negotiate and execute long term contracts on terms that are commercially viable with our significant customers or that we will be able to significantly reduce customer concentration in the future. Any decline in our quality standards, growing competition and any change in demand may adversely affect our ability to retain them. We cannot assure that we shall generate the same quantum of business, or any business at all, and the loss of business from one or more of them may adversely affect our revenues and results of operations. However, the composition and revenue generated from these customers might change, as we continue to add new customers in the normal course of business. Though we believe that we will not face substantial challenges in maintaining our business relationship with them or finding new customers, there can be no assurance that we will be able to maintain long term relationships with such customers or find new customers in time.

***2. Our Company is dependent on a few suppliers for purchase of product. Loss of any of these large suppliers may affect our business operations.***

Our Top 10 suppliers contribute 85.61%, 90.79% and 92.09% of our total purchases for the year ended on March 31<sup>st</sup>, 2024, 2023 and 2022 respectively. We cannot assure that we will be able to get the same quantum and quality of supplies, or any supplies at all, and the loss of supplies from one or more of them may adversely affect our purchases of stock and ultimately our revenue and results of operations. However, the composition and amount of purchase from these suppliers might change as we continue seek new suppliers for our product for better quality and price in the normal course of business. Though we believe that we will not face substantial challenges in maintaining our business relationship with them or finding new suppliers, there can be no assurance that we will be able to maintain long term relationships with such suppliers or find new suppliers in time.

***3. Our Company is dependent on few States. Loss of any of this large States may affect our business operations.***

Our domestic Sales are dependent on the Top 5 States including Gujarat, Chhattisgarh, Maharashtra, Rajasthan and Delhi. We generate almost 79.01%, 78.02% and 73.91% of the revenue of the Total Sales generated as on March 31<sup>st</sup>, 2024, 2023 and 2022 respectively from these 5 states. Our domestic sales are depending on the above states and in future if any we are not able to sale our products to these states our revenue will impact majorly.

***4. Majority of our Directors do not have any prior experience of being a director in any other listed company in India.***

Our Current Board comprises of five directors which includes 1 Managing Director, 1 Executive Directors and 3 Non-Executive Independent Directors. Majority of our board of directors do not have any prior experience of being a director in any other listed company in India. While our Board members are qualified and have relevant experience in their respective field, not having any prior experience as being a director in any other listed company in India may present some potential challenges to our Company in effectively meeting with good corporate governance norms and practices. For further details, please see chapter titled “Our Management” on page no. 112 of this Draft Prospectus.

***5. Our business is dependent on our manufacturing facility. The loss of or shutdown of operations of our manufacturing facility may have a material adverse effect on our business, financial condition and results of operations.***

Our manufacturing plant is subject to operating risks, such as the breakdown or failure of equipment, power supply or processes, performance below expected levels of output or efficiency, obsolescence, labour disputes, strikes, lock-outs, earthquakes and other natural disasters, industrial accidents and the need to comply with the directives of relevant government authorities. Although we take precautions to minimize the risk of any significant operational problems at our facility, our business, financial condition and results of operations may be adversely affected by any disruption of operations at our facility, including due to any of the factors mentioned above.

***6. Our proposed manufacturing facility is owned by one of Our Promoter, which is taken on Lease by our company.***

Our proposed manufacturing plant is owned by one of Our Promoter, which is taken on Lease by our company. There can be no assurance that the term of the agreements will be renewed on commercially acceptable terms and in the event the Lessor/Licensor terminates or does not renew the agreements, we are required to vacate our proposed manufacturing plant and we may be required to identify alternative premises and enter into fresh lease or leave and license agreement at less favorable terms and conditions. Such a situation could result in loss of business, time overruns and may adversely affect our operations and profitability.



**7. *Our Company has not entered into any agreements/contracts for the supply of raw material and other utilities. Risks related to shortfall or non-availability of raw material and other utilities may adversely affect our manufacturing processes and have an adverse impact on our operations and financial condition.***

We do not have long term arrangements with our vendors/suppliers and we operate on a purchase order basis. There are no long-term supply agreements for our raw material and other utilities. Our inability to obtain high quality raw materials in a timely and cost-effective manner would cause delays in our production and delivery schedules besides increasing cost of production, which may result in us losing some customers and hence could lead to reduction in revenues. Hence, we also face market risks for each of these products.

**8. *We will continue to be controlled by our Promoters after the completion of the Issue.***

As of the date of this Draft Prospectus, our Promoters and Promoter Group hold almost 100.00% of the issued, subscribed and paid-up equity share capital of our Company. Upon completion of the issue, our Promoters and certain members of the Promoter Group together will own 70.74% of our equity share capital, which will allow them to continue to control the outcome of matters submitted to our Board or shareholders for approval. After this Issue, our Promoters will continue to exercise significant control or exert significant influence over our business and major policy decisions, including but not limited to the following:

- Controlling the election of directors;
- Controlling the selection of senior management;
- Approving significant corporate transactions, including acquisitions and disposals of our assets or business, or change of control transactions;
- Making overall strategic and investment decisions;
- Approving our annual budgets; and
- Amending our Memorandum and Articles of Association.

The interests of our Promoters and certain members of the Promoter Group may conflict with your interests and the Interests of our other shareholders, and our Promoters and certain members of the Promoter Group could make decisions that may adversely affect our business operations and hence the value of your investment in the Equity Shares.

**9. *We have experienced significant working capital requirements in past and may continue to experience in future also. If we experience insufficient cash flows from our operations or are unable to borrow to meet our working capital requirements, it may materially and adversely affect our business, cash flows and results of operations.***

The business of our Company is working capital intensive. The successful operation of our business heavily relies on significant working capital, which is essential for various aspects, including financing project operations, inventory management, and the purchase of raw materials and may continue to so in future also. However, changes in credit terms and payment delays can adversely impact our working capital, resulting in lower cash flows and increased funding requirements. Inadequate financing of our working capital needs may arise due to several factors, such as delays in disbursements under financing arrangements, higher interest rates, increased insurance costs, or borrowing and lending restrictions. Such circumstances could have a material adverse effect on our overall business, financial condition, and prospects.

As such, we continually strive to enhance our financial management practices to effectively address working capital challenges. By closely monitoring credit terms, payment schedules, and contract agreements, we aim to mitigate risks associated with fluctuations in working capital requirements. Additionally, prudent financial planning, exploring diverse financing options, and maintaining strong relationships with financial institutions are key factors in managing our working capital efficiently. Despite our proactive measures, there can be no assurance that working capital fluctuations will not impact our business operations or financial performance. For details related to working capital requirement, please refer to chapter titled as “Object of the Issue” on page no. 60.

**10. *We have offered Equity Shares during the last one year at a price below the Issue Price.***

Our Company had issued Bonus shares of 15,00,000 equity shares on 08<sup>th</sup> September, 2023 in ratio of 150:1 and a Right Issue of 18,00,000 shares on 09<sup>th</sup> October, 2023 at price of ₹10/- in the last 12 months at price which is lower than the Issue Price. The Equity Shares allotted to shareholders pursuant to this Issue may be priced significantly higher due to various reasons including better performance by the Company, better economic conditions and passage of time. For further details, see “Capital Structure” on page no. 40 of this Draft Prospectus.

**11. *Our insurance coverage may not adequately protect us against certain operating risks and this may have an***



***adverse effect on the results of our business.***

We are insured for a risk associated with our business, through policies. We believe that we have got our assets and stock adequately insured, however our policy of covering these risks through insurance may not always be effective or adequate, there can be no assurance that any claim under the insurance policies maintained by us will be honored fully, in part or on time, to cover all material losses. To the extent that we suffer any loss or damage that is not covered by insurance or exceeds our insurance coverage, our business and results of operations could be adversely affected. For details on insurance policies taken by our Company please page no. 85 in chapter titled “*Business Overview*” of this Draft Prospectus.

***12. We are dependent on third party transportation providers for procuring raw material from our suppliers and delivery of finish products and materials to our clients. Any failure on the part of such service providers to meet their obligations could have a material adverse effect on our business, financial condition and results of operation.***

We are dependent on third party transportation for procuring raw material for manufacturing and purchase and sell of finish products and materials. As Manufacturing is our main activities, our success depends on the smooth supply and transportation of the Raw Materials from our suppliers and transportation of our finish products and materials from our suppliers to us/ or our buyers/clients, both of which are subject to various uncertainties and risks.

In addition, materials may be lost or damaged in transit for various reasons including occurrence of accidents or natural disasters. There may also be delay in delivery of materials which may also affect our business and our results of operation negatively. A failure to maintain a continuous supply of materials to us as well as to our clients in an efficient and reliable manner could have a material and adverse effect on our business, financial condition and results of operations.

***13. Failure to manage our appropriate level of inventory could have an adverse effect on our net sales, profitability, cash flow and liquidity.***

We are engaged in the business of manufacturing of high quality array of Aluminium Railings and Stainless Steel Glass Railing Products. We are required to maintain sufficient level of raw materials and finished goods for uninterrupted manufacturing process and delivery of goods to the end users.

Therefore, any delay in supply of requisite quantity/quality of our manufactured products will result in escalation or may affect our profitability and our image in the market.

***14. We could be exposed to risks arising from misconduct, fraud and trading errors by our employees and Business Associates.***

Frauds or other delinquencies by employees could include indulging in transactions that exceed authorized limits or present unacceptable risks to us, hiding unauthorized or unsuccessful activities from us or the improper use of confidential information. Such misconduct could result in unexpected business risks, losses, invite regulatory sanctions and seriously harm our reputation and could even lead to litigation. The precautions we take to prevent and detect these activities may not be effective. Although Company has not face such type of misconduct in past. Any delinquencies or trading errors on the part of our employees could materially affect our business operations, financial position and/or reputation.

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

Our manufacturing operations require a significant amount and continuous supply of electricity and any shortage or non-availability may adversely affect our operations. The production process of certain products, as well as the storage of our products at particular temperatures requires significant power. We currently source our wa/ter requirements from private water suppliers and depend on state electricity supply for our energy requirements. Any failure on our part to obtain alternate sources of electricity or water in a timely fashion and at an acceptable cost, may have an adverse effect on our business, results of operations and financial condition.

***16. Our inability to effectively manage our growth or to successfully implement our business plan and growth strategy could have an adverse effect on our business, results of operations and financial condition.***

We have experienced considerable growth over the past years. Our Company has recorded a decent growth in our revenue from operations during the period of FY 2021-2022 to FY 2023-24. We cannot assure you that our growth strategy will continue to be successful or that we will be able to continue to expand further, or at the same





rate.

Our inability to manage our expansion effectively and execute our growth strategy in a timely manner, or within budget estimates or our inability to meet the expectations of our customers and other stakeholders could have an adverse effect on our business, results of operations and financial condition.

***17. Dependence on debt and outflow of finance cost leads to outflow of cash flows and reduce overall profitability.***

Due to manufacturing activities, our business requires significant working capital. We depend on internal accrual, creditors and borrowed fund to meet our finance for working capital. We may also be required to depend on the additional borrowed capital to fund the working capital in future with increase in volume of operations and production. The additional borrowed fund may require us to dedicate a substantial portion of our cash flow from operations to payments of interests, thereby reducing the availability of our cash flow to fund capital expenditures and other general corporate expenditures. It limits our borrowing ability and places us at a competitive disadvantage relative to competitors that have less debt or greater financial resources. There can be no assurance that we will be able to generate enough cash flow from operations or that we will be able to obtain enough capital to service our debt or fund our planned capital expenditures. In addition, we may need to refinance some or all of our indebtedness.

***18. Our manufacturing activities are dependent upon availability of skilled and unskilled labour.***

We have made arrangement of labour requirements at our manufacturing facility through our on-roll employees, wherever required by our Company by arranging contract labour based on requirement. Our manufacturing activities are dependent on availability of skilled and unskilled labour. Though our business has not experienced any disruptions due to non-availability of labour or any disputes with them in past, we cannot assure you the same in future which may affect our production schedule and timely delivery of our products to customers which may adversely affect our business and result of operations. Our success is substantially dependent on our ability to recruit, train and retain skilled manpower. Any high attrition or competition for manpower may limit our ability to attract and retain the skilled manpower necessary for our future growth requirements. We cannot assure you that skilled manpower will continue to be available in sufficient numbers suitable to our requirements or that we will be able to grow our workforce in a manner consistent with our growth objectives, which may affect our business, financial condition, results of operations and prospects. For further details about business of our Company, please refer chapter titled “*Business Overview*” beginning on page no. 85 of this Draft Prospectus.

***19. Our success depends on our ability to attract and retain our key management personnel. If we are unable to do so, it would adversely affect our business and results of operations.***

Our future success substantially depends on the continued service and performance of the members of our senior management team and other key personnel in our business for management, running of our daily operations, and the planning and execution of our business strategy. There is intense competition for experienced senior management and other key personnel with technical and industry expertise in our business and if we lose the services of any of these or other key individuals and are unable to find suitable replacements in a timely manner, our ability to realize our strategic objectives could be impaired. We face specific disadvantages in our efforts to attract and retain our management. As a public sector undertaking, Government of India policies regulate and control the emoluments, benefits and perquisites that we pay to our employees, including our key managerial and technical personnel and these policies may not permit us to pay at market rates.

Additionally, we may not have in place the necessary systems and processes to develop key personnel internally. The loss of key members of our senior management or other key team members, particularly to competitors, could have an adverse effect on our business and results of operations. Our performance also depends on our ability to attract and train highly skilled personnel. If we are unable to do so, it would materially and adversely affect our business, prospects and results of operations.

***20. In addition to regular remuneration, other benefits and expense reimbursement our Promoters, Directors, KMPs and SMPs hold a vested interest in our Company; to the extent of their shareholding and associated dividend entitlements. They also have a stake in transactions involving our Company, whether with themselves individually or with our group companies/entities. Our Company in future may enter in related party transactions subject to necessary compliances.***

Our Promoters, Directors, KMPs and SMPs are interested in our Company to the extent of their shareholding and associated dividend entitlements thereon in our Company, in addition to regular remuneration or benefits and expenses reimbursement. Our Promoters, Directors, KMPs and SMPs are interested in the transactions entered into between our Company and themselves as well as between our Company and our Group Company/Entity. All transactions with related parties entered into by the Company in past were at arm’s length basis, in compliance with applicable provisions



of Companies Act, 2013 and other applicable provisions. Our Company, promoters and group companies may enter into such related party transaction in future as well which may be or may not be at Arms' Length Price and in Ordinary Course of Business. If such future transactions are not on Arms' Length Price and in Ordinary Course of Business, our financial position may get affected to that extent.

Additionally, our Company may enter in related party transactions in future subject to necessary compliances in accordance with relevant acts, rules and regulations. For details of transactions already executed by our Company with our Promoters, Directors and Group Companies/Entities during last three years and stub period, please refer to the Chapter titled "*Restated Financial Statements*" beginning on page no. 129 of this Draft Prospectus. Furthermore, it is likely that we may enter into related party transactions in the future. Any future transactions with our related parties could potentially involve conflicts of interest. Accordingly, there can be no assurance that such transactions, individually or in aggregate, will not have a material adverse effect on our business, financial condition, cash flows, results of operations and prospects.

***21. Strikes, work stoppages or increased wage demands by our employees or any other kind of disputes with our employees/workmen in future could adversely affect our business and results of operations.***

Our Company has total 25 employees as at July 31<sup>st</sup>, 2024, with an increase in our operation capacities or execution of any expansion projects in future, we expect increase in such number of employees and labours. Historically, we have enjoyed a good relationship with our employees, labours and have not experienced any lockouts, strikes, or any disruptions of any sort due to labour unrest. However, there can be no assurance that we may not experience any disruptions in our operations in future as well. In case of disputes or other problems with our work force such as strikes, work stoppages or increased wage demands, our business, financial conditions and results of operations may be materially and adversely affected.

***22. Our business requires us to obtain and renew certain registrations, licenses and permits from government and regulatory authorities and the failure to obtain and renew them in a timely manner may adversely affect our business operations.***

Our business operations require us to obtain and renew, from time to time, certain approvals, licenses, registrations and permits under central, state, and local government rules in India, generally for carrying out our business. Most of these approvals are granted for a limited duration. While we are required to obtain several approvals for legally conducting our business operations and we submit the applications for renewal of such approvals, as and when required, during the course of our business operations, we cannot assure you that we will be able to obtain approvals in respect of such applications, or any application made by us in the future. For details related to Government Approval applied but approval pending, please refer to chapter titled as "*Government and Other Approvals*" on page no. 143 of this Draft Prospectus. If we fail to obtain such registrations and licenses or renewals, in a timely manner, we may not then be able to carry on certain operations of our business, which may have an adverse effect on our business, financial condition and results of operations. The approvals required by us are subject to numerous conditions and we cannot assure you that these would not be suspended or revoked in the event of non-compliance or alleged non-compliance with any terms or conditions thereof, or pursuant to any regulatory action. Any failure by us to comply with the applicable regulations in the future, or if the regulations governing our business are amended, we may incur increased costs, be subject to penalties, have our approvals and permits revoked or suffer a disruption in our operations, any of which could adversely affect our business.

In case we fail to comply with these requirements, or a regulator alleges non-compliance with these requirements, we may be subject to penalties and proceedings may be initiated against us. The introduction of additional government control or newly implemented laws and regulations, depending on the nature and extent thereof and our ability to make corresponding adjustments may adversely affect our business, results of operations and financial conditions. These laws and regulations and the way in which they are implemented and enforced may change from time to time and there can be no assurance that future legislative or regulatory changes will not have an adverse effect on our business, financial condition, cash flows and results of operations.

Failure on our part to renew or maintain such permits, licences or approvals may result in the interruption of our operations and may have a material impact on our business. In the future, we may also be required to obtain new permits and approvals for our proposed operations. While we believe that we will be able to obtain such permits and approvals as and when required, there can be no assurance that the relevant authorities will issue any of such permits or approvals in the time-frame anticipated by us or at all. Failure by us to maintain or obtain the required permits or approvals, may result in the interruption of our operations or delay or prevent our expansion plans and may have a material and adverse effect on our business, financial condition and results of operations.

***23. Compliance with and changes in safety, health and environmental laws and various labour, workplace and related laws and regulations impose additional costs and may increase our compliance costs and a such adversely affect our results of operations and our financial condition.***



We are subject to a broad range of safety, health and environmental laws and various labour, workplace and related laws and regulations in the jurisdictions in which we operate, which impose controls on the disposal and storage of raw materials, noise emissions, on the storage, handling, employee exposure to hazardous substances and other aspects of our operations. Compliance with, and changes in these laws may increase our compliance costs and as such adversely affect our results of operations and financial condition.

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

To remain competitive and efficient, modernization and technology upgradation are crucial for reducing costs and increasing output. Our business heavily relies on technology and machinery to deliver quality products. However, there is a risk of our technology and machinery becoming obsolete over time or not being upgraded timely, which can adversely impact our operations and financial condition. While we believe that we have implemented updated technology, we understand the importance of continuous improvement. We are committed to staying abreast of the latest technological standards and trends to enhance our capabilities. In the event of a new technology emerging in our industry, we may be required to invest in adopting that technology or upgrading our existing machinery and equipment to remain competitive.

The costs associated with upgrading technology and modernizing machinery are significant, and they can have a substantial impact on our finances and operations. These investments may lead to higher capital expenditures and can temporarily affect our profitability and cash flow. We must carefully assess the potential benefits and returns on such investments to ensure they align with our long-term growth objectives.

Our ability to successfully implement technology upgrades and modernization efforts depends on various factors, including availability of skilled technicians, compatibility of new technology with existing systems, and adequate financial resources. Delays or challenges in adopting new technology can hinder our operational efficiency and competitiveness in the market.

**25. The average cost of acquisition of Equity shares by our Promoters is lower than the Issue price**

Our Promoter's average cost of acquisition of Equity shares in our Company is lower than the Issue Price of Equity shares as given below:

S. No.	Name of Promoters	No. of Equity Shares Held	Average Cost of Acquisition per equity share (in ₹)
1.	Mr. Anand Jitendrabhai Chovatiya	15,84,000	6.21
2.	Mrs. Sheetalben Anand Chovatiya	14,24,000	5.79

**26. Fraud, theft, employee negligence or similar incidents may adversely affect the results of operations and financial condition.**

Our Company faces potential risks related to incidents of theft or damage to inventory. While we have not encountered such situations in the past, we acknowledge that there is a possibility of experiencing inventory losses due to various factors such as employee theft, vendor fraud and general administrative errors. These incidents could have a negative impact on the results of operations and financial condition. Despite implementing security measures and internal controls, there is no guarantee that we will completely avoid instances of fraud, theft, employee negligence or security lapses in the future. Any such occurrence could lead to significant financial losses and affect our overall business performance.

Although we have insurance coverage against losses due to theft, fire, breakage, or damage caused by other casualties, the extent of coverage may not fully mitigate the financial impact of such incidents on our operations and financial condition. In some cases, the losses incurred may exceed the insurance coverage, resulting in additional financial strain for the Company.

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

We may retain all our future earnings, if any, for use in the operations and expansion of our business. As a result, we may not declare dividends in the foreseeable future. As such our Company has not paid any dividend in past. Any future determination as to the declaration and payment of dividends will be at the discretion of our Board of Directors and will depend on factors that our Board of Directors deem relevant, including among others, our results of operations, financial condition, cash requirements, business prospects and any other financing arrangements. Accordingly, realization of a gain on shareholders investments may largely depend upon the appreciation of the price of our Equity Shares. There can be no assurance that our Equity Shares will appreciate in value.



**28. *There is no monitoring agency appointed by our Company to monitor the utilization of the Issue proceeds.***

As per SEBI ICDR Regulations, as amended, appointment of monitoring agency is required only for Issue size above ₹ 10,000.00 Lakhs. Hence, we have not appointed any monitoring agency to monitor the utilization of Issue proceeds. However, the audit committee of our Board will monitor the utilization of Issue proceeds in terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. 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.

**29. *Any variation in the utilization of the Net Proceeds as disclosed in this Draft Prospectus shall be subject to certain compliance requirements, including prior approval of the shareholders of our Company.***

We propose to utilize the Net Proceeds towards utilization for the Capital Expansion, Working Capital Requirement and General Corporate Purposes. For further details of the proposed objects of the Issue, see Chapter titled as “*Objects of the Issue*” beginning on page no. 60 of this Draft Prospectus. However, these objects of the Issue have not been appraised by any bank, financial institution or other independent agency. Further, we cannot determine with any certainty if we would require the Net Proceeds to meet any other expenditure or fund any exigencies arising out of the competitive environment, business conditions, economic conditions or other factors beyond our control. In accordance with the Companies Act, 2013 and the SEBI ICDR Regulations, we cannot undertake any variation in the utilization of the Net Proceeds as disclosed in this Draft Prospectus without obtaining the approval of shareholders of our Company through a special resolution. In the event of any such circumstances that require us to vary the disclosed utilization of the Net Proceeds, we may not be able to obtain the approval of the shareholders of our Company in a timely manner, or at all. Any delay or inability in obtaining such approval of the shareholders of our Company may adversely affect our business or operations.

Further, our Promoters would be required to provide an exit opportunity to the shareholders of our Company who do not agree with our proposal to modify the objects of the Issue, at a price and manner as prescribed by SEBI. Additionally, the requirement to provide an exit opportunity to such dissenting shareholders of our Company may deter our Promoters from agreeing to the variation of the proposed utilization of the Net Proceeds, even if such variation is in the interest of our Company. Further, we cannot assure you that the Promoters will have adequate resources at their disposal at all times to enable them to provide an exit opportunity. In light of these factors, we may not be able to vary the objects of the Issue to use any unutilized proceeds of the Issue, if any, even if such variation is in the interest of our Company. This may restrict our Company’s ability to respond to any change in our business or financial condition, if any, which may adversely affect our business and results of operations.

**30. *Any future issuance of our Equity Shares may dilute prospective investors’ shareholding, and sales of our Equity Shares by our major shareholders may adversely affect the trading price of our Equity Shares.***

Our growth is dependent on having a strong balance sheet to support our activities. In addition to the internally generated cash flow, we may need other sources of financing to meet our capital needs which may include entering into new debt facilities with lending institutions or raising additional equity in the capital markets. We may need to raise additional capital from time to time, dependent on business conditions. The factors that would require us to raise additional capital could be business growth beyond what the current balance sheet can sustain; additional capital requirements imposed due to changes in regulatory regime or significant depletion in our existing capital base due to unusual operating losses. Any fresh issue of shares or convertible securities would dilute existing holders, and such issuance may not be done at terms and conditions, which are favourable to the then existing shareholders of our Company. If our Company decides to raise additional funds through the incurrence of debt, our interest obligations will increase, and we may be subject to additional covenants, which could further limit our ability to access cash flows from our operations. Such financing could cause our debt to equity ratio to increase or require us to create charges or liens on our assets in favour of lenders.

We cannot assure you that we will be able to secure adequate financing in the future on acceptable terms, in time, or at all. Our failure to obtain sufficient financing could result in the delay or abandonment of our expansion plans. Our business and future results of operations may be affected if we are unable to implement our expansion strategy. Any issuance of Equity Shares by our Company may dilute shareholding of investors in our Company; and hence affect the trading price of our Company’s Equity Shares and its ability to raise capital through an issue of its securities. In addition, any perception by investors that such issuances or sales might occur could also affect the trading price of our Company’s Equity Shares. Additionally, the disposal, pledge or encumbrance of Equity Shares by any of our Company’s major shareholders, or the perception that such transactions may occur may affect the trading price of the Equity Shares. No assurance may be given that our Company will not issue Equity Shares or that such shareholders will not dispose of, pledge or encumber their Equity Shares in the future.

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





***Equity Shares at or above the Issue Price.***

The Issue price of the equity shares have been based on many factor and may not be indicative of the market price of our Equity Shares after the Issue. For further information please refer the section titled “Basis for Issue Price” beginning on page no. 68 of the Draft Prospectus. The market price of our Equity Shares could be subject to significant fluctuations after the Issue, and may decline below the Issue Price. We cannot assure you that you will be able to sell your Equity Shares at or above the Issue Price.

***32. The Objects of the Issue for which funds are being raised, are based on our management estimates and the same have not been appraised by any bank or financial institution or any independent agency. The deployment of funds in the project is entirely at our discretion, based on the parameters as mentioned in the chapter titled as “Objects of the Issue”.***

The fund requirement and deployment, as mentioned in the chapter titled as “Objects of the Issue” on page no. 60 of this Draft Prospectus is based on the estimates of our management and has not been appraised by any bank or financial institution or any other independent agency. These fund requirements are based on our current business plan. We cannot assure that the current business plan will be implemented in its entirety or at all. In view of the highly competitive and dynamic nature of our business, we may have to revise our business plan from time to time and consequently these fund requirements. The deployment of the funds as stated under chapter titled “Objects of the Issue” on page no. 60 of this Draft Prospectus is at the discretion of our Board of Directors and is not subject to monitoring by any external independent agency. Further, we cannot assure that the actual costs or schedule of implementation under chapter titled “Objects of the Issue” will not vary from the estimated costs or schedule of implementation. Any such variance may be on account of one or more factors, some of which may be beyond our control and will be subject applicable rules and regulations. The occurrence of any such event may delay our business plans and/or may have an adverse bearing on our expected revenues and earnings.

***33. In the event there is any delay in the completion of the Issue, or delay in schedule of implementation, there would be a corresponding delay in the completion of the objects of this Issue which would in turn affect our revenues and results of operations.***

The funds that we receive would be utilized for the objects of the Issue as has been stated in the chapter titled “Objects of the Issue” on page no. 60 of this Draft Prospectus. The proposed schedule of implementation of the objects of the Issue is based on our management’s estimates. If the schedule of implementation is delayed for any other reason whatsoever, including any delay in the completion of the Issue, it may adversely affect our revenues and results of operations.

***34. We have not identified any alternate source of raising the funds required for the object of the Issue and the deployment of funds is entirely at our discretion and as per the details mentioned in the section titled “Objects of the Issue”.***

Our Company has not identified any alternate source of funding for our object of the Issue and hence any failure or delay on our part to mobilize the required resources or any shortfall in the Issue proceeds can adversely affect our growth plan and profitability. The delay/shortfall in receiving these proceeds could result in inadequacy of funds or may result in borrowing funds on unfavourable terms, both of which scenarios may affect the business operation and financial performance of the Company. Further the deployment of the funds raised in the issue will be entirely at the discretion of the management and any revision in the estimates may require us to reschedule our projected expenditure and may have a bearing on our expected revenues and earnings. For further details of Please refer chapter titled “Object for the Issue” beginning on page no. 60 of this Draft Prospectus.

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

With the increased scrutiny of the affairs of a public listed company by shareholders, regulators and the public at large, we will incur significant legal, accounting, corporate governance and other expenses that we did not incur in the past. We will also be subject to the provisions of the listing agreements signed with the Stock Exchange. In order to meet our financial control and disclosure obligations, significant resources and management supervision will be required. As a result, management’s attention may be diverted from other business concerns, which could have an adverse effect on our business and operations. There can be no assurance that we will be able to satisfy our reporting obligations and/or readily determine and report any changes to our results of operations in a timely manner as other listed companies. In addition, we will need to increase the strength of our management team and hire additional legal and accounting staff with appropriate public company experience and accounting knowledge, and we cannot assure that we will be able to do so in a timely manner. The failure of our Company to meet the listing requirements of stock exchange could lead to imposition of huge penalties, if any including suspension of trading, imposed by Stock Exchange.



**36. Certain data mentioned in this Draft Prospectus has not been independently verified.**

We have not independently verified data from industry publications contained herein and although we believe these sources to be reliable, we cannot assure that they are complete or reliable. Such data may also be produced on a different basis from comparable information compiled with regard to other countries. Therefore, discussions of matters relating to India and its economy are subject to the limitation that the statistical and other data upon which such discussions are based have not been verified by us and may be incomplete or unreliable.

**EXTERNAL RISK FACTORS**

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

The price of the Equity Shares on the stock exchange may fluctuate as a result of the factors, including:

- Volatility in the India and global capital market;
- Company's results of operations and financial performance;
- Performance of Company's competitors;
- Adverse media reports on Company;
- Changes in our estimates of performance or recommendations by financial analysts;
- Significant developments in India's economic and fiscal policies; and
- Significant developments in India's environmental regulations.

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

**1. An outbreak of other infectious or virulent diseases, if uncontrolled, may have an adverse effect on our business, results of operations and financial condition.**

An outbreak of other infectious or virulent diseases, such as severe acute respiratory syndrome, the COVID-19 virus, the H1N1 virus, avian influenza (bird flu), the Zika virus or the Ebola virus, if uncontrolled, may have a material adverse effect on the economies of certain countries and our operations. If any of our employees or the employees of our suppliers and/or customers are infected with such diseases or if a significant portion of our workforce refuses to work for fear of contracting an infectious disease, our Company, our suppliers and/or our customers may be required to shut down operations for a period of time, and this could adversely affect our business, results of operations and financial condition. In addition, our revenue and profitability could be impacted to the extent that a natural disaster, health epidemic or other outbreak harms the Indian and global economy in general.

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

Global economic and political factors that are beyond our control, influence forecasts and directly affect performance. These factors include interest rates, rates of economic growth, fiscal and monetary policies of governments, change in regulatory framework, inflation, deflation, foreign exchange fluctuations, consumer credit availability, consumer debt levels, unemployment trends, terrorist threats and activities, worldwide military and domestic disturbances and conflicts, and other matters that influence consumer confidence, spending and tourism.

**3. Any changes in the regulatory framework could adversely affect our operations and growth prospects.**

Our Company is subject to various regulations and policies. For details see section titled "Key Industry Regulations and Policies" beginning on page no. 99 of this Draft Prospectus. Our business and prospects could be materially adversely affected by changes in any of these regulations and policies, including the introduction of new laws, policies or regulations or changes in the interpretation or application of existing laws, policies and regulations. There can be no assurance that our Company will succeed in obtaining all requisite regulatory approvals in the future for our operations or that compliance issues will not be raised in respect of our operations, either of which could have a material adverse effect on our business, financial condition and results of operations.

**4. Civil disturbances, extremities of weather, regional conflicts and other political instability may have adverse effects on our operations and financial performance.**





Certain events that are beyond our control such as earthquake, fire, floods and similar natural calamities may cause interruption in the business undertaken by us. Our operations and financial results and the market price and liquidity of our equity shares may be affected by changes in Indian Government policy or taxation or social, ethnic, political, economic or other adverse developments in or affecting India.

***5. Our 100% of Revenue of our Company is derived from business in India and a decrease in economic growth in India could cause our business to suffer.***

At present, our 100% of the revenue is derive in India, consequently, our performance and the quality and growth of our business are dependent on the health of the economy of India. However, the Indian economy may be adversely affected by factors such as adverse changes in liberalization policies, social disturbances, terrorist attacks and other acts of violence or war, natural calamities or interest rates changes, which may also affect the microfinance industry. Any such factor may contribute to a decrease in economic growth in India which could adversely impact our business and financial performance.

***6. We are subject to risks arising from interest rate fluctuations, which could adversely impact our business, financial condition and operating results.***

Changes in interest rates could significantly affect our financial condition and results of operations. If the interest rates for our existing or future borrowings increase significantly, our cost of servicing such debt will increase. This may negatively impact our results of operations, planned capital expenditures and cash flows.

***7. The price of our Equity Shares may be volatile, or an active trading market for our Equity Shares may not develop.***

Prior to this Issue, there has been no public market for our Equity Shares. Our Company has appointed Swastika Investmart Limited as Lead Manager for the equity shares of our Company. However, the trading price of our Equity Shares may fluctuate after this Issue due to a variety of factors, including our results of operations and the performance of our business, competitive conditions, general economic, political and social factors, the performance of the Indian and global economy and significant developments in India's fiscal regime, volatility in the Indian and global securities market, performance of our competitors, the Indian Capital Markets and Finance industry, changes in the estimates of our performance or recommendations by financial analysts and announcements by us or others regarding contracts, acquisitions, strategic partnership, joint ventures, or capital commitments.

***8. There are restrictions on daily movements in the price of the 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.***

Once listed, we would be subject to circuit breakers imposed by stock exchanges in India, 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 circuit breakers is set by the stock exchanges based on the historical volatility in the price and trading volume of the Equity Shares. The stock exchanges do not inform us of the percentage limit of the circuit breaker in effect from time to time, and may change it without our knowledge. This circuit breaker limits the upward and downward movements in the price of the Equity Shares. As a result of this circuit breaker, no assurance may be given regarding your ability to sell your Equity Shares or the price at which you may be able to sell your Equity Shares at any particular time.

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

Taxes and other levies imposed by the Central or State Governments in India that impact our industry include various taxes introduced on a permanent or temporary basis from time to time. There can be no assurance that these tax rates / slab will continue in the future. Any changes in these tax rates / slabs could adversely affect our financial condition and results of operations.

***10. NSE may not grant Approval for listing of equity shares of our Company.***

Our company will apply for In-principle approval to NSE for its proposed public issue. There is a risk that the National Stock Exchange of India Limited (NSE) may not grant approval for our proposed public issue. The approval process involves rigorous scrutiny of our company's financials, compliance with regulatory requirements, and overall suitability for listing. Despite our best efforts to meet all regulatory standards and provide comprehensive disclosures, there is no guarantee that the NSE will find our application satisfactory. Non-approval by the NSE would significantly



impact our ability to access the capital markets and raise the necessary funds for our planned expansions and operations. This could adversely affect our financial condition and future growth prospects. Investors should consider this risk before making any investment decisions.

***11. You will not be able to sell immediately on Stock Exchange any of the Equity Shares you purchase in the Issue until the Issue receives appropriate trading permissions.***

The Equity Shares will be listed on the Emerge Platform of NSE. Pursuant to Indian regulations, certain actions must be completed before the Equity Shares can be listed and trading may commence. We cannot assure you that the Equity Shares will be credited to investor's demat accounts, or that trading in the Equity Shares will commence, within the time periods specified in this Draft Prospectus. Any failure or delay in obtaining the approval would restrict your ability to dispose of the Equity Shares. In accordance with section 40 of the Companies Act, 2013, in the event that the permission of listing the Equity Shares is denied by the stock exchanges, we are required to refund all monies collected to investors.

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

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

***13. The Equity Shares have never been publicly traded, and the Issue may not result in an active or liquid market for the Equity Shares. Further, the price of the Equity Shares may be volatile, and you may be unable to resell the Equity Shares at or above the Issue Price.***

Prior to the issue, there has been no public market for the Equity Shares, and an active trading market on the Indian Stock Exchanges may not develop or be sustained after the Issue. Listing and quotation do not guarantee that a market for the Equity Shares will develop, or if developed, there will be liquidity of such market for the Equity Shares. The Issue Price of the Equity Shares may bear no relationship to the market price of the Equity Shares after the Issue. The market price of the Equity Shares after the Issue can be volatile as a result of several factors beyond our control, including volatility in the Indian and global securities markets, our results of operations, the performance of our competitors, developments in the Indian and global machine tools industry, changing perceptions in the market about investments in this sector in India, investor perceptions of our future performance, adverse media reports about us or our sector, changes in the estimates of our performance or recommendations by financial analysts, significant developments in India's economic liberalisation and deregulation policies, and significant developments in India's fiscal regulations. In addition, the Stock Exchanges may experience significant price and volume fluctuations, which may have a material adverse effect on the market price of the Equity Shares. General or industry-specific market conditions or stock performance or domestic or international macroeconomic and geopolitical factors unrelated to our performance may also affect the price of the Equity Shares. In particular, the stock market as a whole in the past has experienced extreme price and volume fluctuations that have affected the market price of many companies in ways that may have been unrelated to the companies' operating performances. For these reasons, investors should not rely on recent trends to predict future share prices, results of operations or cash flow and financial condition.

***14. Government regulation of foreign ownership of Indian securities may have an adverse effect on the price of the Equity Shares.***

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

***15. 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.



***16. Terrorist attacks or war or conflicts involving India or other countries could adversely affect consumer and business sentiment and the financial markets and adversely affect our business.***

Terrorist attacks and other acts of violence or war may adversely affect global equity markets and economic growth as well as the Indian economy and stock markets. Such acts negatively impact business and economic sentiment, which could adversely affect our business and profitability. Also, India has from time to time experienced, and continues to experience, social and civil unrest and hostilities with neighboring countries. Armed conflicts could disrupt communications and adversely affect the Indian economy. Such events could also create a perception that investments in Indian companies involve a high degree of risk. This, in turn, could have a material adverse effect on the market for securities of Indian companies, including our Equity Shares. The consequences of any armed conflicts are unpredictable and we therefore may not be able to foresee events that could have an adverse effect on our business.

*[The remainder of this page has intentionally been left blank]*



## SECTION IV – INTRODUCTION

### THE ISSUE

#### Present Issue in terms of this Draft Prospectus:

Particulars	Details
Equity Shares Offered	13,69,200 Equity Shares of ₹10/- each at an Issue Price of ₹95/- each aggregating to ₹1,300.74 Lakhs.
<b>Of which:</b>	
Reserved for Market Makers	70,800 Equity Shares of ₹10/- each at an Issue Price of ₹95/- each aggregating to ₹67.26 Lakhs.
Net Issue to the Public*	12,98,400 Equity Shares of ₹10/- each at an Issue Price of ₹95/- each aggregating to ₹1,233.48 Lakhs.
<b>Of which</b>	
Retail Portion	6,49,200 Equity Shares of ₹10/- each at an Issue Price of ₹95/- each aggregating to ₹616.74 Lakhs.
Non-Retail Portion	6,49,200 Equity Shares of ₹10/- each at an Issue Price of ₹95/- each aggregating to ₹616.74 Lakhs.
<b>Pre and Post – Issue Equity Shares</b>	
Equity Shares outstanding prior to the Issue	33,10,000 Equity Shares of ₹10/- each.
Equity Shares outstanding after the Issue	46,79,200 Equity Shares of ₹10/- each.
Use of Proceeds	For details please refer chapter titled “Objects Of The Issue” beginning on page no. 60 of this Draft Prospectus for information on use of Issue Proceeds.

*\*Since present issue is a fixed price issue, the allocation in the net offer to the public category in terms of Regulation 253(2) of the SEBI (ICDR) (Amendment) Regulations, 2018 shall be made as follows:*

- a) *minimum fifty per cent. to retail individual investors; and*
- b) *remaining to:*
  - i) *individual applicants other than retail individual investors; and*
  - ii) *other investors including corporate bodies or institutions, irrespective of the number of Equity Shares applied for.*

Allocation to all categories shall be made on a proportionate basis subject to valid Applications received at or above the Issue Price. Under subscription, if any, in any of the categories, would be allowed to be met with spill-over from any of the other categories or a combination of categories at the discretion of our Company in consultation with the Lead Manager and Designated Stock Exchange. Such inter-se spill over, if any, would be affected in accordance with applicable laws, rules, regulations and guidelines. In case of joint Applications, 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.

In case of ASBA Applicants, the SCSB shall be authorized to block such funds in the bank account of the ASBA Applicant (including retail applicants applying through UPI mechanism) that are specified in the Application Form. SCSBs applying in the Issue must apply through an ASBA Account maintained with any other SCSB.

Retail Individual Bidders must ensure that the Bid Amount, does not exceed ₹2,00,000. Retail Individual Bidders should note that while filling the “SCSB/Payment Details” block in the Application Form, Retail Individual Bidders must mention the Bid Amount.

**Explanation:** If the retail individual investor category is entitled to more than fifty per cent of the net issue size on a proportionate basis, the retail individual investors shall be allocated that higher percentage.

#### NOTES

This Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time.

The Issue has been authorized by the Board of Directors vide a resolution passed at its meeting held on 06<sup>th</sup> June, 2024 and by the shareholders of our Company, pursuant to section 62(1)(c) of the Companies Act, 2013, vide a special resolution passed at the EGM held on 01<sup>st</sup> July, 2024.



## SUMMARY OF OUR FINANCIAL INFORMATION

### RESTATED STATEMENT OF ASSETS AND LIABILITIES

(Rs in Lakhs)

PARTICULARS		As at		
		31-03-2024	31-03-2023	31-03-2022
<b>A)</b>	<b>EQUITY AND LIABILITIES</b>			
<b>1</b>	<b>Shareholders' Funds</b>			
(a)	Share Capital	331.00	1.00	1.00
(b)	Reserves & Surplus	244.41	152.26	35.57
<b>2</b>	<b>Non-Current Liabilities</b>			
(a)	Long Term Borrowings	39.16	18.00	15.50
(b)	Other Long Term Liabilities	110.14	326.38	0.00
(c)	Deferred tax liabilities	-	0.03	-
<b>3</b>	<b>Current Liabilities</b>			
(a)	Short Term Borrowings	4.52	-	-
(b)	Trade Payables			
	(A)outstanding dues of micro enterprises and small enterprises: and	4.75	13.32	18.17
	(B)outstanding dues of creditors other than micro enterprises and small enterprises	-	-	-
(c)	Other Current Liabilities	17.52	5.20	2.08
(d)	Short Term Provisions	53.01	26.27	9.09
	<b>Total</b>	<b>694.37</b>	<b>216.08</b>	<b>81.41</b>
<b>B)</b>	<b>ASSETS</b>			
<b>1</b>	<b>Non-Current Assets</b>			
(a)	<b>Property, Plant and Equipment and Intangible Assets</b>			
	(i) Property, Plant and Equipments	67.83	10.00	-
	(ii) Intangible Assets	42.25		
(b)	<b>Deferred Tax Assets (Net)</b>	0.10	-	-
(c)	<b>Other Non-Current Assets</b>	87.00	-	-
<b>2</b>	<b>Current Assets</b>			
(a)	Inventories	240.68	87.37	50.85
(b)	Trade receivables	107.17	79.53	21.43
(c)	Cash and cash equivalents	82.62	15.15	6.50
(d)	Short Term Loans and Advances	55.60	24.03	2.64
(e)	Other Current Assets	11.12	-	-
	<b>Total</b>	<b>694.37</b>	<b>216.08</b>	<b>81.41</b>



# **RESTATED STATEMENT OF PROFIT AND LOSS**

(Rs in Lakhs)

PARTICULARS		For the year ended on		
		31-03-2024	31-03-2023	31-03-2022
<b>1</b>	Revenue From Operations	1,105.73	839.93	279.99
<b>2</b>	Other Income	-	-	0.29
<b>3</b>	<b>Total Income (1+2)</b>	<b>1,105.73</b>	<b>839.93</b>	<b>280.27</b>
<b>4</b>	<b>Expenditure</b>			
(a)	Cost of Material Consumed	718.20	576.19	211.52
(b)	Change in inventories of finished goods, work in progress and stock in trade	(44.57)	3.57	(15.80)
(c)	Employee Benefit Expenses	55.86	39.41	16.07
(d)	Finance Cost	1.93	-	-
(e)	Depreciation and Amortisation Expenses	11.99	0.63	-
(f)	Other Expenses	68.26	78.30	24.53
<b>5</b>	<b>Total Expenditure 4(a) to 4(g)</b>	<b>811.67</b>	<b>698.09</b>	<b>236.32</b>
<b>6</b>	<b>Profit/(Loss) Before Exceptional &amp; extraordinary items &amp; Tax (3-5)</b>	<b>294.06</b>	<b>141.84</b>	<b>43.95</b>
<b>7</b>	<b>Exceptional and Extra-ordinary items</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
	Less: Prior Period Items	0.00	0.00	0.00
<b>8</b>	<b>Profit/(Loss) Before Tax (6-7)</b>	<b>294.06</b>	<b>141.84</b>	<b>43.95</b>
<b>9</b>	<b>Tax Expense:</b>			
(a)	Tax Expense for Current Year	52.01	25.12	8.38
(b)	Deferred Tax	(0.13)	0.03	-
	<b>Net Current Tax Expenses</b>	<b>51.88</b>	<b>25.15</b>	<b>8.38</b>
<b>10</b>	<b>Profit/(Loss) for the Year (8-9)</b>	<b>242.18</b>	<b>116.69</b>	<b>35.57</b>
<b>11</b>	<b>Earning Per Share (after bonus issue)</b>			
	- Basic	10.23	7.73	2.36
	- Diluted	10.23	7.73	2.36





## RESTATED CASH FLOW STATEMENT

(Rs. in Lakhs)

PARTICULARS	For the year ended on		
	31-03-2024	31-03-2023	31-03-2022
<b>A) Cash Flow From Operating Activities :</b>			
Net Profit before tax	294.06	141.84	43.95
Adjustment for :			
Depreciation and amortization	11.99	0.63	-
Interest Paid	1.93	-	-
Interest & Other income			(0.29)
<b>Operating profit before working capital changes</b>	<b>307.98</b>	<b>142.47</b>	<b>43.67</b>
Adjustment For:			
(a) (Increase)/Decrease in Inventories	(153.32)	(36.52)	(50.85)
(b) (Increase)/Decrease in Trade Receivables	(27.64)	(58.10)	(21.43)
(c) (Increase)/Decrease in Short Term Loans & Advances	(31.57)	(21.40)	(2.64)
(d) (Increase)/Decrease in Other Assets	(11.12)	-	-
(e) (Increase)/Decrease in Long Term Loans & Advances	(87.00)	-	-
(f) Increase /(Decrease) in Trade Payables	(8.57)	(4.85)	18.17
(g) Increase /(Decrease) in Other Current Liabilities	12.28	3.12	2.08
(h) Increase /(Decrease) in Short term provisions	26.74	17.18	9.09
<b>Cash generated from operations</b>	<b>27.80</b>	<b>41.90</b>	<b>(1.91)</b>
Taxes on Income	(52.01)	(25.12)	(8.38)
<b>Net cash flow from operating activities</b>	<b>(24.21)</b>	<b>16.78</b>	<b>(10.29)</b>
<b>B) Cash Flow From Investing Activities :</b>			
Sales / (Addition) in Fixed Assets & WIP	(112.06)	(10.63)	-
Interest and other income	-	-	0.29
<b>Net Cash Flow from Investing Activities</b>	<b>(112.06)</b>	<b>(10.63)</b>	<b>0.29</b>
<b>C) Cash Flow From Financing Activities :</b>			
(a) Increase/(Decrease) in Long term Borrowings	21.16	2.50	15.50
(b) Increase/(Decrease) in Short term Borrowings	4.52	-	-
(c) Issue of Share Capital	180.00	-	1.00
(d) Interest Paid	(1.93)	-	-
<b>Net cash flow from financing activities</b>	<b>203.75</b>	<b>2.50</b>	<b>16.50</b>
<b>Net Increase/(Decrease) In Cash &amp; Cash Equivalents</b>	<b>67.48</b>	<b>8.65</b>	<b>6.50</b>
Cash equivalents at the beginning of the year	15.15	6.50	-
<b>Cash equivalents at the end of the year</b>	<b>82.62</b>	<b>15.15</b>	<b>6.50</b>
Component of Cash and Cash equivalents			
Cash on hand	21.03	1.66	3.17
Balance With banks	61.59	13.49	3.32
<b>Total</b>	<b>82.62</b>	<b>15.15</b>	<b>6.50</b>



## SECTION V - GENERAL INFORMATION

Our Company was originally incorporated as Private Limited, under the Companies Act, 2013 (“Companies Act”) in the name and style of “Jivial Industries Private Limited” on June 23<sup>rd</sup>, 2021 under the provisions of the Companies Act, 2013 vide Certificate of Incorporation issued by the Registrar of Companies, Ahmedabad, Gujarat. Later on, company was converted into public limited company, the name of the Company has changed to “Jivial Industries Limited” and for the same fresh Certificate of Incorporation dated January 01<sup>st</sup>, 2024, issued by the Registrar of Companies, Ahmedabad, Gujarat. For details of Conversion of Company, please refer to section titled “History and Certain Corporate Matters” beginning on page no. 108 of this Draft Prospectus.

### BRIEF INFORMATION ON COMPANY AND ISSUE

Particulars	Details
<b>Name of Issuer</b>	Jivial Industries Limited.
<b>Registered Office</b>	Shade No. A1/5, Road C, Beside Daynamic Forge, AJI GIDC, Rajkot Aji Ind Estate, Rajkot, Gujarat, India, 360003; <b>Phone No.:</b> +91 8469022953; <b>Website:</b> <a href="http://www.jivialrailings.com">www.jivialrailings.com</a> ; <b>E-Mail:</b> <a href="mailto:info@jivialrailings.com">info@jivialrailings.com</a> ; <b>Contact Person:</b> Mr. Anand Jitendrabhai Chovatiya.
<b>Date of Incorporation</b>	23 <sup>rd</sup> June, 2021.
<b>Date of Conversion from Private to Public Limited Company</b>	01 <sup>st</sup> January, 2024.
<b>Company Identification Number</b>	U28999GJ2021PLC123516.
<b>Company Registration Number</b>	123516.
<b>Company Category</b>	Company Limited by Shares.
<b>Registrar of Company</b>	ROC-Ahmedabad.
<b>Address of the RoC</b>	<b>Registrar of Companies, Ahmedabad;</b> <b>Address:</b> Registrar of Companies, RoC Bhavan, Opp. Rupal Park Society, behind Ankur Bus Stop, Naranpura, Ahmedabad – 380013, Gujarat, India. <b>Tel. No.:</b> 079-27438531; <b>Email:</b> <a href="mailto:roc.ahmedabad@mca.gov.in">roc.ahmedabad@mca.gov.in</a> ; <b>Website:</b> <a href="http://www.mca.gov.in">www.mca.gov.in</a> .
<b>Company Secretary and Compliance Officer</b>	Ms. Ritu Garg; <b>C/o.:</b> Jivial Industries Limited; <b>Address:</b> Shade No. A1/5, Road C, Beside Daynamic Forge, AJI GIDC, Rajkot Aji Ind Estate, Rajkot, Gujarat, India, 360003; <b>Phone No.:</b> +91 9252634090; <b>Website:</b> <a href="http://www.jivialrailings.com">www.jivialrailings.com</a> ; <b>E-Mail:</b> <a href="mailto:cs@jivialrailings.com">cs@jivialrailings.com</a> ;
<b>Designated Stock Exchange</b>	EMERGE Platform of National Stock Exchange of India Limited; <b>Address:</b> Exchange Plaza, Plot no. C/1, G Block, Bandra – Kurla Complex, Bandra (E), Mumbai – 400051.
<b>Issue Programme</b>	<b>Issue Opens On:</b> [●] <b>Issue Closes On:</b> [●]

#### Note:

Investors can contact the Company Secretary and Compliance Officer in case of any pre issue or post issue related problems such as non-receipt of letter of allotment or credit of securities in depository’s beneficiary account or dispatch of refund order etc.

All grievances relating to the ASBA process and UPI Process may be addressed to the Registrar to the Issue, with a copy to the relevant SCSB to whom the Application was submitted or Sponsor Bank, as the case may be. The Applicant should give full details such as name of the sole or first Bidder, Bid cum Application Form number, Bidder’s DP ID, Client ID, PAN, UPI ID (in case of RII’s if applicable), date of submission of the Bid cum Application Form, address of the Bidder, number of Equity Shares applied for and the name and address of the Designated Intermediary where the Bid cum Application Form was submitted by the Bidder.

Further, the Investors shall also enclose a copy of the Acknowledgment Slip received from the Designated Intermediaries/SCSB in addition to the information mentioned hereinabove.

### BOARD OF DIRECTORS OF OUR COMPANY

Presently our Board of Directors comprises of following Directors:



S. No.	Name of Directors	Designation	Address	DIN
1.	Mr. Anand Jitendrabhai Chovatiya	Chairman and Managing Director	Jaynath, Nikanth park street-3 behind nilkanth cinema kothariya road, Rajkot, Gujarat – 360002	09212897
2.	Ms. Sheetalben Anand Chovatiya	Executive Director	Jaynath, Nilkanth park street-3 behind nilkanth cinema kothariya road, Rajkot, Gujarat – 360002	09212898
3.	Mr. Harsh Maheshbhai Varsani	Independent Director	J 37/1, Nilkanth park street-3 behind nilkanth cinema kothariya road, Rajkot, Gujarat – 360002	10496880
4.	Mr. Yogeshbhai Kantilal Trivedi	Independent Director	Eeshan, Shyam Kiran Park, Near Surbhi Residency Number 1, Kothariya Main Road, Kothariya, Kothariya (Part), Rajkot (Gujarat) - 360022.	10496888
5.	Mr. Bhavik Jamanbhai Gadhiya	Independent Director	Silver Park Street Number 1, Opp. Kothariya Gam, Near Golden Recidency, Kothariya Main Road, Rajkot, Rajkot, Gujarat – 360002.	10403456

For further details pertaining to the education qualification and experience of our directors, please refer the chapter titled “Our Management” beginning on page no. 112 of this Draft Prospectus.

#### DETAILS OF KEY MARKET INTERMEDIARIES PERTAINING TO THIS ISSUE AND OUR COMPANY

LEAD MANAGER TO THE ISSUE	REGISTRAR TO THE ISSUE
<b>SWASTIKA INVESTMART LIMITED;</b> <b>SEBI Registration Number:</b> INM000012102; <b>Registered Office:</b> Flat No.18, 2 <sup>nd</sup> Floor, North Wing, Madhaveswar Co-op- Hsg Society Ltd, Madhav Nagar, 11/12, S. V. Road, Andheri W, Mumbai-400058 (Maharashtra); <b>Merchant Banking Division:</b> 48 Jaora Compound, M.Y.H Road, Indore (MP) – 452001; <b>Telephone Number:</b> +91-22-26254568-69 / 0731-6644244; <b>Email Id:</b> merchantbanking@swastika.co.in; <b>Investors Grievance Id:</b> <a href="mailto:mb.investorgrievance@swastika.co.inmailto;">mb.investorgrievance@swastika.co.inmailto;</a> <b>Website:</b> www.swastika.co.in; <b>Contact Person:</b> Mr. Mohit Goyal; <b>CIN:</b> L65910MH1992PLC067052.	<b>BIGSHARE SERVICES PRIVATE LIMITED;</b> <b>SEBI Registration Number:</b> INR000001385; <b>Address:</b> Office No. S6 - 2, 6 <sup>th</sup> Floor, Pinnacle Business Park, Next to Ahura Centre, Mahakali Caves Road, Andheri East, Mumbai - 400093, Maharashtra; <b>Tel. Number:</b> +91 22 6263 8200; <b>Fax Number:</b> +91 22 6263 8299; <b>Email Id:</b> ipo@bigshareonline.com; <b>Investors Grievance Id:</b> investor@bigshareonline.com; <b>Website:</b> <a href="http://www.bigshareonline.com">www.bigshareonline.com</a> ; <b>Contact Person:</b> Mr. Vinayak Morbale.
STATUTORY AUDITOR OF THE COMPANY	PEER REVIEW AUDITOR OF THE COMPANY*
<b>JNCY &amp; ASSOCIATE, CHARTERED ACCOUNTANT;</b> <b>Address:</b> 310, Iscon Mall, Opp. Imperial Heights, 150ft. Ring Road, Rajkot - 360005; <b>Phone:</b> +91 - 8866743700; <b>Email:</b> <a href="mailto:jncy.rajkot@gmail.com">jncy.rajkot@gmail.com</a> ; <b>Contact Person:</b> CA Yogeshkumar P. Sangani; <b>Membership No:</b> 154852; <b>F.R.N.:</b> 136545W; <b>Website:</b> www.jncy.in; <b>Peer Review No.:</b> 015744.	<b>M/s. SVJK &amp; ASSOCIATES, CHARTERED ACCOUNTANT;</b> <b>Address:</b> 908, Phoenix, Opp Commerce Six Metro Station, Near Vijay Cross Roads, Navrangpura, Ahmedabad - 380009; <b>Phone:</b> +079, 46041102; <b>Email:</b> <a href="mailto:info@svjkadvisors.com">info@svjkadvisors.com</a> ; <b>Website:</b> www.svjkadvisors.com; <b>Contact Person:</b> CA Ankit Singhal; <b>Membership No:</b> 151324; <b>F.R.N.:</b> 135182W; <b>Peer Review No:</b> 014698.
BANKERS TO THE COMPANY	LEGAL ADVISOR TO THE COMPANY
<b>KOTAK MAHINDRA BANK;</b> <b>Address:</b> Shyam Building, near nagrik bank chowk, opp. Dhareshwar temple, Rajkot – 360002;	<b>LAWCRAFT INDIA;</b> <b>Address:</b> 722, Gala Empire, Opp. TV Tower, Thaltej, Ahmedabad-380054 Gujarat



<b>Ph. No.:</b> +91 9825924386; <b>E mail ID:</b> devashish.mankad@kotak.com; <b>Website:</b> <a href="http://www.kotak.com">www.kotak.com</a> ; <b>Contact Person:</b> Mr.Devashish Mankad.	<b>Tel No.:</b> +91 - 9033907734; <b>Email:</b> <a href="mailto:himanshu@lawcraftindia.in">himanshu@lawcraftindia.in</a> ; <b>Contact Person:</b> Mr. Himanshu Gupta; <b>Website:</b> <a href="http://www.lawcraftindia.in">www.lawcraftindia.in</a>
<b>BANKERS TO THE ISSUE, REFUND BANKER AND SPONSOR BANK</b>	
[•]	

*\*M/s SVJK and Associates, Chartered Accountant, hold a valid peer review certificate upto dated 30<sup>th</sup> November, 2026 issued by The Institute of Chartered Accountants of India.*

## DESIGNATED INTERMEDIARIES

### Self-Certified Syndicate Banks

The list of Designated Branches that have been notified by SEBI to act as SCSB for the ASBA process is provided on [www.sebi.gov.in/pmd/scsb.pdf](http://www.sebi.gov.in/pmd/scsb.pdf) For more information on the Designated Branches collecting ASBA Forms, see the above mentioned SEBI link.

The list of branches of the SCSBs named by the respective SCSBs to receive deposits of the application forms from the Designated Intermediaries will be available on the website of the SEBI ([www.sebi.gov.in](http://www.sebi.gov.in)) and updated from time to time

### Self-Certified Syndicate Banks eligible as Sponsor Banks for UPI

The list of Self Certified Syndicate Banks that have been notified by SEBI to act as Investors Bank or Issuer Bank for UPI mechanism are provide on the website of SEBI on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40>. For details on Designated Branches of SCSBs collecting the Bid Cum Application Forms, please refer to the above mentioned SEBI link.

## BROKERS TO THE ISSUE

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

## REGISTRAR TO ISSUE AND SHARE TRANSFER AGENTS

The list of the Registrar to Issue and Share Transfer Agents (RTAs) eligible to accept Applications forms at the Designated RTA Locations, including details such as address, telephone number and e-mail address, are provided at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=10> as updated from time to time.

## COLLECTING DEPOSITORY PARTICIPANTS

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

## STATEMENT OF INTER-SE ALLOCATION OF RESPONSIBILITIES

Since Swastika Investmart Limited is only Lead Manager to the issue, all the responsibility of the issue will be managed by them.

## CREDIT RATING

As this is an issue of Equity Shares, there is no credit rating for this Issue.

## IPO GRADING

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



## FILING OF DRAFT PROSPECTUS/ PROSPECTUS WITH THEM BOARD AND THE REGISTRAR OF COMPANIES

A soft copy of Draft Prospectus is being filed with SEBI. However, SEBI does not issue any observation on the draft offer document in term of Regulation 246(2) of the SEBI (ICDR) Regulations, 2018. Further, a soft copy of the Prospectus along with due diligence certificate including additional confirmations shall be filed with SEBI.

Pursuant to SEBI Circular Number SEBI/HO/CFD/DIL1/CIR/P/2018/011 dated January 19, 2018, a copy of the Prospectus will be filed online through SEBI Intermediary Portal at <https://siportal.sebi.gov.in>.

A copy of the Prospectus, along with the material contracts and documents referred elsewhere in the Prospectus, will be delivered to the RoC Office situated at ROC Bhavan, Opp. Rupal Park Society, Behind Ankur Bus Stop, Naranpura, Ahmedabad-380013 Phone: 079-27438531, Fax: 09-27438371.

## CHANGES IN AUDITORS

Except as stated below, there has been no Change in the Auditors of our Company during the last three years:

Name of Auditor	Appointment/Resignation	Date of Appointment / Resignation	Reason
<b>N N KAPURIYA &amp; CO., Chartered Accountants;</b> <b>Address:</b> Office No. 818, R K Prime, Near Nana Mava Circle, 150 Feet Ring Road, Rajkot - 360005; <b>Phone:</b> +91 -9016811316; <b>Email:</b> canikulkapuriya@gmail.com; <b>Contact Person:</b> CA Nikulkumar Naranbhai Kapuriya; <b>Membership No:</b> 197509; <b>F.R.N.:</b> 153371W.	Appointment <sup>(1)</sup>	01 <sup>st</sup> July, 2021	Appointed as the Statutory Auditor of the company until the conclusion of the Next Annual General Meeting.
<b>N N KAPURIYA &amp; CO., Chartered Accountants;</b> <b>Address:</b> 818, R K Prime, Near Nana Mava Circle, 150 Feet Ring Road, Rajkot - 360005; <b>Phone:</b> +91 -9016811316; <b>Email:</b> canikulkapuriya@gmail.com; <b>Contact Person:</b> CA Nikulkumar Naranbhai Kapuriya; <b>Membership No:</b> 197509; <b>F.R.N.:</b> 153371W;	Appointment	22 <sup>nd</sup> November, 2022	Appointed as the Statutory Auditor of the company to hold office from Financial year 2022-23 to 2026-27.
<b>N N KAPURIYA &amp; CO., Chartered Accountants;</b> <b>Address:</b> 818, R K Prime, Near Nana Mava Circle, 150 Feet Ring Road, Rajkot - 360005; <b>Phone:</b> +91 -9016811316; <b>Email:</b> canikulkapuriya@gmail.com; <b>Contact Person:</b> CA Nikulkumar Naranbhai Kapuriya; <b>Membership No:</b> 197509; <b>F.R.N.:</b> 127246W;	Resignation	25 <sup>th</sup> August, 2023	Due to Pre-Occupation in other assignments.
<b>B M Vasoya &amp; Associates, Chartered Accountants;</b> <b>Address:</b> South 701, Twin Star, 150 Feet Ring Road, Nr. Nana Mava Circle, Rajkot - 360005; <b>Email:</b> bmvasoya@gmail.com; <b>Contact Person:</b> CA Bhavesh Mavjibhai Vasoya; <b>Membership No:</b> 123097;	Appointment	29 <sup>th</sup> September, 2023	Casual vacancy due to resignation of the Auditor. Appointed as the Statutory Auditor of the company w.e.f. 01 <sup>st</sup> April, 2023 till 31 <sup>st</sup> March, 2028 until the conclusion of the AGM to be in the year 2028.



Name of Auditor	Appointment/Resignation	Date of Appointment / Resignation	Reason
<b>F.R.N.: 127246W.</b>			
<b>B M Vasoya &amp; Associates, Chartered Accountants;</b> <b>Address:</b> South 701, Twin Star, 150 Feet Ring Road, Nr. Nana Mava Circle, Rajkot – 360005 <b>Email:</b> bmvasoya@gmail.com; <b>Contact Person:</b> CA Bhavesh Mavjibhai Vasoya; <b>Membership No:</b> 123097; <b>F.R.N.:</b> 127246W;	Resignation	30 <sup>th</sup> March, 2024	Due to current commitments and ongoing obligations in other professional assignments.
<b>JNCY &amp; ASSOCIATE, Chartered Accountants;</b> <b>Address:</b> 310, Iscon Mall, Opp. Imperial Heights, 150ft. Ring Road, Rajkot - 360005; <b>Phone:</b> +91, 8866743700; <b>Email:</b> <a href="mailto:jncy.rajkot@gmail.com">jncy.rajkot@gmail.com</a> ; <b>Contact Person:</b> CA Yogeshkumar P. Sangani; <b>Membership No:</b> 154852; <b>F.R.N.:</b> 136545W; <b>Website:</b> <a href="http://www.jncy.in">www.jncy.in</a> ; <b>Peer Review No.:</b> 015744.	Appointment	15 <sup>th</sup> April, 2024	Casual vacancy due to resignation of the Auditor. Appointed up to the ensuing Annual General Meeting.

**Note:**

(1) No form filed for the appointment of the first auditor of the company.

## TRUSTEES

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

## APPRAISAL AND MONITORING AGENCY

As per SEBI (ICDR) Regulations, 2018, appointment of monitoring agency is required only if Issue size exceeds ₹ 10,000 Lakh. Hence, our Company is not required to appoint a monitoring agency in relation to the issue.

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

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

## UNDERWRITING AGREEMENT

This Issue is 100% Underwritten. The Underwriting agreement has been entered on 30<sup>th</sup> July, 2024. Pursuant to the terms of the Underwriting Agreement, the obligations of the Underwriters are several and are subject to certain conditions specified therein. The Underwriters have indicated their intention to underwrite the following number of specified securities being offered through this Issue:

Details of the Underwriter	No. of shares underwritten	Amount Underwritten (₹ in Lakh)	% of the total Issue Size Underwritten
<b>SWASTIKA INVESTMART LIMITED</b> <b>SEBI Registration Number:</b> INM000012102;			





<b>Registered Office:</b> Flat No.18, 2nd Floor, North Wing, Madhaveswar Co-op- Hsg Society Ltd, Madhav Nagar,11/12, S. V. Road, Andheri W, Mumbai– 400058 (Maharashtra); <b>Merchant Banking Division:</b> 48 Jaora Compound, M.Y.H Road, Indore (MP) – 452001. <b>Telephone Number:</b> +91-22-26254568-69 / 0731-6644244; <b>Email Id:</b> merchantbanking@swastika.co.in; <b>Investors Grievance Id:</b> mb.investorgrievance@swastika.co.in; <b>Website:</b> www.swastika.co.in; <b>Contact Person:</b> Mr. Mohit R. Goyal; <b>CIN: L65910MH1992PLC067052.</b>	13,69,200	1,300.74	100.00
<b>Total</b>	<b>13,69,200</b>	<b>1,300.74</b>	<b>100.00</b>

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

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

Our Company and the Lead Manager have entered into an agreement dated 30<sup>th</sup> July, 2024 with the following Market Maker to fulfil the obligations of Market Making:

**SUNFLOWER BROKING PRIVATE LIMITED;**

**CIN:** U65923GJ1988TC011203;

**NSE Clearing No.:** 13586;

**SEBI Registration Number:** INZ000195131;

**Registered Office:** 5<sup>th</sup> Floor, Sunflower House, Near Bhaktinagar Circle, Bhaktinagar, Rajkot-360002.

**Telephone Number:** +919825222227;

**Email Id:** compliance@sunflowerbroking.com [mailto;](mailto:compliance@sunflowerbroking.com)

**Investors Grievance Id:** [compliance@sunflowerbroking.com](mailto:compliance@sunflowerbroking.com);

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

**Contact Person:** Mr. Bhavik Prafulchandra Vora.

The Market Maker shall fulfill the applicable obligations and conditions as specified in the SEBI (ICDR) Regulations, 2018 and the circulars issued by the NSE and SEBI in this regard from time to time.

**Following is a summary of the key details pertaining to the proposed Market Making arrangement:**

1. The Market Maker(s) (individually or jointly) shall be required to provide a 2-way quote for 75% of the time in a day. The same shall be monitored by the stock exchange. Further, the Market Maker(s) shall inform the exchange in advance for each and every black out period when the quotes are not being offered by the Market Maker(s).
2. The prices quoted by Market Maker shall be in compliance with the Market Maker Spread Requirements and other particulars as specified or as per the requirements of Emerge Platform of National Stock Exchange of India Limited (NSE Emerge) and SEBI from time to time.
3. The minimum depth of the quote shall be ₹ 1,00,000. However, the investors with holdings of value less than ₹ 1,00,000 shall be allowed to offer their holding to the Market Maker(s) (individually or jointly) in that scrip provided that he/she sells his/her 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. After a period of three (3) months from the market making period, the market maker would be exempted to provide quote if the Shares of market maker in our Company reaches to 25% of Issue Size (Including the 5% of Equity Shares of Issue Size ought to be allotted under this Issue). Any Equity Shares allotted to Market Maker under this Issue over and above 5% Equity Shares of Issue Size would not be taken in to consideration of computing the threshold of 25% of Issue Size. As soon as the Shares of market maker in our Company reduce to 24% of



Issue Size, the market maker will resume providing 2-way quotes.

6. There shall be no exemption/threshold on downside. However, in the event the Market Maker exhausts his inventory through market making process, BSE may intimate the same to SEBI after due verification.
7. 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.
8. On the first day of the listing, there will be pre-opening session (call auction) and there after the trading will happen as per the equity market hours. The circuits will apply from the first day of the listing on the discovered price during the pre-open call auction. In case equilibrium price is not discovered the price band in the normal trading session shall be based on issue price.
9. The Market Maker may also be present in the opening call auction, but there is no obligation on him to do so.
10. There will be special circumstances under which the Market Maker may be allowed to withdraw temporarily/fully from the market – for instance due to system problems, any other problems. All controllable reasons require prior approval from the Exchange, while force-majeure will be applicable for non-controllable reasons. The decision of the Exchange for deciding controllable and non-controllable reasons would be final.
11. The Market Maker(s) shall have the right to terminate said arrangement by giving a three months' 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 Market Making agreement prior to the completion of the compulsory Market Making period, it shall be the responsibility of the Lead Manager 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 Lead Manager reserve the right to appoint other Market Makers either as a replacement of the current Market Maker or as an additional Market Maker subject to the total number of Designated Market Makers does not exceed five or as specified by the relevant laws and regulations applicable at that particular point of time. The Market Making Agreement is available for inspection at our registered office from 11.00 a.m. to 5.00 p.m. on working days.

12. **Risk containment measures and monitoring for Market Makers:** NSE Emerge of NSE will have all margins which are applicable on the 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.
13. **Punitive Action in case of default by Market Makers:** 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 Maker, in case he is not able to provide the desired liquidity in a particular security as per the specified guidelines. These penalties / fines will be set by the Exchange from time to time. The Exchange will impose a penalty on the Market Maker in case he is not present in the market (offering two-way quotes) for at least 75% of the time. The nature of the penalty will be monetary as well as suspension in market making activities / trading membership.
14. The Department of Surveillance and Supervision of the Exchange would decide and publish the penalties / fines / suspension for any type of misconduct/ manipulation/ other irregularities by the Market Maker from time to time.
15. **Price Band and Spreads:** SEBI Circular bearing reference no: CIR/MRD/DP/02/2012 dated January 20, 2012, has laid down that for issue size up to ₹ 250 crores, the applicable price bands for the first day shall be:
  - i. In case equilibrium price is discovered in the Call Auction, the price band in the normal trading session shall be 5% of the equilibrium price.
  - ii. In case equilibrium price is not discovered in the Call Auction, the price band in the normal trading session shall be 5% of the issue price.
16. Additionally, the trading shall take place in TFT segment for first 10 days from commencement of trading. The price band shall be 20% and the market maker spread (difference between the sell and the buy quote) shall be within 10% or as intimated by Exchange from time to time.
17. Pursuant to SEBI Circular number CIR/MRD/DSA/31/2012 dated November 27<sup>th</sup>, 2012, limits on the upper



side for market makers during market making process has been made applicable, based on the issue size and as follows:

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

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



## SECTION VI – CAPITAL STRUCTURE

The Equity Share Capital of our Company, before the issue and after giving effect to the issue, as on the date of filing of the Draft Prospectus, is set forth below:

(₹in Lakh except per share amount)

S. No.	Particulars	Aggregate Nominal Value	Aggregate value at issue price
1.	<b>AUTHORIZED SHARE CAPITAL</b> 52,00,000 Equity Shares of face value of ₹10/- each	520.00	-
2.	<b>ISSUED, SUBSCRIBED AND PAID - UP EQUITY SHARE CAPITAL BEFORE THE ISSUE</b> 33,10,000 Equity Shares of face value of ₹ 10/- each	331.00	-
3.	<b>PRESENT ISSUE IN TERMS OF THE PROSPECTUS</b>		
	Issue of 13,69,200 Equity Shares of ₹10/- each at a price of ₹95/- per Equity Share.	136.92	1,300.74
	<b>Which comprises</b>		
	70,800 Equity Shares of ₹10/- each at an Issue Price of ₹95/- per Equity Share reserved as Market Maker Portion.	7.08	67.26
	Net Issue to Public of 12,98,400 Equity Shares of ₹10/- each at an Issue Price of ₹95/- per Equity Share to the Public.	129.84	1,233.48
	<b>Net Issue* to Public consists of</b>		
	6,49,200 Equity Shares of ₹10/- each at an Issue Price of ₹95/- per Equity Share will be available for allocation for Investors investing amount up to ₹ 2.00 Lakh.	64.92	616.74
	6,49,200 Equity Shares of ₹10/- each at an Issue Price of ₹95/- per Equity Share will be available for allocation for Investors investing amount above ₹2.00 Lakh (Non Retail Portion).	64.92	616.74
4.	<b>PAID UP EQUITY CAPITAL AFTER THE ISSUE</b> 46,79,200 Equity Shares of ₹ 10/- each	467.92	-
5.	<b>SECURITIES PREMIUM ACCOUNT</b>	Before the Issue	-
		After the Issue	1,163.82

\*For detailed information on the Net Issue and its allocation various categories, please refer chapter titled “The Issue” on page no. 28 of this Draft Prospectus. The Issue has been authorized by the Board of Directors vide a resolution passed at its meeting held on 06<sup>th</sup> June, 2024 and by the members of our Company vide a special resolution passed at the EGM held on 01<sup>st</sup> July, 2024.

### CLASS OF SHARES

The company has only one class of shares i.e. Equity shares of ₹10/- each only and all Equity Shares are ranked pari-passu in all respect. All Equity Shares issued are fully paid-up as on date of the Draft Prospectus.

Our Company has not issued any partly paid-up equity shares since its incorporation nor does it have any partly paid-up equity shares as on the date of the Draft Prospectus.

Our Company does not have any outstanding convertible instruments as on the date of the Draft Prospectus.

### NOTES TO THE CAPITAL STRUCTURE

#### 1. Changes in the Authorized Share Capital of our Company:

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



S. No.	Particulars of Increase	Cumulative no. of Equity Shares	Cumulative Authorized Share Capital (₹ in Lakh)	Date of Meeting	Whether AGM/EGM
1.	On incorporation	10,000	1.00	Subscription to Memorandum of Association	N.A.
2.	Increased in authorized capital from ₹1.00 Lakh to ₹520.00 Lakh	52,00,000	520.00	01 <sup>st</sup> September, 2023	EGM

## 2. History of Paid-up Share Capital:

Our existing Paid-up Share Capital has been subscribed and allotted in the manner set forth below:

Date of allotment	Nature of allotment	Number of equity shares Allotted	Face value (In ₹)	Issue price (In ₹)	Nature of consideration (Cash, other than Cash, Bonus)	Cumulative Number of Equity Shares	Cumulative Paid up share Capital (₹ in Lakh)	Cumulative Share Premium (In ₹ Lakhs)
June 23 <sup>rd</sup> , 2021 (On Incorporation)	Subscription to Memorandum of Association <sup>(1)</sup>	10,000	10	10	Cash	10,000	1.00	-
08 <sup>th</sup> September, 2023	Bonus Issue <sup>(2)</sup>	15,00,000	10	10	Bonus	15,10,000	151.00	-
09 <sup>th</sup> October, 2023	Right Issue <sup>(3)</sup>	18,00,000	10	10	Cash	33,10,000	331.00	-

<sup>(1)</sup>The details of allotment of 10,000 Fully Paid-up Equity Shares made to the subscribers to the Memorandum of Associations, at par, are as follows:

S. No.	Name of Allottee	No. of Equity Shares Allotted*	Face Value Per Share (In ₹)	Issue Price Per Share (In ₹)
1.	Mr. Anand Jitendrabhai Chovatiya	5,000	10	10
2.	Mrs. Sheetalben Anand Chovatiya	5,000	10	10
<b>Total</b>		<b>10,000</b>	<b>-</b>	<b>-</b>

<sup>(2)</sup>The details of allotment of 15,00,000 Equity Shares made on 08<sup>th</sup> September, 2023 under Bonus Issue are as follows:

S. No.	Name of Allottee	No. of Equity Shares Allotted*	Face Value Per Share (In ₹)	Issue Price Per Share (In ₹)
1.	Mr. Anand Jitendrabhai Chovatiya	6,00,000	10	-
2.	Mrs. Sheetalben Anand Chovatiya	6,00,000	10	-
3.	Mr. Jitendra Lavji Chovatiya	60,000	10	-
4.	Mrs. Sangitaben Jitendrabhai Chovatiya	60,000	10	-
5.	Mr. Vijay Lavjibhai Chovatiya	60,000	10	-
6.	Mrs. Nitaben Vijaybhai Chovatiya	60,000	10	-
7.	Mr. Lavjibhai Hirabhai Chovatiya	60,000	10	-
<b>Total</b>		<b>15,00,000</b>	<b>-</b>	<b>-</b>

<sup>(3)</sup>The details of allotment of 18,00,000 Equity Shares made on 09<sup>th</sup> October, 2023 under Right Issue are as follows:

S. No.	Name of Allottee	No. of Equity Shares Allotted*	Face Value Per Share (In ₹)	Issue Price Per Share (In ₹)
1.	Mr. Anand Jitendrabhai Chovatiya	9,80,000	10	10
2.	Mrs. Sheetalben Anand Chovatiya	8,20,000	10	10
<b>Total</b>		<b>18,00,000</b>		



**3. Except as disclosed below, we have not issue any Equity Shares for consideration other than Cash.**

- i. The details of allotment of 15,00,000 Equity Shares made on 08<sup>th</sup> September, 2023 under Bonus Issue are as follows:

S. No.	Name of Allottee	No. of Equity Shares Allotted*	Face Value Per Share (In ₹)	Issue Price Per Share (In ₹)
1.	Mr. Anand Jitendrabhai Chovatiya	6,00,000	10	-
2.	Mrs. Sheetalben Anand Chovatiya	6,00,000	10	-
3.	Mr. Jitendra Lavji Chovatiya	60,000	10	-
4.	Mrs. Sangitaben Jitendrabhai Chovatiya	60,000	10	-
5.	Mr. Vijay Lavjibhai Chovatiya	60,000	10	-
6.	Mrs. Nitaben Vijaybhai Chovatiya	60,000	10	-
7.	Mr. Lavjibhai Hirabhai Chovatiya	60,000	10	-
<b>Total</b>		<b>15,00,000</b>	-	-

4. Our Company has not allotted any Equity Shares pursuant to any scheme approved under Sections 230 to 234 of the Companies Act, 2013.
5. Our Company has not revalued its assets since inception and has not issued any Equity Shares (including bonus shares) by capitalizing any revaluation reserves.
6. Except as disclosed below our company has not made allotment at price lower than the Issue Price during past one year from the date of the Draft Prospectus:

- i. The details of allotment of 15,00,000 Equity Shares made on 08<sup>th</sup> September, 2023 under Bonus Issue are as follows:

S. No.	Name of Allottee	No. of Equity Shares Allotted*	Face Value Per Share (In ₹)	Issue Price Per Share (In ₹)
1.	Mr. Anand Jitendrabhai Chovatiya	6,00,000	10	-
2.	Mrs. Sheetalben Anand Chovatiya	6,00,000	10	-
3.	Mr. Jitendra Lavji Chovatiya	60,000	10	-
4.	Mrs. Sangitaben Jitendrabhai Chovatiya	60,000	10	-
5.	Mr. Vijay Lavjibhai Chovatiya	60,000	10	-
6.	Mrs. Nitaben Vijaybhai Chovatiya	60,000	10	-
7.	Mr. Lavjibhai Hirabhai Chovatiya	60,000	10	-
<b>Total</b>		<b>15,00,000</b>	-	-

- ii. The details of allotment of 18,00,000 Equity Shares made on 09<sup>th</sup> October, 2023 under Right Issue are as follows:

S. No.	Name of Allottee	No. of Equity Shares Allotted*	Face Value Per Share (In ₹)	Issue Price Per Share (In ₹)
1.	Mr. Anand Jitendrabhai Chovatiya	9,80,000	10	10
2.	Mrs. Sheetalben Anand Chovatiya	8,20,000	10	10
<b>Total</b>		<b>18,00,000</b>		

7. 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.

**8. Our shareholding pattern:**

The shareholding pattern of our Company before the issue as per Regulation 31 of the SEBI (LODR) Regulations, 2015 is given here below:





Declaration:

S. No.	Particular	Yes/No	Promoter and Promoter Group	Public shareholder	Non Promoter-Non Public
1.	Whether the Company has issued any partly paid up shares?	No	No	No	No
2.	Whether the Company has issued any Convertible Securities?	No	No	No	No
3.	Whether the Company has issued any Warrants?	No	No	No	No
4	Whether the Company has any shares against which depository receipts are issued?	No	No	No	No
5.	Whether the Company has any shares in locked-in?*	No	No	No	No
6.	Whether any shares held by promoters are pledge or otherwise encumbered?	No	No	No	No
7.	Whether company has equity shares with differential voting rights?	No	No	No	No

\*All Pre-IPO Equity Shares of our Company will be locked-in prior to listing of shares on the Emerge Platform of NSE.



(A). Table I - Summary Statement holding of specified securities

S. No (I)	Category of shareholder (II)	No. Of shareholder (III)	No. of fully paid up equity shares held (IV)	No. of Partly paid-up equity shares held (V)	No. Of shares underlying Depository Receipts (VI)	Total nos. shares held (VII)=(IV)+(V) + (VI)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+ C2)	Number of Voting Rights held in each class of securities (IX)				No of shares Underlying Outstanding convertible securities (Including Warrants)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)=(VII) +(X) as a % of (A+B+ C2)	Number of Locked in shares (XII)*		Number of shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form
								Class eg.: X	Class eg.: y	Total	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)	
(A)	Promoter & Promoter Group	7	33,10,000	0	0	33,10,000	100.00	33,10,000	0	33,10,000	100.00	0	33,10,000	0	0	0	0	33,10,000
(B)	Public	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(C)	Non Promoter-Non Public																	
(C1)	Shares underlying DRs	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(C2)	Shares held by Employee Trusts	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	<b>Total</b>	<b>7</b>	<b>33,10,000</b>	<b>0</b>	<b>0</b>	<b>33,10,000</b>	<b>100.00</b>	<b>33,10,000</b>	<b>0</b>	<b>33,10,000</b>	<b>100.00</b>	<b>0</b>	<b>33,10,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>33,10,000</b>
<b>Note:</b>																		
* All Pre-IPO Equity Shares of our Company will be locked-in as mentioned above prior to listing of shares on Emerge Platform of NSE.																		

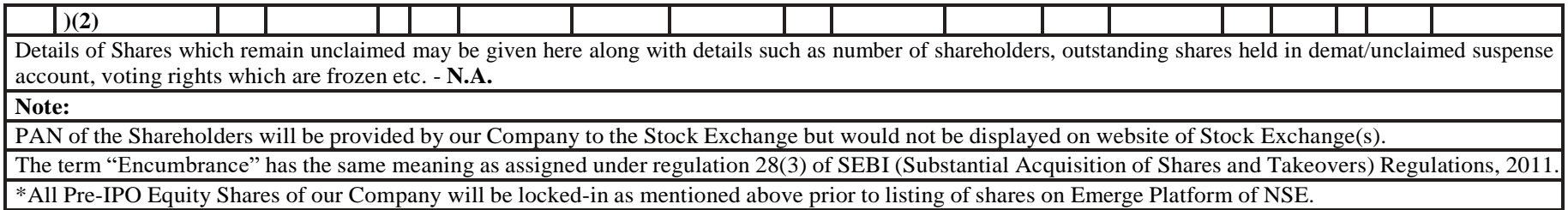


(B). Table II - Statement showing shareholding pattern of the Promoters and Promoters' Group

S. No (I)	Category of shareholder (II)	No. Of Shareholders (III)	No. of fully paid upequity shares held (IV)	No. Of Partly paid –up equity shares held (V)	No. Of shares underlying Depository Receipts (VI)	Total nos. shares held (VII)=(IV)+(V) + (VI)	Shareholding as a % of total no. of shares (calculated asper SCRR,1957) (VIII) As a % of (A+B+ C2)	Number of Voting Rights held in each class of securities (IX)				No of shares Underlying Outstanding convertible securities (Including Warrants)	Shareholding, as a % assuming full conversion of convertible securities(as a percentage of diluted share capital) (XI)=(VII) +(X) as a % of (A+B+C2)	Number of Locked in shares (XII)*		Number of shares pledged or otherwise encumbered (XIII)		Number ofequity shares held in dematerialized form
								Classeg: X						No. (a)	As a % oftotal shares held (b)	No.(a)	As a % oftotal share s held (b)	
(1)	Indian																	
(a)	Individuals/Hindu undivided Family	7	3310000	0	0	3310000	100.00	3310000	0	3310000	100.00	0	3310000	0	0	0	0	3310000
1.	Mr. Anand Jitendrabhai Chovatiya	-	1584000	0	0	1584000	47.86	1584000	0	1584000	47.86	0	1584000	0	0	0	0	1584000
2.	Mrs. Sheetalben Anand Chovatiya	-	1424000	0	0	1424000	43.02	1424000	0	1424000	43.02	0	1424000	0	0	0	0	1424000
3.	Mr. Jitendra Lavji Chovatiya	-	60400	0	0	60400	1.82	60400	0	60400	1.82	0	60400	0	0	0	0	60400
4.	Mrs. Sangitaben Jitendrabhai Chovatiya	-	60400	0	0	60400	1.82	60400	0	60400	1.82	0	60400	0	0	0	0	60400
5.	Mr. Vijay Lavjibhai	-	60400	0	0	60400	1.82	60,400	0	60400	1.82	0	60400	0	0	0	0	60400



	Chovatiya																	
6.	Mrs. Nitaben Vijaybhai Chovatiya	-	60400	0	0	60400	1.82	60400	0	60400	1.82	0	60400	0	0	0	0	60400
7.	Mr. Lavjibhai Hirabhai Chovatiya	-	60400	0	0	60400	1.82	60400	0	60400	1.82	0	60400	0	0	0	0	60400
(b)	Central Government/ State Government(s)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(c.)	Financial Institutions/ Banks	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(d.)	Any Other (specify)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	<b>Sub-Total (A)(1)</b>	<b>7</b>	<b>3310000</b>	<b>0</b>	<b>0</b>	<b>3310000</b>	<b>100.00</b>	<b>3310000</b>	<b>0</b>	<b>3310000</b>	<b>100.00</b>	<b>0</b>	<b>3310000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>3310000</b>
(2)	Foreign	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Individuals (Non Resident Individuals/ Foreign Individuals)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Government	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Institutions	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Foreign Portfolio Investor	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Any Other (specify)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	<b>Sub-Total (A)(2)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
	<b>Total Shareholding of Promoters and Promoters' Group (A)=(A)(1)+(A</b>	<b>7</b>	<b>3310000</b>	<b>0</b>	<b>0</b>	<b>3310000</b>	<b>100.00</b>	<b>3310000</b>	<b>0</b>	<b>3310000</b>	<b>100.00</b>	<b>0</b>	<b>3310000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>3310000</b>





(C). Table III - Statement showing shareholding pattern of the public shareholder

S. No (I)	Category of shareholder (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 shares underlying Depository Receipts (VI)	Total nos. shares held (VII)=(IV)+(V) + (VI)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)				No of shares Underlying Outstanding convertible securities (Including Warrants) (X)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)=(VII) +(X) as a % of (A+B+C2)	Number of Locked in shares (XII)*		Number of shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form
								Class eg: X	Class eg.: y	Total	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)	
(1)	<b>Institutions</b>																	
(a)	Mutual Fund	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(b)	Venture Capital Funds	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(c)	Alternate Investment Funds	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(d)	Foreign Venture Capital Investors	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(e)	Foreign Portfolio Investors	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(f)	Financial Institutions/ Banks	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(g)	Insurance Companies	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0





(h)	Provident Funds/ Pension Funds	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(i)	Any Other (specify)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	<b>Sub-Total (B)(1)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
(2)	Central Government/ State Government(s)/ President of India	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	<b>Sub-Total (B)(2)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
(3)	<b>Non-institutions</b>																	
(a (i))	Individuals - i. Individual shareholders holding nominal share capital up to ₹ 2 lakhs.	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(a (ii))	Individuals - ii. Individual shareholders holding nominal share capital in excess of 2 lakhs.	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(b)	NBFCs registered with RBI	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(c)	Employee Trusts	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(d)	Overseas Depositories	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0



	(holding DRs) (balancing figure)																	
(e)	Any Other (specify)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	<b>Sub-Total (B)(3)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
	<b>Total Public Shareholding (B)=(B)(1)+(B) (2)+(B)(3)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Details of the shareholders acting as persons in Concert including their Shareholding (No. and %): - N.A																		
Details of Shares which remain unclaimed may be given here along with details such as number of shareholders, outstanding shares held in demat/unclaimed suspense account, voting rights which are frozen etc. - N.A.																		
<b>Note:</b>																		
PAN of the Shareholders will be provided by our Company to the Stock Exchange but would not be displayed on website of Stock Exchange(s).																		
*All Pre-IPO Equity Shares of our Company will be locked-in as mentioned above prior to listing of shares on Emerge Platform of NSE.																		



**Table IV - Statement showing shareholding pattern of the Non-Promoter- Non-Public shareholder**

S. No (I)		Category of shareholder (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 shares underlying Depository Receipts (VI)		Total nos. shares held (VII)=(IV)+(V) + (VI)		Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)		No of Voting Rights held in each class of securities (IX)		No of shares Underlying Outstanding convertible securities (Including Warrants) (X)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XD)=(VII) +(X) as a % of (A+B+C2)	Number of Locked in shares (XII)*		Number of shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form
														Number of Voting Rights (XIV)		Total as a % of (A+B+ C)								
														Class eg.: y		Total								
(1)	Custodian/DR Holder - Name of DR Holders (If Available)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
(2)	Employee Benefit Trust (under SEBI (Share based Employee Benefit) Regulations, 2014)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
	Total Non-Promoter-Non Public Shareholding (C)= (C)(1)+(C)(2)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	

Our Company will file shareholding pattern of our Company in the format prescribed under Regulation 31 of the SEBI Listing Regulations, one day prior to the listing of the Equity Shares. The Shareholding pattern will be uploaded on the website of NSE before commencement of trading of such equity shares.



9. The shareholding pattern of our Promoters and Promoters' Group and public before and after the Issue:

S. No.	Name of shareholders	Pre issue		Post issue	
		No. of equity shares	As a % of Issued Capital*	No. of equity Shares	As a % of Issued Capital*
Promoters					
1.	Mr. Anand Jitendrabhai Chovatiya	15,84,000	47.86	15,84,000	33.85
2.	Mrs. Sheetalben Anand Chovatiya	14,24,000	43.02	14,24,000	30.43
Total – A		30,08,000	90.88	30,08,000	64.28
Promoters’ Group					
1.	Mr. Jitendra Lavji Chovatiya	60,400	1.82	60,400	1.29
2.	Mrs. Sangitaben Jitendrabhai Chovatiya	60,400	1.82	60,400	1.29
3.	Mr. Vijay Lavjibhai Chovatiya	60,400	1.82	60,400	1.29
4.	Mrs. Nitaben Vijaybhai Chovatiya	60,400	1.82	60,400	1.29
5.	Mr. Lavjibhai Hirabhai Chovatiya	60,400	1.82	60,400	1.29
Total-B		3,02,000	9.12	3,02,000	6.45
Total Promoters and Promoters’ Group (A+B)		33,10,000	100.00	33,10,000	70.74
Public					
Pre-IPO		-	-	-	-
Total-C		-	-	-	-
Initial Public Offer – Public		-	-	13,69,200	29.26
Total-D		-	-	13,69,200	29.26
Total Public (C+D)		-	-	13,69,200	29.26
Grand Total (A+B+C)		33,10,000	100.00	46,79,200	100.00

10. 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 the Draft Prospectus:

S. No.	Name of shareholders	No. of Equity Shares held*	% of Paid-up Capital#
1.	Mr. Anand Jitendrabhai Chovatiya	15,84,000	47.86
2.	Mrs. Sheetalben Anand Chovatiya	14,24,000	43.02
3.	Mr. Jitendra Lavji Chovatiya	60,400	1.82
4.	Mrs. Sangitaben Jitendrabhai Chovatiya	60,400	1.82
5.	Mr. Vijay Lavjibhai Chovatiya	60,400	1.82
6.	Mrs. Nitaben Vijaybhai Chovatiya	60,400	1.82
7.	Mr. Lavjibhai Hirabhai Chovatiya	60,400	1.82
<b>Total</b>		<b>33,10,000</b>	<b>100.00</b>

\*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 the Draft Prospectus.

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

(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 Draft Prospectus:

S. No.	Name of shareholders	No. of Equity Shares held*	% of Paid up Capital#
1.	Mr. Anand Jitendrabhai Chovatiya	15,84,000	47.86
2.	Mrs. Sheetalben Anand Chovatiya	14,24,000	43.02
3.	Mr. Jitendra Lavji Chovatiya	60,400	1.82
4.	Mrs. Sangitaben Jitendrabhai Chovatiya	60,400	1.82
5.	Mr. Vijay Lavjibhai Chovatiya	60,400	1.82
6.	Mrs. Nitaben Vijaybhai Chovatiya	60,400	1.82
7.	Mr. Lavjibhai Hirabhai Chovatiya	60,400	1.82



S. No.	Name of shareholders	No. of Equity Shares held*	% of Paid up Capital#
<b>Total</b>		<b>33,10,000</b>	<b>100.00</b>

\*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 the Draft Prospectus.

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

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

S. No.	Name of shareholders	No. of Equity Shares held*	% of Paid-up Capital#
1.	Mr. Anand Jitendrabhai Chovatiya	4,000	40.00
2.	Mrs. Sheetalben Anand Chovatiya	4,000	40.00
3.	Mr. Jitendra Lavji Chovatiya	400	4.00
4.	Mrs. Sangitaben Jitendrabhai Chovatiya	400	4.00
5.	Mr. Vijay Lavjibhai Chovatiya	400	4.00
6.	Mrs. Nitaben Vijaybhai Chovatiya	400	4.00
7.	Mr. Lavjibhai Hirabhai Chovatiya	400	4.00
<b>Total</b>		<b>10,000</b>	<b>100.00</b>

\*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 the Draft Prospectus.

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

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

S. No.	Name of shareholders	No. of Equity Shares held*	% of Paid-up Capital#
1.	Mr. Anand Jitendrabhai Chovatiya	5,000	50.00
2.	Mrs. Sheetalben Anand Chovatiya	5,000	50.00
<b>Total</b>		<b>10,000</b>	<b>100.00</b>

\*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 the Draft Prospectus.

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

11. There will be no further issue of capital, whether by way of issue of bonus shares, preferential allotment, right issue or in any other manner during the period commencing from the date of the Draft Prospectus until the Equity Shares of our Company have been listed or refund of application monies in pursuance of the Draft Prospectus.

12. Except as stated below, none of our other Directors or Key Managerial Personnel holds Equity Shares in our Company.

S. No.	Name	Designation	No. of Equity Shares held
1.	Mr. Anand Jitendrabhai Chovatiya	Chairman & Managing Director	15,84,000
2.	Mrs. Sheetalben Anand Chovatiya	Executive Director	14,24,000

**13. Shareholding of the Promoters of our Company:**

As on the date of the Draft Prospectus, our Promoters Mr. Anand Jitendrabhai Chovatiya and Mrs. Sheetalben Anand Chovatiya hold total 30,08,000 Equity Shares representing 90.88% of the pre-issue paid up equity share capital of our Company. The build-up of equity shareholding of Promoters of our Company are as follows:

Date of Allotment and made fully paid up /Transfer	Nature of Issue	No. of Equity shares	Face Value (in Rs.) per share	Issue/ Transfer Price (in Rs.) per share	% of Pre Issue Shareholding*	% of post Issue Shareholding*	Source of Funds
<b>MR. ANAND JITENDRABHAI CHOVATIYA</b>							
June 23 <sup>rd</sup> ,	Subscriber	5,000	10	10	0.15	0.11	Owned fund



2021 (On Incorporation)	at the time of incorporation						
23 <sup>rd</sup> September, 2022	Transfer of Share	(1,000)	10	10	(0.03)	(0.02)	-
08 <sup>th</sup> September, 2023	Bonus Issue	6,00,000	10	-	18.13	12.82	-
09 <sup>th</sup> October, 2023	Right Issue	9,80,000	10	10	29.61	20.94	Owned Fund
<b>Total</b>		<b>15,84,000</b>			<b>47.86</b>	<b>33.85</b>	<b>-</b>

\*Rounding Off.

Date of Allotment and made fully paid up /Transfer	Nature of Issue	No. of Equity shares	Face Value (in Rs.) per share	Issue/ Transfer Price (in Rs.) per share	% of Pre Issue Shareholding *	% of post Issue Shareholding g*	Source of Funds
<b>MRS. SHEETALBEN ANAND CHOVIYA</b>							
June 23 <sup>rd</sup> , 2021 (On Incorporation)	Subscriber at the time of incorporation	5,000	10	10	0.15	0.11	Owned fund
23 <sup>rd</sup> September, 2022	Transfer of Share	(1,000)	10	10	(0.03)	(0.02)	-
08 <sup>th</sup> September, 2023	Bonus Issue	6,00,000	10	-	18.13	12.82	-
09 <sup>th</sup> October, 2023	Right Issue	8,20,000	10	10	24.77	17.52	Owned Fund
<b>Total</b>		<b>14,24,000</b>			<b>43.02</b>	<b>30.43</b>	<b>-</b>

\*Rounding Off.

#### Notes:

- None of the shares belonging to our Promoters have been pledged till date;
- The entire Promoters' shares shall be subject to lock-in from the date of allotment of the equity shares issued through this Draft Prospectus for periods as per applicable Regulations of the SEBI (ICDR) Regulations;
- Our Promoters have confirmed to the Company and the Lead Manager that, the Equity Shares held by our Promoters have been financed from their personal funds and no loans or financial assistance from any bank or financial institution has been availed by them for this purpose;
- All the shares held by our Promoters, were fully paid-up on the respective dates of acquisition of such shares.

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

S. No.	Name of Promoters	No. of Equity Shares held	Average Cost of Acquisition per equity share (in ₹)
1.	Mr. Anand Jitendrabhai Chovatiya	15,84,000	6.21
2.	Mrs. Sheetalben Anand Chovatiya	14,24,000	5.79

\*The average cost of acquisition of Equity Shares by our Promoters has been calculated by taking into account the amount paid by them to acquire such shares or transfer less amount received by them for the sale of Equity Shares through transfer, if any and the net cost of acquisition has been divided by total number of shares held as on date of the Draft Prospectus.





15. None of the members of the Promoters, Promoters Group, Directors and their immediate relatives have purchased or sold any Equity shares of our Company within the last six months from the date of this Draft Prospectus.
16. As on the date of the Draft Prospectus, our Promoters and Promoters' Group hold total 33,10,000 Equity Shares representing 100.00 % of the pre-issue paid up share capital of our Company.
17. None of the members of the Promoters' Group, our directors and their immediate relatives have financed the purchase by any other person of equity shares 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 this Draft Prospectus.
18. Details of Promoter's Contribution locked in for three years:

<b>MR. ANAND JITENDRABHAI CHOVIATIYA</b>								
<b>Date of Allotment /Transfer</b>	<b>Nature of Issue/ Allotment / Transfer</b>	<b>Number of Equity shares</b>	<b>Face Value (in ₹) per share</b>	<b>Issue / Transfer Price (in ₹) per share</b>	<b>Source of Contribution</b>	<b>% of Pre issue Capital</b>	<b>% of post issue Capital*</b>	<b>Date up to which Equity Shares are subject to Lock-in</b>
08 <sup>th</sup> September , 2023	Bonus Issue	4,94,157	10	-	Other than cash	14.93	10.56	3 Years
<b>Total</b>	<b>-</b>	<b>4,94,157</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>14.93</b>	<b>10.56</b>	

<b>MRS. SHEETALBEN ANAND CHOVIATIYA</b>								
<b>Date of Allotment /Transfer</b>	<b>Nature of Issue/ Allotment / Transfer</b>	<b>Number of Equity shares</b>	<b>Face Value (in ₹) per share</b>	<b>Issue / Transfer Price (in ₹) per share</b>	<b>Source of Contribution</b>	<b>% of Pre issue Capital</b>	<b>% of post issue Capital*</b>	<b>Date up to which Equity Shares are subject to Lock-in</b>
08 <sup>th</sup> September , 2023	Bonus Issue	4,44,243	10	-	Other than cash	13.42	9.49	3 Years
<b>Total</b>	<b>-</b>	<b>4,44,243</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>13.42</b>	<b>9.49</b>	

Our Promoters have given written consent to include 9,38,400 Equity Shares subscribed and held by them as a part of Minimum Promoters' Contribution constituting 20.05% of the post issue Paid-up Equity Shares Capital of our Company ("Minimum Promoters' contribution") in terms of Sub-Regulation (1) of Regulation 236 of the SEBI (ICDR) Regulations, 2018 and have agreed not to sell or transfer or pledge or otherwise dispose of in any manner, the Minimum Promoters' Contribution, and to be marked Minimum Promoters' Contribution as locked-in.

The minimum Promoter's contribution has been brought in to the extent of not less than the specified minimum lot and from persons defined as "promoter" under the SEBI ICDR Regulations. All Equity Shares, which are being locked in are not ineligible for computation of Minimum Promoters Contribution as per Regulation 237 of the SEBI ICDR, Regulations and are being locked in for 3 years as per Regulation 236 of the SEBI ICDR Regulations i.e. for a period of three years from the date of allotment of Equity Shares in this Issue.

No Equity Shares proposed to be locked-in as Minimum Promoters Contribution have been issued out of revaluation reserve or for consideration other than cash and revaluation of assets or capitalization of intangible assets, involved in such transactions.

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



**Eligibility of Share for “Minimum Promoters Contribution” in terms of clauses of Regulation 237 of SEBI (ICDR) Regulations, 2018:**

Reg. No.	Promoters’ Minimum Contribution Condition	Eligibility Status of Equity Shares forming part of Promoter’s Contribution
237 (1) (a) (i)	Specified securities acquired during the preceding three years, if they are acquired for consideration other than cash and revaluation of assets or capitalization of intangible assets is involved in such transaction.	The Minimum Promoter’s contribution does not consist of such Equity Shares which have been acquired for consideration other than cash and revaluation of assets or capitalization of intangible assets: <b>Hence Eligible.</b>
237 (1) (a) (ii)	Specified securities acquired during the preceding three years, resulting from a bonus issue by utilization of revaluation reserves or unrealized profits of the issuer or from bonus issue against Equity Shares which are ineligible for minimum promoters’ contribution.	The minimum Promoter’s contribution does not consist of such Equity Shares: <b>Hence Eligible.</b>
237 (1) (b)	Specified securities acquired by the promoters and alternative investment funds or foreign venture capital investors or scheduled commercial banks or public financial institutions or insurance companies registered with Insurance Regulatory and Development Authority of India, during the preceding one year at a price lower than the price at which specified securities are being offered to the public in the initial public offer. Provided that nothing contained in this clause shall apply: i. if the promoters and alternative investment funds or foreign venture capital investors or scheduled commercial banks or public financial institutions or insurance companies registered with Insurance Regulatory and Development Authority of India, as applicable, pay to the issuer the difference between the price at which the specified securities are offered in the initial public offer and the price at which the specified securities had been acquired; ii. if such specified securities are acquired in terms of the scheme under sections 230 to 234 of the Companies Act, 2013, as approved by a High Court or a tribunal, as applicable, by the promoters in lieu of business and invested capital that had been in existence for a period of more than one year prior to such approval; iii. to an initial public offer by a government company, statutory authority or corporation or any special purpose vehicle set up by any of them, which is engaged in the infrastructure sector.	The minimum Promoter’s contribution does not consist of such Equity Shares: <b>Hence Eligible.</b>
237 (1) (c)	Specified securities allotted to the promoters and alternative investment funds during the preceding one year at a price less than the issue price, against funds brought in by them during that period, in case of an issuer formed by conversion of one or more partnership firms or limited liability partnerships, where the partners of the erstwhile partnership firms or limited liability partnerships are the promoters of the issuer and there is no change in the management; Provided that specified securities, allotted to the promoters against the capital existing in such firms for a period of more than one year on a continuous basis, shall be eligible.	The minimum Promoter’s contribution does not consist of such Equity Shares: <b>Hence Eligible.</b>



Reg. No.	Promoters' Minimum Contribution Condition	Eligibility Status of Equity Shares forming part of Promoter's Contribution
237 (1) (d)	Specified securities pledged with any creditor.	Our Promoter's has not Pledged any shares with any creditors. Accordingly, the minimum Promoter's contribution does not consist of such Equity Shares: <b>Hence Eligible.</b>

All the Equity Shares allotted and held by our Promoters were fully paid at the time of allotment itself.

Our Company confirms that the Equity Shares held by the Promoters / members of the Promoters' Group are already dematerialized.

#### **19. Lock in of Equity Shares held by Promoters in excess of Minimum Promoters' contribution:**

In addition to Minimum Promoters' Contribution which shall be locked-in for three years, the balance 20,69,600 Equity Shares held by Promoters shall be locked in for a period of one year from the date of allotment in the Initial Public Issue as provided in clause (b) of Regulation 238 of the SEBI (ICDR) Regulations, 2018.

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

In terms of Regulation 239 of the SEBI (ICDR) Regulations, 2018, the entire pre-issue capital held by the Persons other than the Promoters shall be locked in for a period of one year from the date of allotment in the Initial Public Issue.

#### **21. Inscription or Recording of non-transferability:**

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

#### **22. Other requirements in respect of lock-in:**

- In terms of Regulation 242 of the SEBI ICDR Regulations, the locked in Equity Shares held by the Promoters, as specified above, can be pledged with any scheduled commercial bank or public financial institution as collateral security for loan granted by such bank or institution provided that the pledge of Equity Shares is one of the terms of the sanction of the loan. Provided that securities locked in as minimum promoter contribution may be pledged only if, in addition to fulfilling the above requirements, the loan has been granted by such bank or institution, for the purpose of financing one or more of the objects of the Issue.
- In terms of Regulation 243 of the SEBI ICDR Regulations, the Equity Shares held by persons other than the Promoters prior to the Issue may be transferred to any other person holding the Equity Shares which are locked in as per Regulation 36 or 37 of the SEBI ICDR Regulations, subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as applicable.

Further in terms of Regulation 243 of the SEBI ICDR Regulations, the Equity Shares held by the Promoters may be transferred to and amongst the Promoter Group or to new promoters or persons in control of the company subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as applicable.

#### **23. None of our Promoters, Promoter Group, Directors and their relatives has entered into any financing arrangement or financed the purchase of the Equity Shares of our Company by any other person during the period of six months immediately preceding the date of filing of the Draft Prospectus.**

#### **24. Neither, we nor our Promoters, Directors and the Lead Manager to this Issue have entered into any buyback and / or standby arrangements and / or similar arrangements for the purchase of our Equity Shares from any person.**



25. As on the date of filing of the Draft Prospectus, there are no outstanding warrants, options or rights to convert debentures, loans or other instruments which would entitle Promoters or any shareholders or any other person, any option to acquire our Equity Shares after this Initial Public Issue.
26. As on the date of the Draft Prospectus, the entire Issued Share Capital, Subscribed and Paid up Share Capital of our Company is fully paid up.
27. Our Company has not raised any bridge loan against the proceeds of the Issue.
28. Since the entire Issue price per share is being called up on application, all the successful applicants will be allotted fully paid-up shares.
29. As on the date of the Draft Prospectus, none of the shares held by our Promoters / Promoters Group are subject to any pledge.
30. The Lead Manager i.e. Swastika Investmart Limited and their associates do not hold any Equity Shares in our Company as on the date of filing of the Draft Prospectus.
31. We hereby confirm that there will be no further issue of capital whether by way of issue of bonus shares, preferential allotment, rights issue or in any other manner during the period commencing from the date of the Draft Prospectus until the Equity Shares Issued have been listed or application moneys refunded on account of failure of Issue.
32. Our Company does not presently intend or propose to alter its capital structure for a period of six months from the date of opening of the Issue, by way of split or consolidation of the denomination of Equity Shares or further issue of Equity Shares (including issue of securities convertible into or exchangeable, directly or indirectly for Equity Shares) whether preferential or otherwise. This is except if we enter into acquisition or joint ventures or make investments, in which case we may consider raising additional capital to fund such activity or use Equity Shares as a currency for acquisition or participation in such joint ventures or investments.
33. None of our Equity Shares have been issued out of revaluation reserve created out of revaluation of assets.
34. An over-subscription to the extent of 2% of the Net Issue can be retained for the purpose of rounding off to the nearest integer during finalizing the allotment, subject to minimum allotment, which is the minimum application size in this Issue. Consequently, the actual allotment may go up by a maximum of 2% of the Net Issue. In such an event, the Equity Shares held by the Promoters is used for allotment and lock- in for three years shall be suitably increased; so as to ensure that 20% of the post Issue paid-up capital is locked in.
35. Under subscription, if any, in any of the categories, would be allowed to be met with spill-over from any of the other categories or a combination of categories at the discretion of our Company in consultation with the LM and Designated Stock Exchange i.e. NSE. Such inter-se spill over, if any, would be affected in accordance with applicable laws, rules, regulations and guidelines.
36. In case of over-subscription in all categories the allocation in the Issue shall be as per the requirements of SEBI (ICDR) Regulations, 2018 and its amendments from time to time.
37. The unsubscribed portion in any reserved category (if any) may be added to any other reserved category.
38. The unsubscribed portion if any, after such inter se adjustments among the reserved categories shall be added back to the net issue to the public portion.
39. At any given point of time there shall be only one denomination of the Equity Shares, unless otherwise permitted by law.
40. Our Company shall comply with such disclosure and accounting norms as may be specified by NSE, SEBI and other regulatory authorities from time to time.
41. As on the date of the Draft Prospectus, Our Company has not issued any equity shares under any employee stock option scheme and we do not have any Employees Stock Option Scheme / Employees Stock Purchase Scheme.
42. There are no Equity Shares against which depository receipts have been issued.



43. Other than the Equity Shares, there is no other class of securities issued by our Company as on date of filing of the Draft Prospectus.
44. We have 7 (Seven) Shareholders as on the date of filing of the Draft Prospectus.
45. There are no safety net arrangements for this Public Issue.
46. Our Promoters and Promoter Group will not participate in this Issue.
47. This Issue is being made through Fixed Price method.
48. Except as disclosed in the Draft Prospectus, our Company has not made any public issue or rights issue of any kind or class of securities since its incorporation to the date of the Draft Prospectus.
49. No person connected with the Issue shall issue any incentive, whether direct or indirect, in the nature of discount, commission, and allowance, or otherwise, whether in cash, kind, services or otherwise, to any Applicant.
50. We shall ensure that transactions in Equity Shares by the Promoters and members of the Promoter Group, if any, between the date of filling the Prospectus with the RoC and the Issue Closing Date are reported to the Stock Exchanges within 24 hours of such transactions being completed.

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## SECTION VII – PARTICULARS OF THE ISSUE

### OBJECTS OF THE ISSUE

The Issue constitutes a public Issue upto 13,69,200 Equity Shares of our Company at an Issue Price of ₹ 95 /- per Equity Share.

#### FRESH ISSUE

The Issue Proceeds from the Fresh Issue will be utilized towards the following objects:

1. To Meet Capital Expenditure;
  2. To Meet Incremental Working Capital Requirements;
  3. General Corporate Purpose.
- (Collectively referred as the “objects”)

We believe that listing will enhance our corporate image and visibility of brand name of our Company. We also believe that our Company will receive the benefits from listing of Equity Shares on the Emerge Platform of NSE. It will also provide liquidity to the existing shareholders and will also create a public trading market for the Equity Shares of our Company. Our Company is engaged into the business of offers aluminium railings and related products.

The objects clause of our Memorandum enables our Company to undertake its existing activities and these activities which have been carried out until now by our Company are valid in terms of the objects clause of our Memorandum of Association.

#### REQUIREMENTS OF FUNDS

The proceeds of the Issue, after deducting Issue related expenses, are estimated to be ₹1,215.74 Lakhs (the “Net Issue Proceeds”). The following table summarizes the requirement of funds:

Particulars	Amount (₹ in) Lakhs
Gross Issue Proceeds	1,300.74
Less: Public Issue Related Expenses	85.00
<b>Net Issue Proceeds</b>	<b>1,215.74</b>

#### UTILIZATION OF NET ISSUE PROCEEDS

The Net Issue Proceeds will be utilized for following purpose:

S. No.	Particulars	Amount (₹ in) Lakhs	% of Gross Issue Proceeds	% of Net Issue Proceeds
1.	To Meet Capital Expenditure	616.00	47.36	50.67
2.	To Meet Incremental Working Capital Requirements.	400.00	30.75	32.90
3.	General Corporate Purpose.	199.74	15.36	16.43
	<b>Net Issue Proceeds</b>	<b>1,215.74</b>	<b>93.47</b>	<b>100.00</b>

#### MEANS OF FINANCE

We intend to finance our Objects of the Issue through Issue Proceeds which are as follows:

S. No.	Particulars	Amount Required (₹ in Lakhs)	From IPO Proceeds	Internal Accruals / Equity / Reserves / Borrowings
1.	To Meet Capital Expenditure	616.00	616.00	-
2.	To Meet Incremental Working Capital Requirements	828.06	400.00	428.06
3.	General Corporate Purpose	199.74	199.74	-
4.	Public Issue Expenses	85.00	85.00	-
	<b>Total</b>	<b>1,728.80</b>	<b>1300.74</b>	<b>428.06</b>





*Since, the entire fund requirement are to be funded from the proceeds of the Issue and existing identifiable internal accruals, there is no requirement to make the firm arrangement of finance under Regulation 230(1) (e) of the SEBI ICDR Regulations and Clause 9 (C) of Part A of Schedule VI of the SEBI ICDR Regulations (which requires firm arrangements of finance through verifiable means for 75% of the stated means of finance, excluding the Issue Proceeds and existing identifiable internal accruals).*

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

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

For further details on the risks involved in our business plans and executing our business strategies, please see the Section titled "Risk Factors" beginning on page no. 15 of this Draft Prospectus.

## **DETAILS OF USE OF ISSUE PROCEEDS**

### **1. TO MEET CAPITAL EXPENDITURE**

Our Company intends to set up a new factory towards backward integration through installation of proposed plant and machinery and Equipment at the land situated at Industrial Shed No. C-45 and C-46 situated on the land adm. Sq. Mts. 3,988.91 of area known as "R.K. Industrial World" of Revenue Survey No. 109, 110, 112, 118 paikiee 1/paikiee 2 of Village : Samadhiyala, Tal. Rajkot, Gujarat. One of our promoter is the owner of our proposed manufacturing plant from which our company is planning to acquire the same. Through Backward integration we are planning to produce raw material i.e. aluminum extrusion which we are currently purchasing from outside. So we are planning to install the aluminum extrusion plant. Our Company proposes to use part of net proceeds to the extent to ₹616.00 Lakhs to Meet Capital Expenditure.

A detailed breakup of estimated cost which are proposed to be funded from the net issue proceeds is set forth below:

#### **I. Civil Construction Cost:**

The total cost of civil works as per Consulting and Structural Engineer estimate is estimated at ₹ 151.00 Lakhs which includes civil works for factory as follows:

Item No.	Description	Unit	Total Quantity	Total Rate in ₹ per unit	Amount (₹ In Lakhs)
Item No 1	Excavation for foundation up to 1.53 m depth including sorting out and stacking of useful materials and disposing the excavated stuff up to 50 m lead.	Cum.	690.00	250.00	1.73
Item No 2	Providing and laying machine mixed and machine vibrated PCC with 30 to 35 mm size machine crushed black trap metal in foundation trench 125mm thick M15 Grade concrete including all requisite materials tools with proper levelling consolidation curing etc complete.	Cum.	78.00	4,500.00	3.51



Item No.	Description	Unit	Total Quantity	Total Rate in ₹ per unit	Amount (₹ In Lakhs)
Item No 3	Providing and laying machine mixed and machine vibrated RCC with 20 to 25 mm size machine crushed black trap metal for <b>Footings</b> in M20 Grade concrete as per design including the cost of form works and scaffolding with curing complete but excluding the cost of reinforcement.	Cum	48.00	6,500.00	3.12
Item No 4	Providing and laying machine mixed and machine vibrated RCC with 20 to 25 mm size machine crushed black trap metal for columns in M25 Grade concrete as per design including the cost of form works and scaffolding with curing complete but excluding the cost of reinforcement.	Cum	63.00	7,200.00	4.54
Item No 5	Providing and laying machine mixed and machine vibrated RCC with 20 to 25 mm size machine crushed black trap metal for plinth beam in M25 Grade concrete as per design including the cost of form works and scaffolding with curing complete but excluding the cost of reinforcement.	Cum	38.00	7,200.00	2.74
Item No 6	Providing and laying Murrum for filling in plinth including flooding with water ramming consolidation including all lead left transportation etc complete.	Cum	1200.00	225.00	2.70
Item No 7	Providing and laying Stone metal soling for base using black trap stone and metal with lime mortar 200mm thick including ramming consolidation curing etc complete.	Cum	500.00	425.00	2.12
Item No 8	Providing and laying machine mixed and machine vibrated RCC with 20 to 25 mm size machine crushed black trap metal for chhaja in M20 Grade concrete as per design including the cost of form works and scaffolding with curing complete but excluding the cost of reinforcement.	Sq. mtr.	24.00	750.00	0.18
Item No 9	Providing and laying machine mixed and machine vibrated RCC with 20 to 25 mm size machine crushed black trap metal for beams & Slab in M20 Grade concrete as per design including the cost of form works and scaffolding with curing complete but excluding the cost of reinforcement.	Cum	102.00	8,100.00	8.26
Item No 10	Providing cold twisted TMT steel as per IS specification for RCC works including striating bending binding and placing in position etc. complete up to floor two level as per design.	M.T.	38.50	68,000.00	26.18
Item No 11	Providing and laying burnt brick masonry using brick having crushing strength not less than 35 Kg/Sqcm for super structure in CM 1:6 including cost of scaffolding, curing etc., complete.	Cum	138.00	3,800.00	5.24
Item No 12	Providing and laying 15mm thick cement plaster in 1:4 cement mortar for inner side plaster with lime neeru finishing on brick walls and RCC works including scaffolding and curing etc., complete.	Sq.m.	2130.00	450.00	9.58
Item No 13	Providing and laying 20 to 25mm thick sand face external plaster in two coats in proportion CM 1:4 for first coat and CM 1:2 for second coat the thickness of second coat will be 5mm on brick walls and RCC works including scaffolding and curing	Sq.m.	990.00	550.00	5.44



Item No.	Description	Unit	Total Quantity	Total Rate in ₹ per unit	Amount (₹ In Lakhs)
	etc., complete.				
Item No 14	Providing and fixing steel window fully glazed as per drawing and design including all requisite fixtures with square 12mm bright bar for safety including primer coat of approved quality and two coats of oil paint etc complete.	Sq.m.	56.00	3,000.00	1.68
Item No 15	Providing and fixing rolling-shutter including fixture where required including primer coat of approved quality and two coats of oil paint etc complete.	Sq.m.	121.00	3,000.00	3.63
Item No 16	Providing and fixing Tri mix flooring 175 to 200 mm thick with neat cement slurry on a bed of 25mm average thickness of lime mortar 1:3 jointed with neat cement slurry including levelling, curing and polishing etc complete.	Sq.m.	2800.00	400.00	11.20
Item No 17	Providing and applying plastic paint on internal wall surface two coats on two coats of lumpy-putty on wall surface to give an even shade including thoroughly brooming the surface to remove all dirt-dust, mortar drops and other foreign matters etc., complete.	Sq.m.	2130.00	255.00	5.43
Item No 18	Providing and applying two coats of water-proof cement paint of approved brand and shade to sand faced plaster as directed and specified including cleaning and watering the surface before starting paint work and curing the paint etc., complete.	Sq.m.	990.00	300.00	2.97
Item No 19	Providing super structure steel fabrication frame with by ISI standard square & rectangle pipe as per design (steel Grade-YST 310) and erection on site including labour cost, etc.	Item as pre fab estimate	-	-	50.75
<b>Grand Total</b>					<b>151.00*</b>

\*As per the Estimate received from Rohit Sangani, Consulting Engineer dated 25<sup>th</sup> July, 2024 valid for 3 months.

## II. Plant and Machinery:

(₹ In Lakhs)

S. No.	Description	Qty.	Unit Price With 18% Gst	Total Price With 18% Gst
1	110 Feet Handling Table, Auto Single Pullar & Rough Cutter, Stracher Paramatic Head & Tail, Finish Cutter With Dust Collector	1	50.00	50.00
2	Quenching Tank(5mtr)	1	8.00	8.00
3	Gauge Table Fully Automatic	1	5.00	5.00
4	Furnace	1	20.00	20.00
5	Hottop Casting Table	1	17.00	17.00
6	Pollution System, Chimny, Pollution Cyclone, Id Fan(30hp), Water Removal	1	10.00	10.00
7	Multi Log Heater&Shear	1	32.00	32.00
8	Dross Recovery Machine	1	7.50	7.50
9	Nitriding Furnace	1	4.00	4.00
10	AGIN Oven Side Door	1	24.00	24.00
11	Die Oven	1	4.50	4.50
12	(450mt) Aluminum Extrusion Press	1	183.00	183.00
13	Dies & Tools	50	2.00	100.00
<b>Total</b>				<b>465.00*</b>

\*As per the Quotation received from Bajrang Extrusion Machinery dated 25<sup>th</sup> July, 2024 valid for 3 Months.



## Notes:

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

## 2. TO MEET INCREMENTAL WORKING CAPITAL REQUIREMENTS:

Our Company is engaged into the business of aluminium railings and related products. The Net Working Capital requirement of our Company on restated basis as on March 31, 2024, 2023 and 2022 was ₹339.29 Lakhs, ₹146.14 Lakhs and ₹45.58 Lakhs respectively. The Net Working capital requirements for the financial year 2024-25 and 2025-26 is estimated to be ₹828.06 Lakhs and ₹633.59 Lakhs respectively. The Company will meet the requirement to the extent of ₹400.00 Lakhs from the Net Proceeds of the Issue and balance from borrowings and internal accruals at an appropriate time as per the requirement.

Details of Estimation of Working Capital requirement are as follows:

(₹ in Lakhs)

Particulars	As per Audited Restated financial statement for March 31 <sup>st</sup>			Projected	
	2022	2023	2024	2025	2026
Inventories	50.85	87.37	240.68	601.71	361.02
Trade Receivables	21.43	79.53	107.17	235.77	282.92
Short-Term Loans and Advances	2.64	24.03	55.60	61.16	67.28
Other Current Assets	0.00	0.00	11.12	12.23	13.46
<b>Current Assets (A)</b>	<b>74.92</b>	<b>190.93</b>	<b>414.57</b>	<b>910.87</b>	<b>724.68</b>
Trade Payables	18.17	13.32	4.75	5.23	5.75
Other Current Liabilities	2.08	5.20	17.52	19.27	21.20
Short-Term Provisions	9.09	26.27	53.01	58.31	64.14
<b>Current Liabilities (B)</b>	<b>29.34</b>	<b>44.79</b>	<b>75.28</b>	<b>82.81</b>	<b>91.09</b>
<b>Total Working Capital Gap (A-B)</b>	<b>45.58</b>	<b>146.14</b>	<b>339.29</b>	<b>828.06</b>	<b>633.59</b>
<b>Sources of Funds</b>					
Short Term Borrowing/ Internal Accruals	45.58	146.14	339.29	428.06	633.59
Proceeds from IPO	-	-	-	400.00	-
<b>Total</b>	<b>45.58</b>	<b>146.14</b>	<b>339.29</b>	<b>828.06</b>	<b>633.59</b>

## Assumptions for working capital requirements:

Particulars	No. of outstanding or holding level for the (in Days)					Justification for Holding
	2021-22 (Res tate)	2022-23 (Re stat)	2023-24 (Rest ated)	2024-25 (Proj ected)	2025-26 (Proj ected)	



	d)	ed)		)		
Trade Receivables	14	22	31	33	36	In Fiscal 2022, 2023, and 2024 our average Trade receivables holding period was 14 days, 22 days, and 31 days respectively. We are estimating to maintain the Trade Receivables holding period at levels of 33 days and 36 days for Fiscal 2025 and Fiscal 2026 as per our projected financials and market condition.
Trade Payables	17	10	5	2	1	In Fiscal 2022, 2023, and 2024 our average Trade payables cycle period was 17 days, 10 days and 5 days respectively. We are expected Creditor Cycle period of 2 days and 1 days for Fiscal 2025 and Fiscal 2026.
Inventory	44	44	65	70	114	In Fiscal 2022, 2023, and 2024 our average Inventory day was 44 days, 44 days and 65 days respectively. We are expecting our average inventory days of 70 days and 114 days for Fiscal 2025 and Fiscal 2026.

Apart from above there are other working capital requirements such as Cash and Cash Equivalents, Other Current assets, loans and advances, short term provisions and other current liabilities. Details of which are given below.

### 3. GENERAL CORPORATE PURPOSE:

Our management, in accordance with the policies of our Board, will have flexibility in utilizing the proceeds earmarked for general corporate purposes. We intend to deploy ₹199.74 Lakh towards the general corporate purposes to drive our business growth. Our management, in accordance with the policies of our Board, will have flexibility in utilizing the proceeds earmarked for general corporate purpose subject to above mentioned limit, as may be approved by our management, including but not restricted to, the following:

1. Strategic Initiatives;
2. Brand building and strengthening of marketing activities and Products of the our Company in domestic market; and
3. On-going general corporate exigencies or any other purposes as approved by the Board subject to compliance with the necessary regulatory provisions.

The quantum of utilization of funds towards each of the above purposes will be determined by our Board of Directors based on the permissible amount actually available under the head “General Corporate Purposes” and the business requirements of our Company, from time to time. We, in accordance with the policies of our Board, will have flexibility in utilizing the Net Proceeds for general corporate purposes, as mentioned above in any permissible manner. We confirm that any issue related expenses shall not be considered as a part of General Corporate Purpose.

Further, we confirm that the amount for general corporate purposes, as mentioned in this Prospectus, shall not exceed 25% of the amount raised by our Company through this Issue.

### 4. ISSUE RELATED EXPENSES

The total expenses of the Issue are estimated to be approximately ₹ 85.00 Lakhs. The expenses of this include, among others, underwriting and management fees, printing and distribution expenses, advertisement expenses, legal fees and listing fees. The estimated Issue expenses are as follows:

Expenses	Expenses (₹ in Lakh)	Expenses (% of total Issue expenses)	Expenses (% of Gross Issue Proceeds)
Lead Manger Fees including Underwriting Commission and Other intermediaries Fee.	[•]	[•]	[•]
Fees Payable Advertising, Marketing Expenses and Printing Expenses.	[•]	[•]	[•]
Fees Payable to Regulators including Stock Exchanges.	[•]	[•]	[•]
<b>Total Estimated Issue Expenses</b>	<b>[•]</b>	<b>100.00</b>	<b>[•]</b>



#### Notes:

- Up to August 02<sup>nd</sup>, 2024, Our Company has deployed / incurred expense of ₹ 10.00 Lakhs towards Issue Expenses and custodian connectivity charges out of internal accruals duly certified by Auditor M/s. S V J K & Associates, Chartered Accountants vide its certificate dated 02<sup>nd</sup> August, 2024 bearing UDIN: 24151324BKESIU4636.
- Selling commission payable to the members of the CDPs, RTA and SCSBs, on the portion for RIIs and NIIs, would be as follows:  
 Portion for RIIs 0.01% ^ (exclusive of GST);  
 Portion for NIIs 0.01% ^ (exclusive of GST);  
 ^Percentage of the amounts received against the Equity Shares Allotted (i.e. the product of the number of Equity Shares Allotted and the Issue Price).
- The Members of RTAs and CDPs will be entitled to application charges of ₹ 10/- (plus applicable GST) per valid ASBA Form. The terminal from which the application has been uploaded will be taken into account in order to determine the total application charges payable to the relevant RTA/CDP.
- Registered Brokers, will be entitled to a commission of ₹ 10/- (plus GST) per Application Form, on valid Applications, which are eligible for allotment, procured from RIIs and NIIs and submitted to the SCSB for processing. The terminal from which the application has been uploaded will be taken into account in order to determine the total processing, fees payable to the relevant Registered Broker.
- SCSBs would be entitled to a processing fee of ₹ 10/- (plus GST) for processing the Application Forms procured by the members of the Registered Brokers, RTAs or the CDPs and submitted to SCSBs.
- Issuer banks for UPI Mechanism as registered with SEBI would be entitled to a processing fee of ₹ 10/- (plus GST) for processing the Application Forms procured by the members of the Registered Brokers, RTAs or the CDPs and submitted to them.
- 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 02<sup>nd</sup>, 2021 read with SEBI Circular No: SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021.

### SCHEDULE OF IMPLEMENTATION AND DEPLOYMENT OF FUNDS

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

S. No.	Particulars	Total Estimated Cost	Amount to be funded from the Net Issue Proceeds (₹ in Lakhs)	Amount already deployed (₹ in Lakhs)	Estimated Utilization of Net Proceeds (₹ in Lakhs) upto Financial year (2024-25)*	Estimated Utilization of Net Proceeds (₹ in Lakhs) upto Financial year (2025-26)*
1.	To Meet Capital Expenditure	616.00	616.00	-	616.00	-
2.	To Meet Incremental Working Capital Requirements	828.06	400.00	-	400.00	-
3.	General Corporate Purpose	199.74	199.74	-	199.74	-
4.	Public Issue Expenses	85.00	85.00	10.00	75.00	-
	<b>Total</b>	<b>1,728.80</b>	<b>1,300.74</b>	<b>10.00</b>	<b>1,290.74</b>	<b>-</b>

\*To the extent our Company is unable to utilize any portion of the Net Proceeds towards the Object, as per the estimated schedule of deployment specified above; our Company shall deploy the Net issue Proceeds in the subsequent Financial years i.e. FY 2025-26 towards the Object of the issue.

### APPRAISAL REPORT

None of the objects for which the Issue Proceeds will be utilized have been financially appraised by any financial institutions/ banks.

### BRIDGE FINANCING

We have not entered into any bridge finance arrangements that will be repaid from the Net Issue Proceeds. However, we may draw down such amounts, as may be required, from an overdraft arrangement / cash credit facility with our





lenders, to finance the existing ongoing project facility requirements until the completion of the Issue. Any amount that is drawn down from the overdraft arrangement / cash credit facility during this period to finance our existing/ongoing projects will be repaid from the Net Proceeds of the Issue.

#### **INTERIM USE OF FUNDS**

Pending utilization of the Issue Proceeds for the Objects of the Issue described above, our Company shall deposit the funds only in Scheduled Commercial Banks included in the Second Schedule of Reserve Bank of India Act, 1934.

In accordance with Section 27 of the Companies Act, 2013, our Company confirms that, pending utilization of the proceeds of the Issue as described above, it shall not use the funds from the Issue Proceeds for any investment in equity and/or real estate products and/or equity linked and/or real estate linked products.

#### **MONITORING UTILIZATION OF FUNDS**

There is no requirement for the appointment of a monitoring agency, as the Issue size is less than ₹ 10,000 Lakhs. Our Board will monitor the utilization of the proceeds of the Issue and will disclose the utilization of the Net Proceeds under a separate head in our balance sheet along with the relevant details, for all such amounts that have not been utilized. Our Company will indicate investments, if any, of unutilized Net Proceeds in the balance sheet of our Company for the relevant Fiscal subsequent to receipt of listing and trading approvals from the Stock Exchanges.

Pursuant to Regulation 32 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, our Company shall on half-yearly basis disclose to the Audit Committee the Application 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 Draft 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.

#### **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 authorized 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") 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 proceeds of the Issue will be paid by us to the Promoters and Promoter Group, the Directors, Associates, Key Management Personnel or Group Companies except in the normal course of business and in compliance with the applicable law.



## BASIS FOR ISSUE PRICE

The Issue Price is determined by our Company in consultation with the Lead Manager. The financial data presented in this section are based on our Company's Restated Financial Statements. Investors should also refer to the sections/chapters titled "Risk Factors" and "Restated Financial Statements" on page no. 15 and 129 respectively of this Draft Prospectus to get a more informed view before making the investment decision.

### QUALITATIVE FACTORS

- Innovative Design;
- Customization Options;
- Manufacturing Efficiency;
- Distribution Network;
- Brand Reputation;
- Price Competitiveness;
- Marketing and Advertising;
- Technological Integration;
- Regulatory Compliance;
- Environmental Sustainability;
- Market Positioning.

For details of qualitative factors, please refer to the paragraph "Our Competitive Strengths" in the chapter titled "Business Overview" beginning on page no. 85 of this Draft 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) Standalone:

Financials Year/Period	Basic and Diluted EPS (in ₹)#	Weighted Average
Financial Year ended March 31, 2024	10.23	3
Financial Year ended March 31, 2023	7.73	2
Financial Year ended March 31, 2022	2.36	1
<b>Weighted Average</b>	<b>8.09</b>	

#### Notes:

- i. The figures disclosed above are based on the Restated Financial Statements of the Company;
- ii. The face value of each Equity Share is ₹10/-;
- iii. Earnings per share has been calculated in accordance with Accounting Standard 20 – "Earnings per share" issued by the Institute of Chartered Accountants of India;
- iv. The above statement should be read with Significant Accounting Policies and the Notes to the Restated Financial Statements as appearing in Annexure IV-31;
- v. Basic Earnings per Share = Net Profit/(Loss) after tax, as restated attributable to equity shareholders/ Weighted average number of equity shares outstanding during the year after taking effect of bonus shares;
- vi. Diluted Earnings per Share = Net Profit/(Loss) after tax, as restated attributable to equity shareholders / Weighted average number of diluted potential equity shares outstanding during the year after taking effect of bonus shares.

#### 2. Price to Earnings (P/E) ratio in relation to Issue Price of ₹ 95/-:

Particulars	EPS (in ₹)	P/E
P/E Ratio based on the Basic & Diluted EPS, as restated for the period ended March 31, 2024	10.23	9.29
P/E Ratio based on the Weighted Average EPS, as restated for the period ended March 31, 2024	8.09	11.75

#### 3. Return on Net Worth (RoNW) Standalone:

Financial Year/Period	Return on Net Worth (%)	Weights
Financial Year ended March 31, 2024	42.09	3
Financial Year ended March 31, 2023	76.14	2
Financial Year ended March 31, 2022	97.27	1



Financial Year/Period	Return on Net Worth (%)	Weights
Weighted Average	62.63	

**Notes:**

- The figures disclosed above are based on the Restated Financial Statements of the Company;
- The RoNW has been computed by dividing restated net profit after tax with restated Net worth as at the end of the year/period;
- Weighted average = Aggregate of year-wise weighted RoNW divided by the aggregate of weights i.e. (RoNW x Weight) for each year/Total of weights.

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

Particulars	(in ₹)
NAV per Outstanding Equity Share as at March 31, 2024	24.30
NAV per Outstanding Equity Share as at March 31, 2023	10.15
NAV per Outstanding Equity Share as at March 31, 2022	2.42
NAV per Outstanding Equity Share after the Issue*	50.20
Issue Price per Equity Shares	95.00

\*The above NAV has been calculated based on weighted number of shares outstanding at the end of the respective year after taking effect of bonus shares + Number of shares to be issued in the public offer.

**Notes:**

- NAV per share = Restated Net worth at the end of the year/weighted average number of equity shares outstanding at the end of the year after taking effect of bonus shares.
- Net worth is computed as the sum of the aggregate of paid-up equity share capital, all reserves created out of the profits, securities premium account received in respect of equity shares.

**5. Comparison of Accounting Ratios with Peer Group Companies:**

Name of the Company	Total Income (₹ in Lakhs)	Face Value (₹)	EPS (₹)	P/E Ratio	RoNW (%)	NAV per Equity Share (₹)
Jivial Industries Limited	1105.73	10.00	10.23	9.29	42.09	24.30
<b>Peer Group</b>						
Our Company does not have exact comparable listed peer, therefore information related to peer group has not been provided.						

- The face value of Equity Shares of our Company is ₹10/- per Equity Share and the Issue price is 9.50 times the face value of equity share.
- The Issue Price of ₹95/- is determined by our Company in consultation with the Lead Manager is justified based on the above accounting ratios. For further details, please refer to the section titled “Risk Factors” and chapters titled “Business Overview” and “Restated Financial Statements” beginning on page no. 15, 85 and 129 respectively of this Draft Prospectus.

**KEY FINANCIAL AND OPERATIONAL PERFORMANCE INDICATORS (“KPIs”)**

In evaluating our business, we consider and use certain KPIs as a supplemental measure to review and assess our financial and operating performance. The presentation of these KPIs is not intended to be considered in isolation or as a substitute for the Restated Consolidated Financial Information. We use these KPIs to evaluate our financial and operating performance. These KPIs have limitations as analytical tools. Further, these KPIs may differ from the similar information used by other companies and hence their comparability may be limited. Therefore, these metrics should not be considered in isolation or construed as an alternative to AS measures of performance or as an indicator of our operating performance, liquidity or results of operation. Although these KPIs are not a measure of performance calculated in accordance with applicable accounting standards, our Company’s management believes that it provides an additional tool for investors to use in evaluating our ongoing operating results and trends and in comparing our financial results with other companies in our industry because it provides consistency and comparability with past financial performance, when taken collectively with financial measures prepared in accordance with AS.

Investors are encouraged to review the AS financial measures and to not rely on any single financial or operational metric to evaluate our business.

The KPIs disclosed below have been approved by a resolution of our Audit Committee dated August 05<sup>th</sup>, 2024 and the members of the Audit Committee have verified the details of all KPIs pertaining to the Company. Further, the members



of our Audit Committee have confirmed that there are no KPIs pertaining to our Company that have been disclosed to any investors at any point of time during the three years prior to the date of filing of this Draft Prospectus. Further, the KPIs herein have been certified by S V J K and Associates and Chartered Accountant, (having FRN No. 135182W), by their certificate dated August 05<sup>th</sup>, 2024.

The KPIs of our Company have been disclosed in the sections “Business Overview” and “Management’s Discussion and Analysis of Financial Position and Results of Operations” starting on page nos. 85 and 132, respectively. We have described and defined the KPIs, as applicable, in the section “Definitions and Abbreviations” on page no. 2.

Our Company confirms that it shall continue to disclose all the KPIs included in this section on a periodic basis, at least once in a year (or any lesser period as determined by the Board of our Company), for a duration of one year after the date of listing of the Equity Shares on the Stock Exchange or till the complete utilisation of the proceeds of the Fresh Issue as per the disclosure made in the section “Object of the Issue” on page no. 60, whichever is later or for such other duration as may be required under the SEBI ICDR Regulations.

Set forth below are the KPIs pertaining to the Company that have been used historically by our Company to understand and analyse the business performance, which in result, help us in analysing the growth of various verticals in comparison to our listed peers, and other relevant and material KPIs of the business of the Company that have a bearing for arriving at the Basis for the Offer Price:

#### Key Performance Indicators of our Company:

(Rs. In Lakhs)			
Particulars	As on 31 <sup>st</sup> March, 2024	As on 31 <sup>st</sup> March, 2023	As on 31 <sup>st</sup> March, 2022
Revenue from Operations <sup>1</sup>	1,105.73	839.93	279.99
Growth in Revenue from Operations (%) <sup>2</sup>	31.65%	199.99%	-
EBITDA <sup>3</sup>	307.98	142.46	43.67
EBITDA Margin (%) <sup>4</sup>	27.85%	16.96%	15.60%
PAT <sup>5</sup>	242.18	116.69	35.57
PAT Margin (%) <sup>6</sup>	21.90%	13.89%	12.71%
Net Debt <sup>7</sup>	-38.94	2.85	9.00
Net Worth <sup>8</sup>	575.41	153.26	36.57
ROE (%) <sup>9</sup>	42.09%	76.14%	97.27%
ROCE (%) <sup>10</sup>	51.32%	82.80%	84.41%
EPS (Basic & Diluted) <sup>11</sup>	10.23	7.73	2.36

#### Note:

(1) Revenue from operation means revenue from sales;

(2) Growth in Revenue from Operations (%) is calculated as Revenue from Operations of the relevant period minus Revenue from Operations of the preceding period, divided by Revenue from Operations of the preceding period;

(3) EBITDA is calculated as Profit before tax + Depreciation + Finance Costs – Other Income;

(4) EBITDA Margin is calculated as EBITDA divided by Revenue from Operations;

(5) PAT is calculated as Profit before tax – Taxes;

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

(7) Net debt = Non-current borrowing + current borrowing - Cash and cash equivalent.

(8) Net worth = Equity share capital + Reserves and Surplus.

(9) ROE = Net profit after tax / Net Worth.

(10) ROCE = Profit before tax and finance cost / Capital employed\*

\*Capital employed = Net Worth + Non-current borrowing + Current Borrowing + Deferred Tax liabilities - Deferred Tax Assets – Intangible Assets.

(11) EPS = Net Profit after tax, as restated, attributable to equity shareholders divided by weighted average number of equity shares outstanding at the end of the year after taking effect of bonus shares.

#### Explanation for KPI metrics

Key Financial Performance	Explanations
Revenue from Operations	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.
EBITDA	EBITDA provides information regarding the operational efficiency of the business.
EBITDA Margin	EBITDA Margin (%) is an indicator of the operational profitability and financial performance of our business.



PAT	Profit after tax provides information regarding the overall profitability of the business.
PAT Margin	PAT Margin (%) is an indicator of the overall profitability and financial performance of our business.

**1. Set forth below are the details of comparison of key performance of indicators with our Listed Industry Peers:**

Our Company does not have exact comparable listed peer, therefore information related to peer group has not been provided.

**2. Weighted average cost of acquisition:**

**a. The price per share of our Company based on the primary/ new issue of shares (equity / convertible securities).**

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

Date of allotment	Nature of allotment	Number of equity shares Allotted	Face value (₹)	Issue price (₹)	Nature of consideration	Total Consideration (₹ in lakhs)
08 <sup>th</sup> September, 2023	Bonus Issue	15,00,000	10	10	Bonus	-
09 <sup>th</sup> October 2023	Right Issue	18,00,000	10	10	Cash	180.00
<b>Total</b>		<b>33,00,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>180.00</b>
<b>WACC</b>						<b>5.45</b>

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

There has 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. There were no such other primary issuance / secondary transactions except as provided in 2(a) and (b) to be informed under this section based on last 5 primary or secondary transactions (secondary transactions where Promoter / Promoter Group entities or shareholder(s) having the right to nominate director(s) in the Board of our Company, are a party to the transaction), not older than 3 years prior to irrespective of the size of transactions.**

Date of Transfer	Name of Transferor/Transferee	Number of equity shares	Face value (₹)	Transfer price (₹)	Nature of consideration	Total Consideration (₹ in lakhs)
23 <sup>rd</sup> September, 2022	Transfer from Anand Jitendrabhai Chovatiya to Jitendra Lavjibhai Chovatiya	400	10	10	Cash	0.04
	Transfer from Anand Jitendrabhai Chovatiya to Jitendra Lavjibhai C	200	10	10	Cash	0.02
	Transfer from Anand Jitendrabhai Chovatiya to Vijay Lavjibhai Chovatiya	400	10	10	Cash	0.04
	Transfer from	400	10	10	Cash	0.04



Date of Transfer	Name of Transferor/Transferee	Number of equity shares	Face value (₹)	Transfer price (₹)	Nature of consideration	Total Consideration (₹ in lakhs)
	Sheetalben Anand Chovatiya to Nitaben Vijaybhai Chovatiya					
	Transfer from Sheetalben Anand Chovatiya to Sangitaben Jitendrabhai Chovatiya	400	10	10	Cash	0.04
	Transfer from Sheetalben Anand Chovatiya to Lavjibhai Hirabhai Chovatiya	200	10	10	Cash	0.02
<b>Total</b>		<b>2,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.20</b>
<b>WACC</b>						<b>10.00</b>

d. **Weighted average cost of acquisition, issue price:**

Types of transactions	Weighted average cost of acquisition (₹ per Equity Shares)
Weighted average cost of acquisition for last 18 months for primary / new issue of shares (equity / convertible securities), excluding shares issued under an employee stock option plan/employee stock option scheme and issuance of bonus shares, during the 18 months preceding the date of filing of this Draft Prospectus, where such issuance is equal to or more than five per cent of the fully diluted paid-up share capital of our Company (calculated based on the pre-issue capital before such transaction/s and excluding employee stock options), in a single transaction or multiple transactions combined together over a span of rolling 30 days	5.45
Weighted average cost of acquisition for last 18 months for secondary sale / acquisition of shares equity / convertible securities), where promoters / promoter group entities or Selling Shareholder or shareholder(s) having the right to nominate director(s) in our Board are a party to the transaction (excluding gifts), during the 18 months preceding the date of filing of this Draft Prospectus, where either acquisition or sale is equal to or more than 5% of the fully diluted paid-up share capital of our Company (calculated based on the pre-issue capital before such transaction(s) and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days.	NA
Since there were no secondary transactions of equity shares of our Company during the 18 months preceding the date of filing of this Draft Prospectus, which are equal to or more than 5% of the fully diluted paid-up share capital of our Company, the information has been disclosed for price per share of our Company based on the last five secondary transactions where promoters /promoter group entities or Selling Shareholder or shareholder(s) having the right to nominate director(s) on our Board, are a party to the transaction, not older than three years prior to the date of filing of this Prospectus irrespective of the size of the transaction.	10.00

- e. The Issue Price is 9.50 times of the face value of the Equity Shares. The Issue Price of ₹95/- has been determined by our Company, in consultation with the Lead Manager, on the basis of market demand from investors for Equity Shares through the Fixed price method and is justified in view of the above qualitative and quantitative parameters.



Applicants should read the above mentioned information along with “*Risk Factors*”, “*Business Overview*”, “*Restated Financial Statements*” and “*Management’s Discussion and Analysis of financial position and results of Operations*” on page nos. 15, 85, 129 and 132, respectively, to have a more informed view. The trading price of the Equity Shares could decline due to the factors mentioned in the “*Risk Factors*” on page no. 15 and you may lose all or part of your investment.

*[The remainder of this page has intentionally been left blank]*





## STATEMENT OF POSSIBLE TAX BENEFITS

To,  
The Board of Directors,  
JIVIAL INDUSTRIES LIMITED  
Shade No. A1/5, Road C, Beside Daynamic Forge,  
Aji Gidc, Rajkot Aji Ind Estate,  
Rajkot, Gujarat, India, 360003

Dear Sirs,

**Sub: Statement of possible Special tax benefit ('the Statement') available to Jivial Industries Limited ("The Company") (Previously known as Jivial Industries Private 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's 1 and 2, prepared by "Jivial 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, 2023, i.e., applicable for the Financial Year 2023-24 relevant to the assessment year 2024-25, presently in force in India for inclusion in the Draft Prospectus / 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 fulfill.

The benefits discussed in the enclosed Annexure's 1 and 2 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 the 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's 1 and 2 are 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) Regulation S 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.

Yours faithfully,

**For, JNCY & Associate**  
**Chartered Accountants**  
**Firm Registration No: 136545W**

**CA. Yogeshkumar P. Sangani**  
**(Partner)**  
**Membership No: 154852**  
**Place: Rajkot**  
**Date: 15/07/2024**  
**UDIN: 24154852BKBLCB560**



## ANNEXURE 1

### TO THE STATEMENT OF POSSIBLE TAX BENEFITS

Outlined below are the possible Special tax benefits available to the Company and its shareholders under the Income Tax Act, 1961 (the Act) 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.

#### 1. SPECIAL TAX BENEFITS AVAILABLE TO THE COMPANY UNDER THE ACT:

Outlined below are the special tax benefits available to the “Company and its Shareholders under the Income-tax Act, 1961 (the “Act”) as amended by the Finance Act, 2023 applicable for Financial Year 2023-24 relevant to the Assessment Year 2024-25.

##### Lower corporate tax rate under section 115BAB

Section 115BAB has been inserted in the Act w.e.f. FY 2019-20. It gives an option to domestic company to be governed by this section from a particular assessment year. If a company opts for section 115BAB of the Act, the company can pay corporate tax at a reduced rate of 17.16% (15% plus surcharge of 10% and education cess of 4%). However once opted for reduced rate of taxation under the said section, it cannot be subsequently withdrawn.

Section 115BAB further provides that domestic companies availing the option will not be required to pay Minimum Alternate Tax (MAT) on their ‘book profits’ under section 115JB of the Act. However, such a company will no longer be eligible to avail any specified exemptions / incentives under the Act and will also need to comply with the other conditions specified in section 115BAB. Also, if a company opts for section 115BAB, the tax credit (under section 115JAA), if any, which it is entitled to on account of MAT paid in earlier years, will no longer be available.

Further, it shall not be allowed to claim set-off of any brought forward losses arising to it on account of additional depreciation and other specified incentives.

The Company has already evaluated and opted for the lower corporate tax rate of 17.16% (prescribed under section 115BA of the Act) with effect from AY 2022-23.

#### 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:

- All the above benefits are as per the current direct tax laws and will be available only to the sole / first name holder where the shares are held by joint holders.
- 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.
- The above Statement sets out the provisions of law in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the purchase, ownership and disposal of shares.
- For direct tax benefits, this Annexure sets out only the special tax benefits available to the Company and the shareholders under the current Income-tax Act, 1961 i.e. the Act as amended by the Finance Act, 2023 applicable for the Financial Year 2023-24 relevant to the Assessment Year 2024-25, presently in force in India.
- This Annexure is intended only to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of tax consequences, each investor is advised to consult his/her own tax advisor with respect to specific tax arising out of their participation in the Offer.

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.



## ANNEXURE 2

### TO THE STATEMENT OF TAX BENEFITS

Outlined below are the possible Special tax benefits available to the Company and its shareholders under the Indirect Tax 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.**

#### **A. SPECIAL TAX BENEFITS TO THE COMPANY**

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

#### **B. SPECIAL TAX BENEFITS TO THE SHAREHOLDER**

The Shareholders of the Company are not entitled to any special tax benefits under the Indirect Tax Laws in India.

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 indirect tax law benefits and does not cover any direct 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.



## SECTION VIII: ABOUT OUR COMPANY

### INDUSTRY OVERVIEW

*The information presented in this section has been extracted from publicly available information, data, and statistics. This information, data, and statistics have been derived from various government publications and industry sources. Neither we nor any other person connected with the Issue has verified this information. The data may have been re-classified by us for the purposes of presentation. Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable, but that their accuracy, completeness, and underlying assumptions are not guaranteed, and their reliability cannot be assured and accordingly, investment decisions should not be based on such information. You should read the entire Draft Prospectus, including the information contained in the sections titled “Risk Factors” and “Restated Financial Statements” and related notes beginning on page nos. 15 and 129 respectively of this Draft Red Herring Prospectus before deciding to invest in our Equity Shares.*

### GLOBAL OUTLOOK

After growing 3.1 percent last year, the global economy is set to slow substantially in 2023, to 2.1 percent, amid continued monetary policy tightening to rein in high inflation, before a tepid recovery in 2024, to 2.4 percent. Tight global financial conditions and subdued external demand are expected to weigh on growth across emerging market and developing economies (EMDEs). Projections for many countries have been revised down over the forecast horizon, with upgrades primarily due to stronger-than-expected data at the beginning of 2023 more than offset by downgrades thereafter. Inflation has been persistent but is projected to decline gradually as demand weakens and commodity prices moderate, provided longer-term inflation expectations remain anchored. Global growth could be weaker than anticipated in the event of more widespread banking sector stress or if more persistent inflation pressures prompt tighter-than-expected monetary policy. Weak growth prospects and heightened risks in the near term compound a long-term slowdown in potential growth, which has been exacerbated by the overlapping shocks of the pandemic, the Russian Federation’s invasion of Ukraine, and the sharp tightening of global financial conditions. This difficult context highlights a multitude of policy challenges. Recent bank failures call for a renewed focus on global financial regulatory reform. Global cooperation is also necessary to accelerate the clean energy transition, mitigate climate change, and provide debt relief for the rising number of countries experiencing debt distress. At the national level, it is imperative to implement credible policies to contain inflation and ensure macroeconomic and financial stability, as well as undertake reforms to set the foundations for a robust, sustainable, and inclusive development path.

The global economy remains in a precarious state amid the protracted effects of the overlapping negative shocks of the pandemic, the Russian Federation’s invasion of Ukraine, and the sharp tightening of monetary policy to contain high inflation. The resilience that global economic activity exhibited earlier this year is expected to fade. Growth in several major economies was stronger than envisaged at the beginning of the year, with faster-than-expected economic reopening in China and resilient consumption in the United States. Nonetheless, for 2023 as a whole, global activity is projected to slow, with a pronounced deceleration in advanced economies and a sizable pickup in China (figure 1.1.A). Inflation pressures persist, and the drag on growth from the ongoing monetary tightening to restore price stability is expected to peak in 2023 in many major economies. Recent banking sector stress will further tighten credit conditions. This will result in a substantial growth deceleration in the second half of this year. This slowdown will compound a period of already-subdued growth “over the first half of the 2020s (2020-2024), growth in EMDEs is expected to average just 3.4 percent, one of the weakest half-decades of the past 30 years (figure 1.1.B). This slowdown reflects both cyclical dynamics and the current trend of declining global potential output growth (figure 1.1.C). Global financial conditions have tightened as a result of policy rate hikes and, to a lesser extent, recent bouts of financial instability. Many banks experienced substantial unrealized losses due to the sharp rise in policy interest rates. Concerns about the viability of balance sheets of some banks led to depositor flight and market volatility in the United States and Europe earlier in the year, which were stemmed by a swift and extensive policy response. Financial markets remain highly sensitive to evolving expectations about the future path of interest rates of major central banks. Spillovers from banking turmoil in advanced economies to EMDEs have so far been limited. However, countries with more pronounced macroeconomic policy vulnerabilities, as reflected by lower credit ratings, have experienced slower growth and greater financial stress, including large currency depreciations and a sharp widening of sovereign spreads. Projections for 2023 growth in these economies have fallen by more than half over the past year (figure 1.1.D). Inflation pressures persist. Although global headline inflation has been decelerating as a result of base effects, abating supply chain pressures.

[Source:<https://thedocs.worldbank.org/en/doc/5443e6bba11cd7fa7c0c678a20edd4dd-0350012023/related/GEP-June-2023-Chapter-1-Highlights.pdf>].

### ARCHITECTURAL HARDWARE MARKET OUTLOOK – 2026

The global architectural hardware market size was valued at \$15,960 million in 2018, and is projected to reach \$23,271 million by 2026, growing at a CAGR of 6.8% from 2019 to 2026. The architectural hardware includes door & window



locks, door closers, floor springs, furniture fittings, panic bars, door automatics, shower fittings, door & window accessories, glass hardware patch fittings, glass hardware railings and other accessories.

The global architectural hardware market is projected to gain high momentum in near future supported by economic growth of various developing nations, and rise in infrastructural investments. The governments of various countries have taken initiatives related to infrastructure developments. Increased investment in the real estate sector boosts the demand for door and window accessories and other architectural components. At the same time, improving economies in the developing countries such as India, China, Indonesia, and others, have resulted in large investments from different countries, a factor that subsequently boosts the demand for architectural hardware in infrastructural and construction projects across various sectors. For instance, in January 2019, China invested \$163 billion in the infrastructure sector to boost the economy. New construction projects includes two major airports and railway stations. Similarly, in September 2018, I Squared Capital, a private equity firm raised \$7 billion for new infrastructure projects in India.

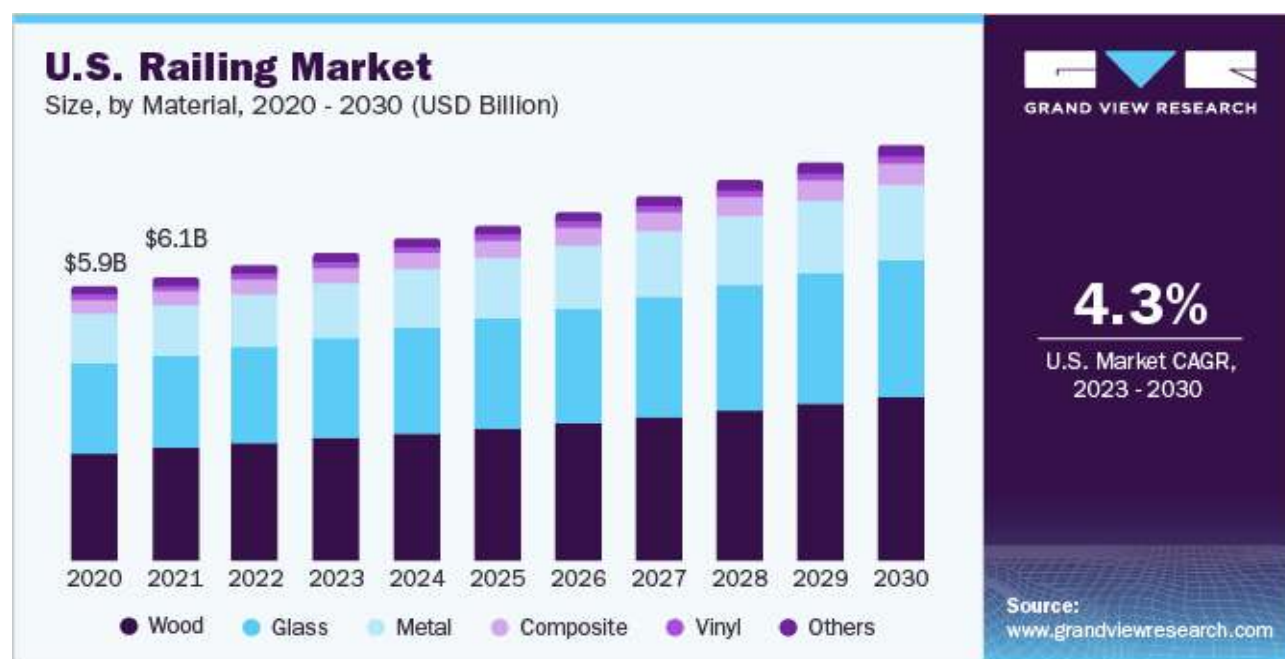
In addition, urban population growth is concentrated in emerging economies of the world, which fuels the demand for natural stones in these regions owing to high development rate for infrastructure. Urbanization has increased considerably over the last decade and is estimated to continue to increase during the forecast period in the developing countries such as India and China. The impact of urbanization on the housing sector is dominant.

However, increase in prices of raw materials such as iron, brass, copper, plastic, steel, and others, is expected to hamper the architectural hardware market growth. Furthermore, the rapid urbanization in third world countries is on the rise creating a demand for quality public infrastructure and utilities among those countries. Subsequently, the government initiative toward development of airports, educational buildings, hospitals, parks, and other public spaces, is anticipated to create substantial lucrative business opportunities for the market players in architectural hardware market.

[Source: <https://www.alliedmarketresearch.com/architectural-hardware-market>]

## GLOBAL RAILING MARKET

The global **railing market size** was estimated at **USD 51.0 billion in 2022** and is expected to grow at a compound annual growth rate (CAGR) of 4.8% from 2023 to 2030. The growth of the market is anticipated to be driven by the increasing government investments in residential and non-residential construction. Moreover, the migration of people from rural to urban areas for better growth opportunities is expected to increase the demand for modern railing, thus positively influencing demand. With rapid urbanization and modernization, people are shifting from rural areas to urban areas, creating better growth opportunities for the market. In addition, government investments in residential and infrastructural constructions are further expected to increase the demand for the railing industry globally.



In the U.S., the residential segment is anticipated to grow significantly owing to the significant expansion of both remodeling and new residential construction markets. Wood railing is more traditional and is most common in the U.S. owing to its aesthetic appeal. It is expected to face significant competition due to cheaper costs and ease of maintenance associated with composite railing.





Contractors have direct tie-ups with manufacturing companies that help them procure large volumes of railings at low prices. Distributors have their committed stores, and the general public can purchase railings from these stores. This offers end-users a broad range of options in terms of railing materials and designs. In addition, it also allows customers to touch and feel railings for an improved understanding of their quality.

## **MATERIAL INSIGHTS**

The wood railing segment accounted for a revenue share of 41.5% in 2022. Wood is the most conventional and classic railing material. Due to its distinctive aesthetic appeal and easy and low-cost procurement, wood railings are favored for use in residential applications, particularly in semi-urban and rural areas. These factors fuel the growth of the wood railing segment across the world.

Metal railing dominated the material segment and accounted for a revenue share of 44.5% in 2022 and it is expected to expand at a CAGR of 4.9% in terms of revenue over the forecast period. Metal railings are developed from stainless steel, aluminum, brass, bronze, wrought iron, and cast iron. Metal railings are robust and sturdy, and they require minimal maintenance. This, in turn, is expected to lead to the growth of the metal railing segment globally.

The glass segment is projected to witness considerable growth from 2023 to 2030 as customers prefer glass railings owing to their high aesthetic impact, including the ability to make the spaces appear large and facilitate the flow of light. These railings enhance the value and elegance of buildings while making them secure and valuable. These factors are likely to contribute to the growth of glass railing.

## **APPLICATION INSIGHTS**

The interior application segment of the railing industry is expected to grow at a CAGR of 4.9% over the forecast period. Interior applications of railings include staircases and indoor balconies. Materials such as wood, carbon steel, aluminum, glass, and stainless steel are preferred for interior applications, owing to the durability and aesthetic appeal imparted by these materials. Furthermore, the flourishing construction industry across the globe has resulted in the high adoption of railings on staircases and indoor balconies for fall protection. The exterior application accounted for the largest revenue share of 68.5% in 2022. Railings are used in a variety of exterior applications including balconies, terraces, decks, walkways, bridges, porches, and patios. In these applications, the most common materials are aluminum, stainless steel, wrought iron, and vinyl, owing to their durability and ability to withstand extreme weather conditions.

## **INSTALLATION INSIGHTS**

The professional installation segment is projected to continue its dominance in the railing industry over the forecast period. Professionally installed railings are of high quality, take less time and effort for erecting, are durable and long-lasting, and can tolerate weather changes. Additionally, without experts, the installation of railings is of poor quality, which lowers the value and attractiveness of the property wherein they are used. These factors are projected to fuel the professional installation segment.

The Do-it-yourself (DIY) segment is anticipated to grow at a significant rate from 2023 to 2030 owing to surging demand for customized railings. There are several do-it-yourself (DIY) railing kits available as customers are increasingly using them to improve the look of their homes since these kits save labor costs.

## **RAILING STYLE INSIGHTS**

The glass panel segment is projected to grow at a CAGR of 4.9% in terms of revenue from 2023 to 2030. Glass panels are generally expensive and mainly preferred by high-income customers. They are considered modern railing materials that provide an unobstructed view and improve the aesthetics of places where they are installed. Glass panels are durable, easy to maintain, and increase the resale value of buildings. These factors are expected to boost the demand for the glass panel railing style segment over the coming years.

Balusters are short vertical pillars that support the top rail in railing systems. They are commonly made from wood, concrete, iron, stone, vinyl, steel, and aluminum. There has been growing usage of balusters in residential buildings as they enhance the beauty of railings and are more affordable than glass panels. These factors are projected to surge the demand for balusters across the world over the forecast period.

## **DISTRIBUTION CHANNEL INSIGHTS**

The direct distribution channel includes direct contact between manufacturers and end-users of railings, thereby eliminating the role of middlemen. This channel enables the purchase of railings directly from their manufacturers which also increases the profit margins of the manufacturers. Moreover, the rising penetration of e-commerce platforms across the world is expected to fuel the adoption of direct distribution channels for selling railings over the forecast period.

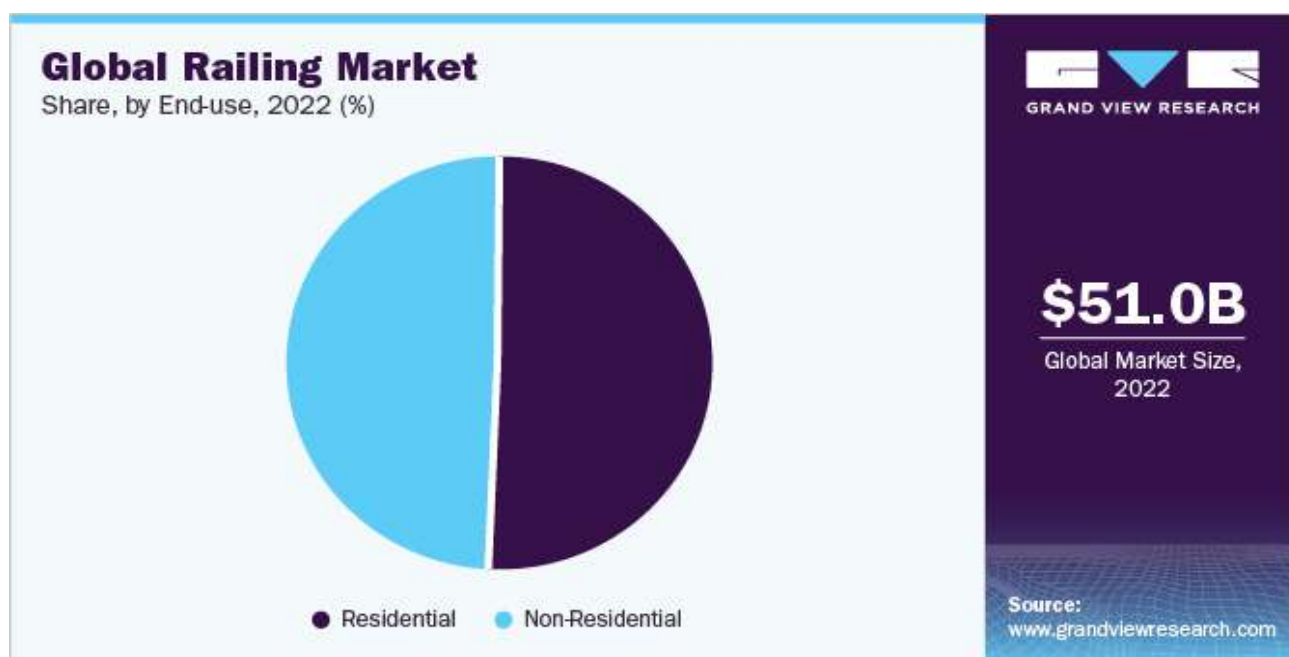




The indirect distribution channel segment accounted for a larger share in 2022 in terms of revenue of the market than the distribution channel segment. Indirect distribution channels are the most used ones for selling residential railings. It comprises wholesalers, contractors, retail stores, and online third-party distributors. The growth of the indirect distribution channel segment can be attributed to the preference of consumers to visually inspect the materials, products, colors, aesthetics, and specifications of railings before finalizing their purchase.

## END-USE INSIGHTS

The residential segment of the railing industry is projected to grow significantly from 2023 to 2030 owing to the significant rise in both, renovation and new residential construction activities across the world. In addition, the surge in global demand for railings used in residential buildings is driven by the increased disposable income of consumers.



The demand for railings for use in non-residential buildings is expected to increase in the coming years owing to the reopening of offices and commercial spaces after recovering from the impact of the pandemic. As railings are installed in corporate buildings, hotels, retail centers, and industrial facilities for security purposes, a non-residential segment of the market is expected to grow globally during the forecast period.

## REGIONAL INSIGHTS

The Asia Pacific region dominated the global market for railing with 44.5% in 2022 and accounted for USD 22,710.0 million in 2022. The region includes many developing as well as developed economies such as India, China, Japan, and Bangladesh. The countries in the region are witnessing growth in infrastructural development, which is driving the demand for railings.



The North American market for railing is anticipated to witness growth at a CAGR of 4.5% over the forecast period on account of the growing construction industry in the region. The region has been witnessing an increased demand for residential and commercial spaces on account of the growing population and rising purchasing power of consumers in countries such as Canada and Mexico.

The Central & South American market for railing is expected to grow at a significant rate. The growth of the residential construction industry is also being supported by an increase in the construction of single-family homes in Central and South America. In addition, growing investments in various infrastructure development projects by both domestic and international players are anticipated to support the expansion of the region's construction industry.

[Source:<https://www.grandviewresearch.com/industry-analysis/railing-market-report#:~:text=Material%20Insights&text=Wood%20is%20the%20most%20conventional,semi%20Urban%20and%20rural%20areas>]

## GLOBAL ALUMINIUM RAILING MARKET

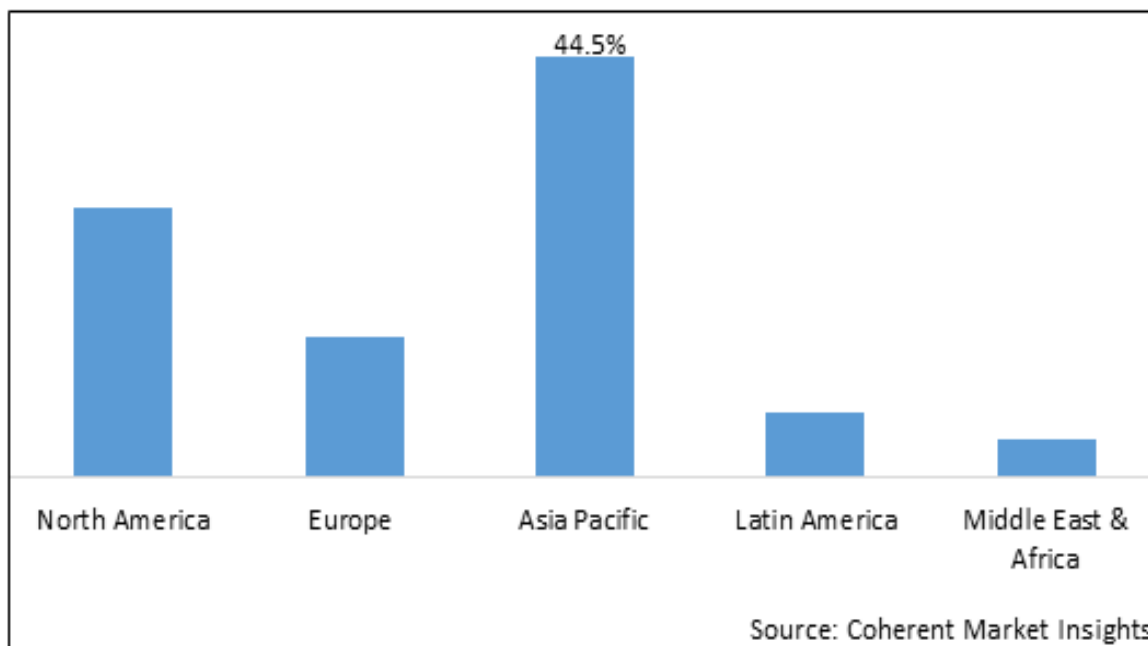
The global aluminum railing market is estimated to be valued at US\$ 970.9 million in 2023 and is projected to reach US\$ 1,170 million by 2030, growing at a CAGR of 2.7% from 2023 to 2030.

The growth of the aluminum railing market is being driven by the increasing demand for aluminum railings in residential, commercial, and industrial applications. Aluminum railings are lightweight, durable, and corrosion-resistant, making them a popular choice for a variety of applications. Additionally, the rising demand for sustainable materials is also driving the growth of the aluminum railing market. The residential segment is expected to be the largest market for aluminum railings during the forecast period. This is due to the increasing demand for aluminum railings in new construction and renovation projects. The commercial segment is also expected to grow at a significant rate during the forecast period, owing to the increasing demand for aluminum railings in office buildings, hotels, and hospitals.

## ALUMINUM RAILING MARKET REGIONAL INSIGHTS

- Asia Pacific is the largest market for aluminum railing, accounting for 44.5% of the global market in 2023. The region is characterized by rapid urbanization and industrialization, which is driving the demand for aluminum railing in the construction industry. China, India, and Japan are the major markets for aluminum railing in the region.
- North America is the second largest market for aluminum railing, accounting for 28.5% of the global market in 2023. The growth of the market in North America is driven by the increasing demand for aluminum railing in the residential and commercial sectors. The United States is the largest market for aluminum railing in North America.
- Europe is the third largest market for aluminum railing, accounting for 14.5% of the global market in 2023. The growth of the market in Europe is driven by the increasing demand for aluminum railing in the construction and shipbuilding industries. Germany, France, and the United Kingdom are the major markets for aluminum railing in Europe.

• **Figure 1. Global Aluminum Railing Market Share (%), by Region, 2023**



### ALUMINUM RAILING MARKET DRIVERS

- **Increasing Construction Activities:** The growth of the construction industry, including residential, commercial, and industrial sectors, was a major driver for the aluminum railing market. Aluminum railings are commonly used in various construction projects due to their durability, lightweight nature, and aesthetic appeal.
- **Preference for Low-Maintenance Materials:** Aluminum railings are known for their low maintenance requirements compared to materials like wood or iron, which can rust, rot, or require regular painting. This made aluminum railings an attractive choice for property owners looking for a durable and hassle-free solution.
- **Aesthetic Appeal and Customization:** Aluminum railings offer a wide range of design possibilities, including various finishes, colors, and styles. This level of customization allows homeowners and architects to choose railing designs that match the overall aesthetics of a building or outdoor space.
- **Rising Safety Regulations:** Governments and regulatory bodies often mandate safety measures, including the installation of railings in various settings. Aluminum railings, being sturdy and easy to install, were sought after to meet safety standards.

### ALUMINUM RAILING MARKET OPPORTUNITIES

- **Green Building Initiatives:** With increasing awareness of environmental sustainability, there's a growing demand for eco-friendly building materials and practices. Aluminum is a recyclable material, and manufacturers that emphasize the sustainability of their aluminum railing products could attract environmentally-conscious consumers and businesses.
- **Innovative Design Solutions:** The aluminum railing market presents opportunities for companies to differentiate themselves through innovative designs and customization options. Offering unique and aesthetically pleasing railing designs can attract customers seeking distinctive architectural elements.
- **Smart Railing Systems:** Integrating technology into aluminum railing systems can create smart solutions, such as LED lighting, sensors, and automation. These features can enhance safety, convenience, and aesthetics, appealing to tech-savvy customers.
- **Outdoor Living Enhancements:** As outdoor living spaces become more popular, there's an opportunity to offer aluminum railing solutions that complement these spaces. Providing railing systems that seamlessly blend with outdoor designs while maintaining safety standards can be a niche worth exploring.

### ALUMINUM RAILING MARKET TRENDS

- **Minimalistic and Modern Designs:** Modern architectural trends were driving the demand for sleek and minimalistic designs in aluminum railings. Homeowners and designers were opting for clean lines, simple profiles, and unobtrusive railing systems that complement contemporary building styles.
- **Color Customization:** Aluminum railings were increasingly available in a wide range of colors and finishes, allowing customers to choose options that match their design preferences and existing color schemes. This trend was particularly prominent in residential and commercial settings where aesthetics play a crucial role.



- **Glass and Aluminum Combinations:** The combination of glass panels with aluminum frames was gaining popularity. This blend of materials provides an elegant and open look, enhancing visibility and aesthetics while maintaining safety and durability.
- **Smart Integration:** Technology integration was becoming more common in aluminum railing systems. Smart railing solutions, such as built-in LED lighting, sensors, and automation, were being sought after for enhanced safety and convenience.

#### ALUMINUM RAILING MARKET RESTRAINTS

- **Competition from Other Materials:** Aluminum railings face competition from other railing materials like wood, iron, stainless steel, and composite materials. Each material has its own set of advantages and disadvantages, and customer preferences can vary based on factors such as aesthetics, budget, and maintenance requirements.
- **Price Fluctuations:** Aluminum prices can be subject to fluctuations in the global commodities market. If aluminum prices rise significantly, it can impact the cost of producing aluminum railings, potentially leading to higher prices for consumers and reduced demand.
- **Perception of Sturdiness:** While aluminum is known for its lightweight nature, some consumers might have concerns about its perceived sturdiness compared to materials like steel. Addressing these concerns and providing information about the strength and durability of aluminum railings is important.
- **Installation Complexities:** Improper installation of aluminum railings can lead to safety hazards and decrease the product's overall effectiveness. Addressing installation complexities and providing clear installation guidelines is crucial to ensuring customer satisfaction and safety.

[Source:<https://www.coherentmarketinsights.com/market-insight/aluminum-railing-market-6139>]

#### INDIA BALUSTRADES HANDRAILS MARKET SYNOPSIS

India balustrades handrails market is expected to grow at a CAGR of around 7.3% during the forecast period 2020-2026. Balustrades and handrails are mainly used for safety purposes in residential and commercial buildings, such as staircases, balconies, terraces etc., due to their aesthetic look they are also increasingly being used for decorative purpose indoors and outdoors. The increasing demand from construction sector of India coupled with rapid industrialization will propel the growth of this market over the forecast period. Furthermore, rising disposable income amongst middle class households leading them towards revamping their homes also drives the market growth. Also factors such as growing population along with increase in per capita GDP resulting into increased spending on infrastructure development will have positive impact on balustrades & handrails industry in India

[Source:<https://www.6wresearch.com/industry-report/india-balustrades-handrails-market-2020-2026>]



## BUSINESS OVERVIEW

*The following information is qualified in its entirety by, and should be read together with, the more detailed financial and other information included in the Prospectus, including the information contained in the section titled “Risk Factors” on page no. 15 of the Draft Prospectus. In this chapter, unless the context requires otherwise, any reference to the terms “We”, “Us” “Jivial” and “Our” refers to Our Company. Unless stated otherwise, the financial data in this section is as per our Restated financial statements prepared in accordance with Accounting Standard set forth in the Draft Prospectus.*

### OVERVIEW OF OUR BUSINESS

Our Company was originally incorporated as Private Limited, under the Companies Act, 2013 (“Companies Act”) in the name and style of “Jivial Industries Private Limited” on June 23<sup>rd</sup>, 2021 under the provisions of the Companies Act, 2013 vide Certificate of Incorporation issued by the Registrar of Companies, Ahmedabad, Gujarat. Later on, company was converted into public limited company, the name of the Company has changed to “Jivial Industries Limited” and for the same fresh Certificate of Incorporation dated January 01<sup>st</sup>, 2024, issued by the Registrar of Companies, Ahmedabad, Gujarat.

Our Company, an ISO 9001:2015 certified company, promoted by Mr. Anand Jitendrabhai Chovatiya and Mrs. Sheetalben Anand Chovatiya located in the Rajkot district of Gujarat, India. We specialize in manufacturing of Aluminum railings and related products catering to small and medium level construction projects. Our journey began in 2018 as a proprietorship firm “Jivial Industries”.

Our company is the manufacturer and supplier of aluminum Extrusion Products like aluminum railing and stainless steel glass railing products in India. We are engaged in Manufacturing of high quality array of Aluminum Railings and Stainless Steel Glass Railing Products with different colors as per customer requirements. Our customers are wholesalers, architect, interior designers, builders, glass providers and fabricators. We are supplying aluminum railing materials to all over India. With a focus on innovation and quality, our offerings are crafted to meet the unique preferences and requirements of our diverse customer base.

Our Company offers a diverse range of products, including Aluminum Profiles, Aluminum Continuous Profile, Aluminum handrails, Aluminum spigots, Aluminum conceal, Aluminum Bend, Aluminum bracket, Jointer Aluminum Lock, Aluminum endcap and is also involved in trading of S.S welded Pipes S.S Part, 38 MM and 50 MM Point Fittings.

We have a strong track record of revenue growth and profitability. The following table sets forth certain Key Performance Indicators for the years indicated:

#### Key Performance Indicators of our Company:

(Rs. In Lakhs)

Particulars	As on 31 <sup>st</sup> March, 2024	As on 31 <sup>st</sup> March, 2023	As on 31 <sup>st</sup> March, 2022
Revenue <sup>(1)</sup>	1,105.73	839.93	279.99
Growth in Revenue (%) <sup>(2)</sup>	31.65	199.99	-
EBITDA <sup>(3)</sup>	307.98	142.46	43.67
EBITDA Margin (%) <sup>(4)</sup>	27.85	16.96	15.60
PAT <sup>(5)</sup>	242.18	116.69	35.57
PAT Margin (%) <sup>(6)</sup>	21.90	13.89	12.71
Net Debt <sup>(7)</sup>	-38.94	2.85	9.00
Net Worth <sup>(8)</sup>	575.41	153.26	36.57
ROE (%) <sup>(9)</sup>	42.09	76.14	97.27
ROCE (%) <sup>(10)</sup>	51.32	82.80	84.41
EPS (Basic & Diluted) <sup>(11)</sup>	10.23	7.73	2.36

#### Note:

(1) Revenue from operation means revenue from sales;

(2) Growth in Revenue from Operations (%) is calculated as Revenue from Operations of the relevant period minus Revenue from Operations of the preceding period, divided by Revenue from Operations of the preceding period;

(3) EBITDA is calculated as Profit before tax + Depreciation + Finance Costs – Other Income;

(4) EBITDA Margin is calculated as EBITDA divided by Revenue from Operations;

(5) PAT is calculated as Profit before tax – Taxes;

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





(7) Net debt = Non-current borrowing + current borrowing - Cash and cash equivalent, Bank balance, and Investments.

(8) Net Worth = Equity share capital + Reserves and Surplus..

(9) ROE = Net profit after tax / Net Worth.


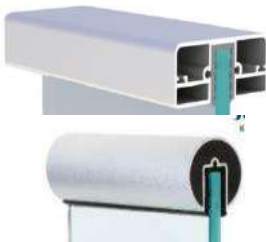


(10) ROCE = Profit before tax and finance cost / Capital employed\*

\*Capital employed = Net Worth + Non-current borrowing + Current Borrowing + Deferred Tax liabilities - Deferred Tax Assets – Intangible Assets.

(11) EPS = Net Profit after tax, as restated, attributable to equity shareholders divided by weighted average number of equity shares outstanding at the end of the year after taking effect of bonus shares.

## OUR BUSINESS SEGMENT/ MAJOR PRODUCTS INCLUDE

Our business segment are broadly categorised in:





S. No.	Product Image	Product Name	Product Description	End Users
1.		Aluminum Profile	All types of railing sections is covered in this product category. Accessories like bend, jointers, spigot will not covered in this category.	Wholesalers and corporates.
2.		Aluminium Handrails	Aluminum handrails are sturdy, lightweight rails made from extruded aluminum, used for providing safety and support along staircases, ramps, and balconies. They are popular due to their durability, rust resistance, and ease of installation and maintenance. This product is used in top of the railing to hold the glass from upper side of the railing. This products category is used when we sale top sections in the running feet.	This products we are directly sold to interiors, architects, contractors and builders.
3.		Aluminum Continuous Profile	This product is made from aluminum extrusion and used in bottom of the railing to hold the glass from bottom side. This product category is used when we sale bottom sections in running feet.	This products we are directly sale to interiors, architects, contractors and builders.
4.		Aluminum Spigots	Spigots are the products made from aluminium casting which is used for balcony and staircase to hold the glass from the bottom side. This product is used instead of continuous profile in the railing. This is one type of glass bracket to hold the glass.	This products we are directly sale to interiors, architects, contractors and builders.




S. No.	Product Image	Product Name	Product Description	End Users
5.		Aluminium Conceal	This product is made from aluminium extrusion. This product is used to hold the aluminium handrail in the wall. Every shape of handrail has its conceal, we also call it wallconceal.	The sale of product is along with the order of aluminium profile or aluminium handrail.
6.		Aluminium Bend	This product is made from aluminium casting. This product is used to join the two handrail at any degree. We have two types of bend i.e. fix bend and modular bend.	The sale of product is along with the order of aluminium profile or aluminium handrail
7.		Aluminium Bracket	This product is made from aluminium extrusion and aluminium casting also. Used to hold the glass like aluminium spigot.	This product is majorly used for retail order directly from retailers, architect and interior designers.
8.		Jointer	In aluminum railings, a jointer is a component used to connect two sections of railing together seamlessly. It ensures a smooth transition and structural integrity between the segments, often providing both mechanical strength and aesthetic continuity in the railing system. This product is made from aluminium extrusion and aluminium casting also. Used to joint the handrails at 180 degree from inner side or outer side.	This product is majorly used for retail order directly from retailers, architect and interior designers.
9.		Aluminium Lock	In the context of aluminum railings, an aluminum lock refers to a component or mechanism used to securely fasten or lock railing sections together. This ensures stability, safety, and structural integrity by preventing movement or separation of the railing parts once assembled. This product is made from aluminium casting. It is one type of accessories which is used to lock the glass in some specific aluminium bottom.	This product is majorly used for retail order directly from retailers, architect and interior designers.



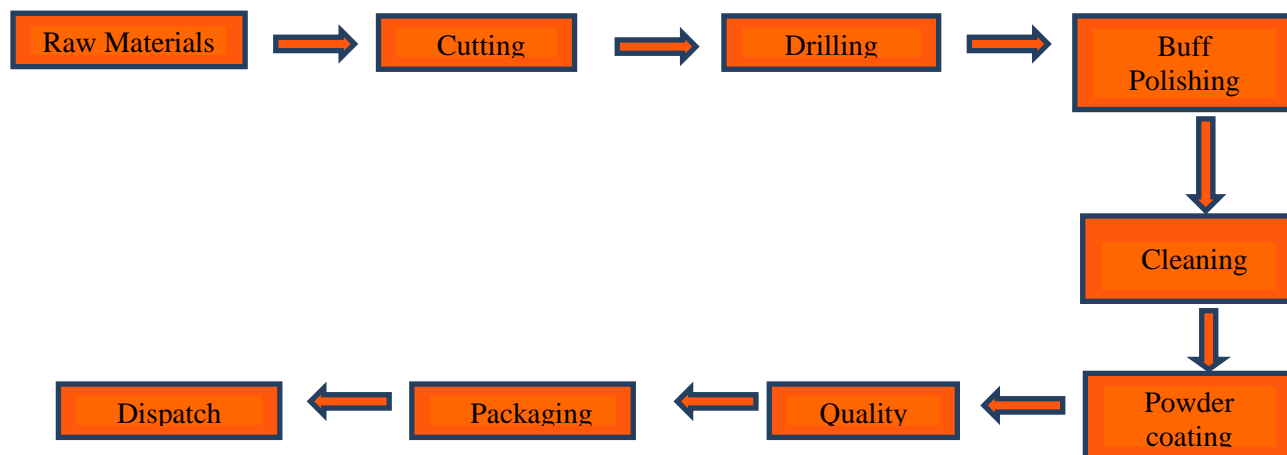


S. No.	Product Image	Product Name	Product Description	End Users
10.		Aluminium Endcap	An aluminum endcap in the context of aluminum railings is a finishing piece used to cap the ends of railing sections. It provides a clean and professional appearance while also preventing moisture or debris from entering the railing structure. Endcaps contribute to the overall aesthetics and longevity of the railing system by ensuring a secure and polished finish. This product is made from aluminium sheet by laser cutting. This product is used to cover the cross section of the top and bottom.	This product is majorly used for retail order directly from retailers, architect and interior designers.
11.		S.S Welded Pipe	A stainless steel (S.S) welded pipe is a tubular component made from stainless steel that has been welded together to form a continuous pipe structure. These pipes are commonly used in various applications, including industrial, construction, and plumbing, due to their durability, corrosion resistance, and ability to withstand high temperatures and pressures. This is one type of S.S Handrail which is used in the railings. We are directly buys it from S.S supplier. Shape of this handrail is square and round, size wise 12MM, 12x12, 10X20 etc.	This product is majorly used for retail order directly from retailers, architect and interior designers.
12.		S.S Part	S.S Part consists of a wide range of stainless steel railing parts used in S.S railings. It is the wide range of stainless steel railing parts used in S.S railings. Products are Bends, Wallconceal, Modular bends, Joints, Spigots, Jullas.	This product is majorly used for retail order directly from retailers, architect and interior designers.
13.		38MM and 50MM Point Fittings	These are stainless steel components used in glass railing systems to securely hold glass panels without frames, offering a sleek and modern look while ensuring structural integrity and safety. It is used to hold the glass from inside the railing. It can be finished products or unfinished, or pvc coated also.	This product is majorly used for retail order directly from retailers, architect and interior designers.



S. No.	Product Image	Product Name	Product Description	End Users
14.		S.S Railing Handrail	An S.S. railing handrail is a stainless-steel top rail that provides sturdy support and a modern look to railing systems, ensuring durability and corrosion resistance. This is same as welded pipe used in the railing, Different sizes are 50mm, 40x40mm and 50x50mm.	

#### Manufacturing Process of Our Products



#### (a) Procurement of Raw Materials

Our basic raw material is aluminium extrusion. We are also purchasing Raw material like aluminium casting, epdm rubber and plastic packer.

Please find below the Geography wise Raw Material Procurement details:

(Rs. in Lakhs)

S. No.	States	For the period ended 31 <sup>st</sup> March, 2024		For the period ended 31 <sup>st</sup> March, 2023		For the period ended 31 <sup>st</sup> March, 2022	
		%	Amount	%	Amount	%	Amount
Domestic							
1.	Chhattisgarh	0.05	0.42	-	-	-	-
2.	Dehli	0.31	2.55	-	-	-	-
3.	Gujarat	94.82	784.12	99.49	613.38	99.99	246.54
4.	Haryana	-	-	0.02	0.10	-	-
5.	Karnataka	0.02	0.20	0.04	0.22	-	-
6.	Tamilnadu	0.04	0.30	-	-	-	-
7.	Madhya Pradesh	Negligible	0.02	-	-	-	-
8.	Rajshthan	0.12	0.96	0.23	1.42	0.01	0.02
9.	Maharashtra	0.02	0.19	0.19	1.16	-	-
Import							
10.	Vietnam	4.62	38.19	-	-	-	-
Total		100.00	826.95	100.0	616.28	100.00	246.56

#### (b) Cutting

- In this process we are cutting some railing section to make some fresh railing products like glass brackets, wall conceals.
- Cutting is also used at the time of installation of railings.



- In this process we first decide the length of cut piece and then set the cut size in machine and cutting will be done with the use of some cutting oils.
- Then we clean that material and take it in the further process.

#### (c) Drilling

- Drilling is process is start after the cutting process in which cutted product we set in the machine and then marking for holes and make some holes and threading as per the company standards or customers requirements.
- Similar process we done in 16 feet and 12 feet long sections.

#### (d) Buff Polishing

- Buff polishing will be start after the drilling process to remove some scratches and dots. Also buffing is use to clear the surface of the raw materials and accessories. we are using two machines for this process, belter and buffing motor

#### (e) Cleaning

- In this process the the raw material is clean by three liquid tank to remove dirt and oils. And then after we do the chromodised process which is very important process before powder coating.

#### (f) Powder coating

- Powder coating process is used for to make different colours as per the customer requirement on the railing sections. In this process clean and chromodised material powder is sprayed with the use of powder gun in the powder coating booth.
- After that material is hang in the heating furnace at the 180 degree temperature.

#### (g) Quality Check

- Quality check is done after powder coating to ensure the coating quality, material quality, dimensions.
- Fixing of accessories is proper in the section or not which is checked by quality engineer then after it will take in further packing process.

#### (h) Packaging

- In the packing process first all the auxiliary products like epdm and plastic packer in added in the railing sections and then it wrap by thin plastic film.
- After that bunch of the multi section is done as per the size of sections and after it will wrap by foam or bubble to prevent the scratches in the coated material.
- Accessories like brackets, bend, wallconceals and jointer will be packed in the boxes.
- After that label will be pasted in every bundles and boxes.

#### (i) Dispatch

- Dispatch is the end process, invoice and packing list will be made and transport it by our own vehicle up to the local transport.

### BRIEF FINANCIALS OF OUR COMPANY

(Amount in Lakhs)

Particulars	For the year ended March 31,		
	2024	2023	2022
Revenue from Operations	1105.73	839.93	279.99
Other Income	-	-	0.29
<b>Total Income</b>	<b>1105.73</b>	<b>839.93</b>	<b>280.27</b>
Less: Finance Cost	1.93	0	0
Less: Depreciation and amortization Expenses	11.99	0.63	0
<b>Profit Before Interest, Depreciation and amortization expenses</b>	<b>307.98</b>	<b>142.46</b>	<b>43.95</b>
<b>Profit After Tax</b>	<b>242.18</b>	<b>116.69</b>	<b>35.57</b>



## REVENUE BREAKUP PRODUCT WISE

(Amount in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2024		As at 31 <sup>st</sup> March, 2023		As at 31 <sup>st</sup> March, 2022	
	%	Amount	%	Amount	%	Amount
<b>Manufacturing</b>						
Aluminium Profile	22.24	245.93	22.92	192.47	22.64	63.38
Alu Continues Profile	24.74	273.58	18.05	151.63	16.00	44.79
Aluminium Handrail	6.84	75.66	16.22	136.23	9.99	27.97
Aluminium Spigot.	2.71	30.01	1.31	11.04	-	-
Aluminium Conceal	1.68	18.58	-	-	-	-
Aluminium Bracket	5.28	58.37	6.74	56.61	3.60	10.07
Aluminium Bend	1.33	14.75	4.05	34.02	1.21	3.39
Jointer	0.67	7.46	0.38	3.16	0.10	0.52
Aluminium Lock	0.12	1.35	0.20	1.71	0.16	0.46
Endcap	0.09	1.02	0.18	1.51	0.16	0.43
Aluminium Cover	0.67	7.40	2.64	22.18	1.74	4.88
Other Products, Accessories And Charges	28.62	316.51	26.41	221.82	44.22	123.80
<b>Revenue From Manufacturing</b>	<b>95.02</b>	<b>1,050.63</b>	<b>99.10</b>	<b>832.38</b>	<b>99.89</b>	<b>279.69</b>
<b>Trading</b>						
SS Welded J3 Pipe (Trading)	3.67	40.56	-	-	-	-
SS Part (Trading)	1.04	11.45	0.66	5.57	0.11	0.30
38mm Point Fittings (Trading)	0.13	1.39	0.07	0.62	-	-
50mm Point Fittings	0.07	0.82	-	-	-	-
S.S Railing Handrail	0.08	0.89	0.16	1.36	-	-
<b>Revenue From Trading</b>	<b>4.98</b>	<b>55.10</b>	<b>0.90</b>	<b>7.55</b>	<b>0.11</b>	<b>0.30</b>
<b>Total Revenue</b>	<b>100.00</b>	<b>1,105.73</b>	<b>100.00</b>	<b>839.93</b>	<b>100.00</b>	<b>279.99</b>

## GEOGRAPHICAL REVENUE BREAKUP

(Amount in Lakhs)

Particulars	For the year ended March 31,					
	%	2024	%	2023	%	2022
Exports Revenue	0.06	0.71	-	-	-	-
Indigence Revenue	99.94	1105.02	100.00	839.93	100.00	279.99
<b>Total Revenue</b>	<b>100.00</b>	<b>1,105.73</b>	<b>100.00</b>	<b>839.93</b>	<b>100.00</b>	<b>279.99</b>

## GEOGRAPHICAL REVENUE BREAKUP – COUNTRY WISE

(Amount in Lakhs)

Particulars	For the year ended March 31,					
	%	2024	%	2023	%	2022
Bahrain	0.06	0.71	-	-	-	-
<b>Total Export Revenue</b>	<b>0.06</b>	<b>0.71</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

## GEOGRAPHICAL REVENUE BREAKUP – STATE WISE

(Amount in Lakhs)

Particulars	For the year ended March 31,					
	%	2024	%	2023	%	2022
Andhra Pradesh	0.03	0.35	0.14	1.14	0.09	0.25
Assam	0.27	2.97	0.40	3.32	0.25	0.70
Chhattisgarh	10.36	114.51	7.69	64.59	1.44	4.02
Delhi	4.09	45.22	7.75	65.12	5.49	15.36
Goa	0.21	2.37	0.23	1.91	0.16	0.46
Gujarat	49.25	544.26	44.43	373.21	44.78	125.39
Haryana	2.93	32.39	2.61	21.90	5.45	15.27
Jharkhand	0.88	9.72	0.83	6.98	0.00	0.00



Particulars	For the year ended March 31,					
	%	2024	%	2023	%	2022
Karnataka	3.15	34.82	3.82	32.06	8.24	23.06
Kerala	1.11	12.28	1.93%	16.21	0.06	0.18
Madhya Pradesh	4.02	44.45	5.01	42.09	4.50	12.59
Maharashtra	8.17	90.30	10.43	87.57	15.13	42.37
Meghalaya	0.02	0.22	0.21	1.78	0.00	0.00
Mizoram	0.42	4.67	0.00	0.00	0.00	0.00
Odisha	0.21	2.31	0.62	5.18	0.01	0.04
Punjab	0.57	6.30	0.63%	5.28	0.87	2.43
Rajasthan	7.18	79.38	7.71%	64.78	7.07	19.80
Tamil Nadu	1.60	17.63	1.32	11.12	1.30	3.63
Telangana	3.50	38.63	1.65	13.82	3.96	11.09
Uttar Pradesh	1.71	18.91	2.22	18.62	1.19	3.34
West Bengal	0.30	3.32	0.37	3.07	0.00	0.00
Jammu and Kashmir	0.00	0.00	0.02	0.17	0.00	0.00
<b>Total Indigence Revenue</b>	<b>100.00</b>	<b>1105.02</b>	<b>100.00</b>	<b>839.93</b>	<b>100.00</b>	<b>279.99</b>

## OUR COMPETITIVE STRENGTH

- Innovative Design:** Company's ability to offer aesthetically pleasing designs that cater to different architectural styles and customer preferences.
- Customization Options:** Flexibility in offering customized solutions to meet the specific requirements of clients, including size, color, and style variations.
- Manufacturing Efficiency:** Efficiency in manufacturing processes, including cost-effective production methods, minimizing waste and optimizing supply chain management.
- Distribution Network:** Strength and coverage of the distribution network, including partnerships with wholesalers, retailers and contractors, to ensure broad market reach.
- Brand Reputation:** Reputation for reliability, customer service and after-sales support, which can influence customer loyalty and brand perception.
- Price Competitiveness:** Competitive pricing strategies relative to rivals in the market, balancing quality with affordability.
- Marketing and Advertising:** Effectiveness of marketing campaigns in raising brand awareness and attracting new customers, utilizing both online and offline channels.
- Technological Integration:** Adoption of technology in product development, manufacturing processes and customer engagement to stay ahead in the industry.
- Regulatory Compliance:** Adherence to industry regulations and building codes to ensure product safety and legal compliance.
- Environmental Sustainability:** Commitment to environmentally friendly practices, such as using recycled materials and minimizing carbon footprint in manufacturing processes.
- Market Positioning:** Understanding of market trends, customer needs, and positioning the company's products effectively against competitors.

## BUSINESS STRATEGY

The company's business strategy encompasses:

- Cross Selling of Products:** Our Company focuses on recommending the products to customers that complement what they have already purchased. Even a small increase in the order size can significantly impact profitability without spending additional money to find new customers. We offer personalized recommendations based on past purchases, promote product bundles and suggest related products that other customers have bought together with the



same product in the past.

2. **Most innovative product:** We innovate new products based on market trends and the competitive landscape to increase the profitability. Some of our innovative products is highly profitable and unique.
3. **Growing sales from new products:** Our product is interior and architectural in nature, so customer is always demanding new design of products for uniqueness to differentiate from market. Also adding new products to our company's product portfolio can help us to increase sales from our existing customer base. This strategy may require an investment in research and development to continually meet the market demands.
4. **Improving customer service:** Service is the major point for our business, service is most important to retain customers for long time. We are contentiously working on Improving our customer experience by delivering good quality services and products. We are continuously improving our service and quality based on customer feedback and data. Also we are helping them to make showrooms and display by proper guidance. We also hired some persons to maintain the quality and services.
5. **Continuous Improvement and Innovation:** We strive at innovating continuously and keeping up with the changing market landscape to provide our customer with unique products. We keep adding newer, better products to our product lines to keep our clients hooked to our brand and this yields more repeat orders from our clients.
6. **Technological advantage:** We mainly focus on digital marketing like social media and some trade portal , major sales leads we can generate from here so no need to do touring or one to one meetings . Its majorly done by calls and mails. This is the biggest technological advantage for us.
7. **Pricing strategies:** We have two types of product, one is basic material and another one is accessories, but with accessories basic material can be sold. Pricing is major factor in our industries. It is not fixed, always depend on product designs, color and customer. In any customer order, when basic products they buy from us, they also buys products like accessories because without accessories railing site cannot be completed. So margins are higher in the accessories products. So profitability got increases. Quantity is also affecting the price, our major order is retail order so margin level is higher. In larger quantity project order margin in basic materials is lower but its accessories price is higher compare to retail order.
8. **Improving customer retention:** We are first understanding the need of our customers, if they have some problem in resale of material, we provide products knowledge and proper guidance to them to improve retention. Sometime customer can't have a knowledge about how to install the railing, we guide them by providing some technical data's, installation video etc.

These distinct business strategies, rooted in ethical integrity and prudent operational decisions, have positioned the company advantageously within its industry.

## SWOT

STRENGTH	WEAKNESS
<ul style="list-style-type: none"> <li>Strong brand reputation known for its quality products and services;</li> <li>Diverse product portfolio for designers, architects, builders, etc. providing us stability and resilience against fluctuating demand;</li> <li>Robust distribution channel enabling us to reach our broad customer base efficiently;</li> <li>Our focus on research and development which enhances our competitive edge;</li> <li>Superior customer relationships built over years which helps in customer retention and provides us with repeat orders.</li> <li>We mostly deal in a 100% advance payment system which significantly decreases our working capital requirements and reduces risk of bad debts</li> </ul>	<ul style="list-style-type: none"> <li>Limited geographic reach, hindering potential growth opportunities in untapped markets;</li> <li>Limited brand awareness in the newer markets hindering the expansion in the newer markets;</li> <li>Dependency on a few key suppliers for raw materials weakens the company's buyer power and exposes it to supply chain risks and price fluctuations;</li> </ul>
OPPORTUNITIES	THREATS
<ul style="list-style-type: none"> <li>There are immense growth opportunities for company to grow both, domestically and internationally to establish new customer base and revenue streams;</li> </ul>	<ul style="list-style-type: none"> <li>The company operates in a competitive landscape facing threats from both established players and new entrants offering similar products or services, the company also faces competition from other railing</li> </ul>



<ul style="list-style-type: none"> <li>• The company can diversify into new product lines to cater to evolving consumer needs and preferences, tapping into emerging trends.</li> <li>• New partnerships and collaboration can help the company get access to newer technologies and distribution channels.</li> </ul>	<p>materials like wood, iron, stainless steel, and composite materials.</p> <ul style="list-style-type: none"> <li>• Rapid advancement and changing landscape may render existing products or processes obsolete, requiring continuous innovation and adaptation to stay competitive.</li> <li>• Aluminium prices faces fluctuations in global commodities markets and it being the main core raw material for the business, this can be a threat</li> <li>• Improper installation of railings can lead to safety hazards which may have a bad impact on the brand image of the company.</li> </ul>
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## INFRASTRUCTURE & UTILITY

### POWER

Our company meets its power requirements for our registered office, factory and warehouse by purchasing electricity from Paschim Gujarat Vij Company Limited.

### WATER

The requirement of water in the manufacturing process is for powder coating plant and human consumption at the office and the warehouse. The requirement of which is met from bore-well in the factory premises. The requirement for drinking water is managed through external agencies who have been appointed by the company to supply purified mineral drinking water.

### LOCATION

<b>Registered Office and Factory Unit 1 (Rented)</b>	Shade No. A1/5, Road C, Beside Daynamic Forge, AJI GIDC, Rajkot AJI Ind. Estate, Rajkot, Gujarat, India – 360003.
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### HUMAN RESOURCE

The company's human resources encompass a wealth of experience, dedicated to ensuring the well-being of our team and maximizing employee potential. This expertise has been instrumental in forging long-lasting relationships with our customers, providing valuable insights that contribute to effective cost-saving strategies. The workforce at our plant is a crucial component of the company's operations. Their collective efforts are essential in maintaining operational efficiency and delivering products and services of the highest quality. Currently, we have 25 full-time permanent employees including Key Managerial personnel as of 31<sup>st</sup> July, 2024.

S. No.	Particular	No. of Employees
1.	Management	5
2.	Production	3
3.	Accounting	1
4.	Sales & Marketing	4
5.	Human Resource	1
6.	Labor	10
7.	Compliance	1
<b>Total</b>		<b>25</b>

### PLANT & MACHINERY AND CAPACITY AND CAPACITY UTILIZATION

Our manufacturing unit have been setup by using the machineries and components which have been bought from reliable sources in the country. All the suppliers have been selected by the company on the basis of their past experience and competitive prices.

**Our company has installed the following major machineries and equipment at the manufacturing facility:**





S. No.	Description of Machinery	No. of Machines	Installed capacity considering 300 working days	Annual Percentage Utilization (%)	Annual utilization of installed capacity (Metric Tons/ PCS/ Foot)
<b>FY 2023-24</b>					
1.	Cutting Machine	3	165000 PCS Per Machine, Total 495000 PCS.	95	156000 PCS Per machine, Total 469800 PCS.
2.	Drill Machine	5	198000 PCS per machine, Total 990000 PCS.	80	159000 PCS per machine, Total 795000 PCS.
3.	Threading Machine	1	217800 Pcs Per machine	50	99000 pcs per machine
4.	Buff Polishing Machine	2	6000 Pcs per Machine, total 12000 Pcs	50	30000 Pcs Per machine Total 60000 Pcs
5.	Vertical Belter	1	108000 Pcs per Machine	50	64800 Pcs per machine
6.	Powder Coating Oven	1	50000 Feet	60	30000 Feet
7.	Powder Coating bath	1	50000 Feet	60	30000 Feet
8.	Air Compressor	1	-	-	-
<b>FY 2022-23</b>					
1.	Drill Machine	3	118800 Pcs Per Machine, Total 356400 Pcs	60	71280 Pcs Per Machine, Total 213840 Pcs
2.	Cutting Machine	1	55000 Pcs Per Machine	25	13750 Pcs per Machine
3.	Vertical Belter	1	108000 pcs Per Machine	20	21600 Pcs Per Machine
<b>FY 2021-22</b>					
1.	Drill Machine	2	118800 Pcs per Machine, Total 354600 Pcs	40	47520 Pcs Per machine, Total 95040 Pcs
2.	Cutting Machine	1	55000 Pcs Per Machine	20	11000 Pcs Per machine

\*As certified by P. M. Tejani, Chartered Engineer by way of their certificate dated 28<sup>th</sup> March, 2024.

\*\*All the above mentioned machines are owned by the company and No machine is taken on lease.

#### COLLABORATIONS/ TIE-UPS/JOINT VENTURES

Except as disclosed in this Draft Prospectus, we do not have any Collaboration/Tie Ups/ Joint Ventures as on date of Draft Prospectus.

#### MARKETING ARRANGEMENT

- Generally we are using digital marketing tools for marketing.
- Google business and Social media like youtube, Instagram, facebook and linkdin we are using for digital marketing.
- We have company website [www.jvialrailings.com](http://www.jvialrailings.com) also using as a marketing tools. we have also purchased 3<sup>rd</sup> party services for SEO for our website.
- We are also using trade portals like Indiamart and alibaba for marketing and lead generation.
- We have done GPBS exhibition in January 2024 as a marketing tools.
- In Instagram we are using some paid tools for advertising and marketing.

#### COMPETITION

The industry we serve is highly competitive, characterized by a mix of small, medium, and large companies. While many small and medium-sized companies contribute, a few large enterprises dominate the market. Aluminum railings face competition from other railing materials like wood, iron, stainless steel, and composite materials. Each material has its own set of advantages and disadvantages, and customer preferences can vary based on factors such as aesthetics, budget,






and maintenance requirements. Competing in this landscape, we prioritize agility in responding to dynamic market demands and consumer preferences. Our strategy centers on delivering a comprehensive range of high-quality products and services tailored to diverse customer needs, providing integrated solutions. Our goal is to expand our business, innovate, and consistently offer outstanding products and distinctive services. Our commitment involves robust competition to secure a greater market share while efficiently managing our growth.

## DETAILS OF PROPERTIES

### INTELLECTUAL PROPERTY

The details of intellectual property are as under:

Logo / Word	Owner of Trademark	Trademark/ Design No.	Application Date	Current Status
	Anand Jitendrabhai Chovatiya	4804117	02 <sup>nd</sup> January, 2021	Registered
	Jivial Industries Private Limited	374487-001	22 <sup>nd</sup> November, 2023	Registered
	Jivial Industries Private Limited	374504-001	22 <sup>nd</sup> November, 2023	Registered

### IMMOVABLE PROPERTY

Details of our properties are as follows:

S. No.	Details of Properties	Licensor/Lessor/ Vendor	Owned/Leased/ License	Consideration / Lease Rental / License Fees (in ₹)	Usage
1.	Shade No. A 1/5, Road C, Beside Daynamic Forge, AJI GIDC, Rajkot AJI Ind. Estate, Rajkot, Gujarat, India – 360003.	Brindaben Dharmendrabhai Jogi	Leased	<b>Type of Instrument:</b> Rent Agreement; <b>Date of Agreement:</b> 18 <sup>th</sup> June , 2024; <b>Validity of the Agreement:</b> 11 Months with effect from 01 <sup>st</sup> June, 2024; <b>Parties:</b> Brindaben Dharmendrabhai Jogi and Jivial Industries Limited; <b>Consideration:</b> ₹20,000 p.m.; <b>Size of the Property:</b> 658 Sq. Mtr.	Registered Office and Manufacturing Unit



S. No.	Details of Properties	Licensor/Lessor/ Vendor	Owned/Leased/ License	Consideration / Lease Rental / License Fees (in ₹)	Usage
2.	Industrial Shed No. C-46, Survey No. 109, 110, 112, 118 Paikie 1/Paikie 2, Samadhiya, Tal. Rajkot, Gujarat	Shri Jitendrabhai Lavjibhai Chovatiya and Shri Vijaybhai Lavjibhai Chovatiya	Leased	<b>Type of Instrument:</b> Lease Deed; <b>Date of Agreement:</b> 17 <sup>th</sup> February, 2024; <b>Validity of the Agreement:</b> 10 Years from 01 <sup>st</sup> January, 2025; <b>Parties:</b> Shri Jitendrabhai Lavjibhai Chovatiya and Shri Vijaybhai Lavjibhai Chovatiya and Jivial Industries Limited; <b>Consideration:</b> ₹20,000 p.m.; <b>Size of the Property:</b> 1,799 Sq. Mtr.	Proposed Manufacturing Unit 2
3.	Industrial Shed No. C-45, Survey No. 109, 110, 112, 118 Paikie 1/Paikie 2, Samadhiya, Tal. Rajkot, Gujarat	Shri Vijaybhai Lavjibhai Chovatiya, Shri Jitendrabhai Lavjibhai Chovatiya and Anand Jitendrabhai Chovatiya	Lease Deed	<b>Type of Instrument:</b> Lease Deed; <b>Date of Agreement:</b> 17 <sup>th</sup> February, 2024; <b>Validity of the Agreement:</b> 10 Years from 01 <sup>st</sup> January, 2025; <b>Parties:</b> (1) Shri Vijaybhai Lavjibhai Chovatiya, (2) Shri Jitendrabhai Lavjibhai Chovatiya (3) Anand Jitendrabhai Chovatiya and Jivial Industries Limited; <b>Consideration:</b> ₹20,00 Per Month; <b>Size of the Property:</b> 2,189 Sq. Mtr.	

#### COLLABORATIONS, ANY PERFORMANCE GUARANTEE OR ASSISTANCE IN MARKETING BY THE COLLABORATORS

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

#### INSURANCE

We maintain a range of insurance policies to cover our assets, risks and liabilities. Substantially all of our insurance policies related to our registered office, our movable and immovable properties provide appropriate coverage in relation to fire, explosions, floods, inundations, earthquakes, landslides. We constantly evaluate the risks in an effort to be sufficiently covered for all known risks. We believe that the amount of insurance coverage presently maintained by us represents an appropriate level of coverage required to insure our business and operations and is in accordance with the industry standard in India.

S. No.	Name of the Insurance Company	ValidityPeriod	Policy No.	Sum Insured (₹ in Lakhs)	Description of Cover under the policy
1.	Bajaj Allianz General Insurance Company Limited	<b>From:</b> 13-03-2024 <b>To:</b> 12-03-2025	OG-24-2204-2802-00002012	As per Employees Compensation Act, 1923	Employee's Compensation Insurance
2.	Bajaj Allianz General Insurance Company Limited	<b>From:</b> 13-03-2024 <b>To:</b> 12-03-2025	OG-24-2204-4056-00008742	149.00	Fire Insurance
3.	Bajaj Allianz General	<b>From:</b> 13-03-2024 <b>To:</b> 12-03-2025	OG-24-2204-4010-00000981	149.00	Burglary Insurance Policy



S. No.	Name of the Insurance Company	ValidityPeriod	Policy No.	Sum Insured (₹ in Lakhs)	Description of Cover under the policy
	Insurance Company Limited				

*[The remainder of this page has intentionally been left blank]*



## KEY INDUSTRY REGULATIONS

*The following description is a summary of the relevant regulations and policies as prescribed by the Government of India and other regulatory bodies that are applicable to our business. The information detailed below has been obtained from various legislations, including rules and regulations promulgated by regulatory bodies, and the bye laws of the respective local authorities that are available in the public domain. The regulations set out below may not be exhaustive and are merely intended to provide general information to the shareholders and neither designed, nor intended to substitute for professional legal advice. For details of government approvals obtained by us, see the section titled “Government and Other Approvals” on page no. 143 of this Draft Prospectus.*

### THE COMPANIES ACT

The consolidation and amendment in the law relating to the Companies Act, 1956 made way to the enactment of the Companies Act, 2013 and rules made thereunder.

The Companies Act primarily regulates the formation, financing, functioning and restructuring of Companies as separate legal entities. The Act provides regulatory and compliance mechanism regarding all relevant aspects including organizational, financial and managerial aspects of companies. The provisions of the Act state the eligibility, procedure and execution for various functions of the company, the relation and action of the management and that of the shareholders. The law laid down transparency, corporate governance and protection of shareholders & creditors. The Companies Act plays the balancing role between these two competing factors, namely, management autonomy and investor protection.

### SEBI REGULATIONS

Securities And Exchange Board of India is the regulatory body for securities market transactions including regulation of listing and delisting of securities. It forms various rules and regulations for the regulation of listed entities, transactions of securities, exchange platforms, securities market and intermediaries thereto. Apart from other rules and regulations, listed entities are mainly regulated by SEBI Act, 1992, Securities Contract Regulation Act, 1956, Securities Contracts (Regulation) Rules, 1957, SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 and SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015, SEBI (Substantial Acquisition of Shares and Takeover) Regulations, 2011 and SEBI (Prohibition of Insider Trading) Regulations, 2015.

### TAX RELATED REGULATIONS

#### Income Tax Act, 1961

Income Tax Act, 1961 is applicable to every Domestic / Foreign Company whose income is taxable under the provisions of this Act or Rules made under it depending upon its “Residential Status” and “Type of Income” involved. U/s 139(1) every Company is required to file its Income tax return for every Previous Year by 30<sup>th</sup> September of the Assessment Year. Other compliances like those relating to Tax Deduction at Source, Advance Tax, Minimum Alternative Tax and like are also required to be complied by every Company.

#### Goods and Service Tax Act, 2017

The Central Goods and Services Tax Act, 2017 is an Act to make a provision for levy and collection of tax on intra-State supply of goods or services or both by the Central Government and for matters connected therewith or incidental thereto. In line with CGST Act, each state Government has enacted State Goods and Service Tax Act for respective states.

Goods and Services Tax (GST) is a comprehensive indirect tax on manufacture, sale and consumption of goods and services throughout India to replace taxes levied by the Central and State Governments. This method allows GST-registered businesses to claim tax credit to the value of GST they paid on purchase of goods or services or both as part of their normal commercial activity. The mechanism provides for two level taxation of interstate and intra state transactions. When the supply of goods or services happens within a state called as intra-state transactions, then both the CGST and SGST will be collected. Whereas if the supply of goods or services happens between the states called as inter-state transactions and IGST will be collected. Exports are considered as zero-rated supply and imports are levied the same taxes as domestic goods and services adhering to the destination principle in addition to the Customs Duty which has not been subsumed in the GST.



## **Customs Act, 1962**

The provisions of the Customs Act, 1962 and rules made there under are applicable at the time of import of goods i.e. bringing into India from a place outside India or at the time of export of goods i.e. taken out of India to a place outside India. Any Company requiring to import or export any goods is first required to get it registered and obtain an IEC (Importer Exporter Code). Imported goods in India attract basic customs duty, additional customs duty and education cess. The rates of basic customs duty are specified under the Customs Tariff Act 1975. Customs duty is calculated on the transaction value of the goods. Customs duties are administered by Central Board of Excise and Customs under the Ministry of Finance.

## **ENVIRONMENTAL LAWS AND REGULATIONS**

We are subject to various environmental laws and regulations as the operation of our establishments might have an impact on the environment. The basic purpose of such statutes is to control, abate and prevent pollution. In order to achieve these objectives, Pollution Control Boards (“PCBs”), have been set up in each state and at a central level. Establishments, as prescribed under various regulations are required to obtain consent orders from the PCBs. These consent orders are required to be renewed periodically.

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

The Water Act prohibits the use of any stream or well for the disposal of polluting matter, in violation of the standards set out by the concerned state PCB. The Water Act also provides that the consent of the concerned state PCB must be obtained prior to establishing any industry, operations or any treatment and disposal system, which is likely to discharge sewage or effluent into a water body.

### **Water (Prevention & Control of Pollution) Cess Act, 1977 (“Water Cess Act”) and Water (Prevention & Control of Pollution) Cess Rules, 1978 (“Water Cess Rules”)**

The Water Cess Act has been enacted to provide for the levy and collection of a cess on water consumed by persons carrying on certain industries by local authorities constituted under the Water Act, with a view to augment the resources of the central and state PCBs for the prevention and control of water pollution. The Water Cess Rules have been notified under Section 17 of the Water Cess Act and provide, inter alia, standards for meters and places where they are to be affixed and the furnishing of returns by consumers.

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

The Air Act requires that any industry or institution emitting smoke or gases must apply in a prescribed form and obtain consent from the state PCB prior to commencing any activity. The state PCB is required to grant, or refuse, consent within four months of receipt of the application. The consent may contain conditions relating to specifications of pollution control equipment to be installed.

### **Environment (Protection) Act, 1986 (“EPA”)**

The EPA has been enacted with the objective of protecting and improving the environment and for matters connected therewith. As per the EPA, the Central Government has been given the power to take all such measures for the purpose of, inter alia, protecting and improving the quality of the environment and to prevent environmental pollution. Further, the Central Government has been given the power to give directions in writing to any person, officer or any authority for any of the purposes of the EPA. Such directions include, inter alia, the power to direct the closure, prohibition or regulation of any industry, operation or process.

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

The Hazardous Waste Rules regulate the management, treatment, storage and disposal of hazardous waste by imposing an obligation on every occupier and operator of a facility generating hazardous waste to dispose of such waste without harming the environment. The term “hazardous waste” has been defined in the Hazardous Waste Rules and any person who has, control over the affairs of the factory or the premises or any person in possession of the hazardous waste has been defined as an “occupier”. Every occupier and operator of a facility generating hazardous waste must obtain authorization from the relevant state pollution control board. Further, the occupier, importer or exporter is liable for damages caused to the environment resulting from the improper handling and disposal of hazardous waste and must pay any financial penalty that may be levied by the respective state pollution control board.

## **LAWS RELATED TO THE STATE**



## **Shops and Establishments Laws in Various States**

As per the provisions of local Shops and Establishments laws applicable in the state of Gujarat establishments are required to be registered. Such laws regulate the working and employment conditions of the workers employed in shops and establishments including commercial establishments and provide for fixation of working hours, rest intervals, overtime, holidays, leave, termination of service, maintenance of shops and establishments and other rights and obligations of the employers and employees.

## **The State Stamp Act**

Stamp duty is payable on all instruments/ documents evidencing a transfer or creation or extinguishment of any right, title or interest in immoveable property. The Indian Stamp Act, 1899 (the “Stamp Act”) provides for the imposition of stamp duty at the specified rates on instruments listed in Schedule I of the Stamp Act. However, under the Constitution of India, the states are also empowered to prescribe or alter the stamp duty payable on such documents executed within the state. Instruments chargeable to duty under the Stamp Act but which have not been duly stamped, are incapable of being admitted in court as evidence of the transaction contained therein. The Stamp Act also provides for impounding of instruments by certain specified authorities and bodies and imposition of 138 penalties, for instruments which are not sufficiently stamped or not stamped at all. Instruments which have not been properly stamped instruments can be validated by paying a penalty of up to 10 times of the total duty payable on such instruments.

## **Professions, Trade, Callings and Employments Act in Various States**

The professional tax slabs in India are applicable to those citizens of India who are either involved in any profession or trade. The State Government of each State is empowered with the responsibility of structuring as well as formulating the respective professional tax criteria and is also required to collect funds through professional tax. The professional taxes are charged on the incomes of individuals, profits of business or gains in vocations. The tax payable under the State Acts by any person earning a salary or wage shall be deducted by his employer from the salary or wages payable to such person before such salary or wages is paid to him, and such employer shall, irrespective of whether such deduction has been made or not when the salary and wage is paid to such persons, be liable to pay tax on behalf of such person and employer has to obtain the registration from the assessing authority in the prescribed manner.

## **Approvals from Local Authorities**

Setting up of a factory or manufacturing / housing unit entails the requisite planning approvals to be obtained from the relevant Local Panchayat(s) outside the city limits and appropriate Metropolitan Development Authority within the city limits. Consents are also required from the state pollution control board(s), the relevant state electricity board(s), the state excise authorities, sales tax, among others, are required to be obtained before commencing the building of a factory or the start of manufacturing operations.

## **LAWS RELATING TO INTELLECTUAL PROPERTY**

### **Copyright Act, 1957 (“Copyright Act”)**

The Copyright Act grants protection to the authors of literary, artistic, dramatic, musical, photographic, cinematographic or sound recording works from unauthorized uses. Various rights including ownership and economic rights are conferred on the author. These include the right to reproduce the work in any form, issue copies to the public, perform it, and offer for sale and hire.

### **Trademarks Act, 1999 (the “Trade Marks Act”)**

Under the Trademarks Act, 1999 (“Trademarks Act”), a trademark is a mark capable of being represented graphically and which is capable of distinguishing the goods or services of one person from those of others used in relation to goods and services to indicate a connection in the course of trade between the goods and some person having the right as proprietor to use the mark. A ‘mark’ may consist of a device, brand, heading, label, ticket, name signature, word, letter, numeral, shape of goods, packaging or combination of colors or any combination thereof.

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

The Design Act, which came into force in May 2001, along with the rules made thereunder consolidate and amend the law relating to protection of designs. A design refers to the features of shape, configuration, pattern, ornamentation or composition of lines or colours applied to any article, in two or three dimensional or both forms, by an 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. In order to register a design, it must be new or original and must not be disclosed to the public anywhere in India or any other country by publication in tangible form or by use or in any other way prior to the filing date. A design should be significantly distinguishable from known designs or combination of known designs in order for it to be registered. A registered design is valid for a period of 10 years after which the same can be renewed for a second period of five years, before the expiration of the original period of 10 years. After such period, the design is made available to the public by placing it in the public domain.

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

Bureau of Indian Standards Act, 2016 provides for the establishment of the Bureau of Indian Standards (“BIS”) for the development of the activities, inter alia, standardization, conformity assessment and quality assurance of goods, articles, processes, systems and services, and formatters connected therewith and incidental thereto. Functions of the BIS include, inter alia, (a) recognizing as an Indian standard, with the prior approval of the Central Government, the mark of any international body or institution at par with the standard mark, for such goods, articles, process, system or service in India or elsewhere; (b) specifying a standard mark to be called the Bureau of Indian Standards Certification Mark which shall be of such design and contain such particulars as maybe prescribed to represent a particular Indian standard; (c) providing training services in relation to inter alia, quality management, standards, conformity assessment; (d) publishing Indian standards; promotion of safety in connection with any goods, article, process, system or service; and (e) any such other functions as may be necessary for promotion, monitoring and management of the quality of goods, articles, processes, systems and services and to protect the interests of consumers and other stakeholders.

## **LAWS RELATED TO INDUSTRY AND LABOUR LAW**

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

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. 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.

### **Employees State Insurance Act, 1948, as amended (the “ESIC Act”)**

The ESI Act, provides for certain benefits to employees in case of sickness, maternity and employment injury. All employees in establishments covered by the ESI Act are required to be insured, with an obligation imposed on the employer to make certain contributions in relation thereto. In addition, the employer is also required to register itself under the ESI Act and maintain prescribed records and registers.

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

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

### **Payment of Gratuity Act, 1972, as amended (the “Gratuity Act”)**

The Gratuity Act establishes a scheme for the payment of gratuity to employees engaged in every factory, mine, oil field, plantation, port and railway company, every shop or establishment in which ten or more persons are employed or were employed on any day of the preceding twelve months and in such other establishments in which ten or more employees are employed or were employed on any day of the preceding twelve months, as notified by the

**Central Government from time to time. Penalties are prescribed for non-compliance with statutory provisions.**

Under the Gratuity Act, an employee who has been in continuous service for a period of five years will be eligible



for gratuity upon his retirement, resignation, superannuation, death or disablement due to accident or disease. However, the entitlement to gratuity in the event of death or disablement will not be contingent upon an employee having completed five years of continuous service. The maximum amount of gratuity payable may not exceed 1 million.

### **The Factories Act, 1948 (“Factories Act”)**

The Factories Act defines a “factory” to cover any premises which employs ten or more workers and in which manufacturing process is carried on with the aid of power and, any premises where there are at least twenty workers even though there is no electrically aided manufacturing process being carried on. Each state government has rules in respect of the prior submission of plans and their approval for the establishment of factories, and registration and licensing of factories. The Factories Act provides that an occupier of a factory i.e. the person who has ultimate control over the affairs of the factory and in the case of a company, any one of the directors, must ensure the health, safety and welfare of all workers. There is a prohibition on employing children below the age of fourteen years in a factory. The occupier and the manager of a factory may be punished in accordance with the Factories Act for different offences in case of contravention of any provision thereof and in case of a continuing contravention after conviction, an additional fine for each day of contravention may be levied.

### **The Occupational Safety, Health and Working Conditions Code, 2020**

The Occupational Safety, Health and Working Conditions Code, 2020 received the assent of the President of India on September 28, 2020 and proposes to subsume certain existing legislations, including the Factories Act, 1948, the Contract Labour (Regulation and Abolition) Act, 1970, the Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979 and the Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996. The provisions of this code will be brought into force on a date to be notified by the Central Government. The Central Government has issued the draft rules under the Occupational Safety, Health and Working Conditions Code, 2020. The draft rules provide for operationalization of provisions in the Occupational Safety, Health and Working Conditions Code, 2020 relating to safety, health and working conditions of the dock workers, building or other construction workers, mines workers, inter-state migrant workers, contract labour, journalists, audio-visual workers and sales promotion employees.

### **The Code on Social Security, 2020**

The Code on Social Security, 2020 received the assent of the President of India on September 28, 2020 and it proposes to subsume certain existing legislations including the Employee's Compensation Act, 1923, the Employees' State Insurance Act, 1948, the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, the Maternity Benefit Act, 1961, the Payment of Gratuity Act, 1972, the Building and Other Construction Workers' Welfare Cess Act, 1996 and the Unorganized Workers' Social Security Act, 2008. The provisions of this code will be brought into force on a date to be notified by the Central Government. The Central Government has issued the draft rules under the Code on Social Security, 2020. The draft rules provide for operationalization of provisions in the Code on Social Security, 2020 relating to employees' provident fund, employees' state insurance corporation, gratuity, maternity benefit, social security and cess in respect of building and other construction workers, social security for unorganized workers, gig workers and platform workers.

In addition to above, we are subject to wide variety of generally applicable labour laws concerning condition of working, benefit and welfare of our laborers and employees such as the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Employees (Provident Fund and Miscellaneous Provision) Act, 1952.

### **The Industrial Relations Code, 2020**

The Industrial Relations Code, 2020 received the assent of the President of India on September 28, 2020 and it proposes to subsume three existing legislations, namely, the Industrial Disputes Act, 1947, the Trade Union Act, 1926 and the Industrial Employment (Standing Orders) Act, 1946. The provisions of this code will be brought into force on a date to be notified by the Central Government.

### **Apprentice Act, 1961 read with The National Policy of Skill Development and Entrepreneurship, 2015**

The Apprentices Act, 1961 was enacted with the objective of regulating the program of training of apprentices in the industry by utilizing the facilities available therein for imparting on-the-job training. The National Policy of Skill Development and Entrepreneurship 2015, launched by the Hon'ble Prime Minister on 15<sup>th</sup> July, 2015, focuses on apprenticeship as one of the key program for creating skilled manpower in India. The Apprentices Act, 1961 makes it obligatory for employers to engage apprentices under a duly executed contract, in designated trades and in



optional trades. Directorate General of Training (DGT) under Ministry of Skill Development & Entrepreneurship monitors the implementation of the scheme of apprenticeship training. All establishments having work force (regular and contract employees) of 30 or more are mandated to undertake Apprenticeship Programs in a range from 2.5% -15% of its workforce every year.

### **The Payment of Wages Act, 1936**

The Payment of Wages Act regulates the payment of wages to certain classes of persons employed in industry and its importance cannot be under-estimated. The Act guarantees payment of wages on time and without any deductions except those authorised under the Act. The Act provides for the responsibility for payment of wages, fixation of wage period, time and mode of payment of wages, permissible deduction as also casts upon the employer a duty to seek the approval of the Government for the acts and permission for which fines may be imposed by him and also sealing of the fines, and also for a machinery to hear and decide complaints regarding the deduction from wages or in delay in payment of wages, penalty for malicious and vexatious claims. The Act does not apply to persons whose wage is ₹ 24,000/- or more per month. The Act also provides to the effect that a worker cannot contract out of any right conferred upon him under the Act.

### **The Employees' Compensation Act, 1923 - The Employees' Compensation (Amendment) Act 2017**

The Employees' Compensation (Amendment) Act, 2017, introduced in the Lok Sabha in August, 2016. The amendment is to the Employees' Compensation Act, 1923. According to which it is the employer's responsibility and duty to inform an employee of his rights. According to the Act, "Every employer shall immediately at the time of employment of an employee, inform the employ of his rights to compensation under this Act, in writing as well as through electronic means, in English or Hindi or in the official language of the area of employment, as may be understood by the employee.

### **The Gujarat State Tax on Professions, Trades, Callings and Employment Act, 1976**

The Gujarat State Tax on Professions, Trades, Callings and Employment Act, 1976 (commonly know as Profession Tax Act) came into force with the object of levying tax on professions, trades, callings and employments. It extends to the whole state of Gujarat. It will vary from person to person and as per there salary range.

## **OTHER GENERAL REGULATIONS**

### **The Micro, Small and Medium Enterprises Development Act, 2006 ("MSME Act")**

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

### **The Indian Contract Act, 1872**

The Contract Act is the legislation which lays down the general principles relating to formation, performance and enforceability of contracts. The rights and duties of parties and the specific terms of agreement are decided by the contracting parties themselves, under the general principles set forth in the Contract Act. The Contract Act also provides for circumstances under which contracts will be considered as 'void' or 'voidable'. The Contract Act contains provisions governing certain special contracts, including indemnity, guarantee, bailment, pledge, and agency.

### **The Foreign Trade (Development & Regulation) Act, 1992**

The Foreign Trade (Development and Regulation) Act, 1992 read along with relevant rules inter-alia 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. As per the provisions of the FTA, the Government: (i) may make provisions for facilitating and controlling foreign trade; (ii) may prohibit, restrict and regulate exports and



imports, in all or specified cases as well as subject them to exemptions; (iii) is authorized to formulate and announce an export and import policy and also amend the same from time to time, by notification in the Official Gazette; (iv) is also authorized to appoint a “Director General of Foreign Trade” for the purpose of the Act, including formulation and implementation of the Export-Import Policy. FTA read with the Indian Foreign Trade Policy inter-alia 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.

### **Foreign Exchange Management Act, 1999 (“FEMA”) and Regulations framed there under**

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. 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 and Foreign Exchange Management (Export of Goods and Services) Regulations, 2000 for regulation on exports of goods and services.

### **The Information Technology (Amendment) Act, 2008 (IT Act)**

The Information Technology Act, 2000 (also known as “ITA-2000”, or the “IT Act”) is an Act of the Indian Parliament (No 21 of 2000) notified on 17 October 2000. It is the primary law in India dealing with cybercrime and electronic commerce. The Act provides legal recognition for transactions carried out by means of electronic data interchange and other means of electronic communication, commonly referred to as “electronic commerce”, which involve the use of alternatives to paper-based methods of communication and storage of information, to facilitate electronic filing of documents with the Government agencies and further to amend the Indian Penal Code, the Indian Evidence Act, 1872, the Bankers’ Books Evidence Act, 1891 and the Reserve Bank of India Act, 1934 and for matters connected therewith or incidental thereto. A major amendment was made in 2008 introducing Sections 66A and 69 giving wide powers to the government authorities.

### **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, 2002. The provisions of the Competition Act relating to combinations were notified on March 4, 2011 and came into effect on June 1, 2011. Combinations which are likely to cause an appreciable adverse effect on competition in a relevant market in India are void under the Competition Act.

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

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.

### **Consumer Protection Act, 2019**

Few of the provisions of The Consumer Protection Act, 2019 (“COPRA”) have been notified vide notification No. S.O. 2421(E), dated 23rd July 2020 thus repealing the respective provisions of Consumer Protection Act, 1986. However the provisions of Consumer Protection Act, 1986, are still valid to the extent COPRA being not notified. The Consumer Protection Act provides a mechanism for the consumer to file a complaint against a service provider in cases of unfair trade practices, restrictive trade practices, deficiency in services, price charged being unlawful and food served being hazardous to life. It also places product liability on a manufacturer or product service provider or product seller, to compensate for injury or damage caused by defective product or deficiency in services. It provides for a three tier consumer grievance redressal mechanism at the national, state and district levels. Non-compliance of the orders of the redressal commissions attracts criminal penalties. The COPRA has brought e-commerce entities and their customers under its purview including providers of technologies or processes for advertising or selling, online market place or online auction sites. The COPRA also provides for mediation cells for early settlement of the disputes between the parties.



## **The Arbitration and Conciliation Act, 199**

This Act was enacted by Parliament in the Forty-seventh Year of the Republic of India to consolidate and amend the law relating to domestic arbitration, international commercial arbitration and enforcement of foreign arbitral awards as also to define the law relating to conciliation and for matters connected therewith or incidental thereto. The main objectives of the Act is to comprehensively cover international and commercial arbitration and conciliation as also domestic arbitration and conciliation, to make provision for an arbitral procedure which is fair, efficient and capable of meeting the needs of the specific arbitration, to provide that the arbitral tribunal gives reasons for its arbitral award, to ensure that the arbitral tribunal remains within the limits of its jurisdiction, to minimize the supervisory role of courts in the arbitral process, to permit an arbitral tribunal to be mediation, conciliation or other procedures during the arbitral proceedings to encourage settlement of disputes, to provide that every final arbitral award is enforced in the same manner as if it were a decree of the court, to provide that a settlement agreement reached by the parties as a result of conciliation proceedings will have the same status and effect as an arbitral award on agreed terms on the substance of the dispute rendered by an arbitral tribunal and to provide that, for purposes of enforcement of foreign awards, every arbitral award made in a country to which one of the two International Conventions relating to foreign arbitral awards to which India is a party applies, will be treated as a foreign award.

**Public Liability Insurance Act, 1991 (“PLI Act”)** The Public Liability Insurance (PLI) Act, 1991 was enacted with the objective of providing relief to the victims of accidents that might occur while handling hazardous substances. The owner who has control over handling hazardous substances is required under the Act to pay specified amounts to the victim as interim relief based on no fault liability. Hence, it was made mandatory for every owner handling hazardous substances to take insurance policies for the purpose.

The above referred act has not been amended since 1992 in spite of sea changes in the chemical protocols, business scenario and inflation. Some of the provisions have become redundant in course of time. This act needs to be revisited and made consistent with current policies of Governance. Further, concern was also raised with regard to the decriminalization of existing provisions of the PLI Act in order to reduce compliance to achieve real independence by weeding out fear of imprisonment for simple violations under existing law.

## **Industrial Disputes Act, 1947 (“ID Act”)**

The Industrial Dispute Act of 1947, came into force on the first day of April, 1947. Its aim is to protect the workmen against victimization by the employers and to ensure social justice to both employers and employees. The unique object of the Act is to promote collective bargaining and to maintain a peaceful atmosphere in industries by avoiding illegal strikes and lock outs. The Act also provides for regulation of lay off and retrenchment. The objective of the Industrial Disputes Act is to secure industrial peace and harmony by providing machinery and procedure for the investigation and settlement of industrial disputes by negotiations.

## **Payment of Bonus Act, 1965 (“POB Act”)**

The Act is applicable to (a) any factory employing 10 or more persons where any processing is carried out with aid of power (b) Other establishments (established for purpose of profit) employing 20 or more persons. Minimum bonus payable is 8.33% and maximum is 20%. Bonus is payable annually within 8 months from close of accounting year. Bonus is payable to all employees whose salary or wages do not exceed ₹ 3,500/- per month provided they have worked for at least 30 days in the accounting year. However, for calculation of bonus, maximum salary of ₹ 2,500/- is considered.

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

The Child Labour (Prohibition & Regulation) Act, 1986 aims at prohibiting engagement of children aged below 14 in certain hazardous Occupations and Processes as well as regulating the conditions of services of such children engaged in non - hazardous Occupations and Processes. The penal provisions for engaging child labour in hazardous Occupations and Processes is quite rigorous. The State Rules under the Act were framed in 1995 and the State Child Labour Advisory Board constituted by the State Government came up in 1996. At present, the number of Occupations in Part A and Processes in Part B to the Schedule of the Act categorised as hazardous stand respectively at 15 and 57 (Schedule annexed).

## **Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (“SHWW Act”)**

The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 is an act to provide protection against sexual harassment of women at workplace and for the prevention and redressal of complaints of sexual harassment and for matters connected therewith or incidental thereto. As per “The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, an “Internal Complaints





Committee” needs to be constituted along with laid down guidelines for redressal of complaint related to sexual harassment of Women at workplace.

### **Equal Remuneration Act, 1976 (“ER Act”)**

The Equal remuneration act (E.R. Act), 1976 recognises the concept of equality among equals. The Equal remuneration act 1976 provides equal pay for equal work for both men and women, and implementation gets carried out under the ambit of equal remuneration rules 1976. This act complies with the provision enshrined under article 39(d) of the constitution of India 1950.

Article 39(d) comes under directive principles of state policy. As the name suggests, these principles are directive in nature and don’t have any legal binding. These directive principles are not enforceable in any court of law, but they have a legal significance that ought to get followed for society’s welfare. It states that “there is equal pay for equal work for both men and women”.

### **Workmen Compensation Act, 1923 (“WCA”)**

Employees are prized assets for any organisation, and ensuring their welfare is key to long-term success. This includes ensuring workers and their dependents are cared for in the event of a fatal accident at the workplace that results in a loss of income. The Workmen’s Compensation Act 1923, led to the creation of a special type of insurance for frontline workers. It ensures that workers are adequately compensated for injuries sustained in the line of duty.

The policy is important for businesses as well, as it protects them from the threat of a high compensation amount and further lawsuits. This is particularly true for organisations with employees who are exposed to extreme health and life hazards.

### **Maternity Benefit Act, 1961 (“Maternity Act”)**

Maternity Leave and benefit to protect the dignity of Motherhood by providing complete & healthy care to women and her child when she is unable to perform her duty due to health condition. Maternity Act 1961 gives her the assurance that her rights will be looked after while she is at home to care for her child.

Every factory, mine or plantation (including those belonging to Government) and to every shop or establishment wherein 10 or more persons are employed on any day preceding 12 months. Must work in the establishment for 80 days in 12 months before her date of Delivery Women earning less than 15,000 may be offered ESI scheme by her employer and will not be eligible for maternity benefit and but will receive the maternity benefit under ESI scheme.

The maximum period for which any woman shall be entitled to maternity benefit shall be 12 week of which shall exceed the date of her expected delivery. An additional period of absence is permitted subject to maximum of one month for illness arising out of pregnancy.

### **The Employees Compensation Act, 1923 (“EC Act”) and the rules framed thereunder**

Employees Compensation Act, 1923 is one of the important social security legislation. The act aims to provide financial protection to employees and their dependents through compensation in case of any accidental injury occurs during employment which results in either death or disablement of the worker. The Employees Compensation Act applies to the following entities i.e. employees working in factories, mines, docks, construction establishments, plantations, oilfields and other establishments listed in Schedule II of the Employee’s Compensation Act, persons recruited for working abroad and who is employed outside India as in Schedule II of the Act, person recruited as the driver, helper, mechanic, cleaner or any other in connection with a motor vehicle and to a captain or other member of the crew of an aircraft, also, the act does not apply to the members of armed forces of the Union & Workmen who are covered under ESI (Employee State Insurance) Act.

### **The Indecent Representation of Women (Prohibition) Act, 1986 (“IRWA”)**

The IRWA prohibits indecent representation of women through advertisements, publications, writings, paintings, figures or in any other manner. It states that no person shall publish or release any advertisements involving an obscene portrayal of women or agree to participate in the publication or show, in any form. In the event an offence under IRWA has been committed by a company, every person, who, at the time the offence was committed was in-charge of, and was responsible to, the company for the conduct of the business of the company, as well as the company, shall be deemed to be guilty of the offence and shall be liable to be proceeded against and punished accordingly.



## HISTORY AND CORPORATE STRUCTURE

### COMPANY'S BACKGROUND

Our Company was originally incorporated as Private Limited, under the Companies Act, 2013 ("Companies Act") in the name and style of "Jivial Industries Private Limited" on June 23<sup>rd</sup>, 2021 under the provisions of the Companies Act, 2013 vide Certificate of Incorporation issued by the Registrar of Companies, Ahmedabad, Gujarat. Later on, company was converted into public limited company, the name of the Company has changed to "Jivial Industries Limited" and for the same fresh Certificate of Incorporation dated January 01<sup>st</sup>, 2024, issued by the Registrar of Companies, Ahmedabad, Gujarat.

Our Company, an ISO 9001:2015 certified company, promoted by Mr. Anand Jitendrabhai Chovatiya and Mrs. Sheetalben Anand Chovatiya located in the Rajkot district of Gujarat, India. We specializes in manufacturing of Aluminum railings and related products catering to small and medium level construction projects. Our journey began in 2018 as a proprietorship firm "Jivial Industries".

Our company is the manufacturer and supplier of aluminum Extrusion Products like aluminum railing and stainless steel glass railing products in India. We are engaged in Manufacturing of high quality array of Aluminum Railings and Stainless Steel Glass Railing Products with different colors as per customer requirements. Our customers are wholesalers, architect, interior designers, builders, glass providers and fabricators. We are supplying aluminum railing materials to all over India. With a focus on innovation and quality, our offerings are crafted to meet the unique preferences and requirements of our diverse customer base.

Our Company offers a diverse range of products, including Aluminum Profiles, Aluminum Continuous Profile, Aluminum handrails, Aluminum spigots, Aluminum conceal, Aluminum Bend, Aluminum bracket, Jointer Aluminum Lock, Aluminum endcap and is also involved in trading of S.S welded Pipes S.S Part, 38 MM and 50 MM Point Fittings.

### REGISTERED OFFICE

Registered Office of the Company is presently situated at Shade No. A1/5, Road C, Beside Daynamic Forge, Aji Gidc, Rajkot Aji Ind Estate, Rajkot, Gujarat, India, 360003

The following changes have been made in the Registered Office of our Company since its inception:

Date of Amendment	Particulars
On Incorporation	"Steel well" Sorathiyawadi Street No. 6, Kothariya Main Road, Near Pansuriya Nivas, Rajkot, Gujarat – 360002.
June 20 <sup>th</sup> , 2023	Shade No. A1/5, Road C, Beside Daynamic Forge, Aji Gidc, Rajkot Aji Ind Estate, Rajkot, Rajkot, Gujarat, India, 360003

### AMENDMENTS TO THE MEMORANDUM OF ASSOCIATION

### AUTHORIZED CAPITAL

The following changes have been made in the Authorized Capital of our Company since its inception:

Date of Amendment	Particulars
On Incorporation	Authorized capital as ₹ 1.00 Lakhs.
01 <sup>st</sup> September, 2023	Increase in Authorize Share Capital from ₹ 1.00 Lakhs to ₹ 520.00 Lakhs.

### OBJECT CLAUSE

The following changes have been made in the Object of our Company since its inception:

Date of Change	Particulars	Reason
28 <sup>th</sup> September, 2023	Alteration in the Clause Number 3(a) by adding Sub-Clause 4 after the existing sub clause 3 as follows:  <i>"To acquire and take over the existing proprietorship business of M/s. Jivial Industries (Proprietor Mr. Anand Jitendrabhai Chovatiya PAN No.</i>	Business Expansion and planning to come up with an Initial Public Offer.





Date of Change	Particulars	Reason
	<i>BECPC7968E) vide execution of agreement of Slump sale i.e. Business of manufacturing of fabricated metal products, except machinery and equipments."</i>	

## MAJOR EVENTS

There are no major events in the company since its incorporation except as mentioned below:

Year	Key Events/Milestone/ Achievement
2021	Incorporation of our company viz. "Jivial Industries Private Limited".
2023	Acquisition of Proprietorship Firm "Jivial Industries" vide Business Transfer Agreement dated 28 <sup>th</sup> September, 2023.

## OTHER DETAILS REGARDING OUR COMPANY

For information on our activities, services, growth, technology, marketing strategy, our standing with reference to our prominent competitors and customers, please refer to sections titled "*Business Overview*", "*Industry Overview*" and "*Management's Discussion and Analysis of Financial Conditions and Results of Operations*" beginning on page nos. 85, 78 and 132 respectively of this Draft Prospectus. For details of our management and managerial competence and for details of shareholding of our promoter, please refer to sections titled "*Our Management*" and "*Capital Structure*" beginning on page nos. 112 and 40 respectively of this Draft Prospectus.

## RAISING OF CAPITAL IN FORM OF EQUITY OR DEBT

For details regarding our capital raising activities through equity and debt, please see the section entitled "*Capital Structure*" and "*Restated Financial Statements*" on page nos. 40 and 129 respectively of this Draft Prospectus.

## DEFAULTS OR RESCHEDULING OF BORROWINGS WITH FINANCIAL INSTITUTIONS/BANKS AND CONVERSION OF LOAN INTO EQUITY

There have been no defaults or rescheduling of borrowings with financial institutions/banks in respect of our current borrowings from lenders. None of our outstanding loans have been converted into equity shares.

## SUBSIDIARIES/HOLDINGS OF THE COMPANY

Our company does not have any Subsidiary and Holding Company.

For more details about our other group companies, please see the section entitled "*Information with Respect to Group Companies/Entities*" on page no. 146 of this Draft Prospectus.

## RAISING OF CAPITAL IN FORM OF EQUITY

For details of increase in equity capital of our company, please refer section "*Capital Structure*" on page no. 40 of this Draft Prospectus.

## INJUNCTION AND RESTRAINING ORDER

Our company is not under any injunction or restraining order, as on date of filing of this Draft Prospectus.

## MANAGERIAL COMPETENCE

For Managerial Competence, please refer to the section "*Our Management*" on page no. 112 of this Draft Prospectus.

## MATERIAL ACQUISITIONS / AMALGAMATIONS / MERGERS / REVALUATION OF ASSETS / DIVESTMENT OF BUSINESS / UNDERTAKING IN LAST TEN YEARS

Except stated below there has been no Material Acquisitions / Amalgamations / Mergers / Revaluation of Assets / Divestment of Business/Undertaking in last ten years except as stated in this Draft Prospectus.



Date of Acquisition	Particulars
29 <sup>th</sup> September, 2023	Our company has purchased the sole proprietorship firm named Jivial Industires of Mr. Anand Jitendrabhai Chovatiya who is one of the promoter of our company vide executing the Business Transfer Agreement dated 29 <sup>th</sup> September, 2023 with the price of Rs. 51.00 Lakhs. Jivial Industires i.e. the proprietorship firm is engaged in the business of manufacturing of fabricated metal products.

#### **TOTAL NUMBER OF SHAREHOLDERS OF OUR COMPANY**

As on the date of filing of this Draft Prospectus, the total numbers of equity shareholders are 7 (Seven). For more details on the shareholding of the members, please see the section titled “*Capital Structure*” at page no. 40 of this Draft Prospectus.

#### **MAIN OBJECTS AS SET OUT IN THE MEMORANDUM OF ASSOCIATION OF THE COMPANY**

The main object clauses of the Memorandum of Association of our Company enable us to undertake the activities for which the funds are being raised in the present Issue. Furthermore, the activities of our Company which we have been carrying out until now are in accordance with the objects of the Memorandum. Our Company has not changed its Object since its Incorporation. The objects for which our Company is established are:

- 1. To manufacture, produce, fabricate, design, develop, process, assemble, refine, make, convert, import, export, trade, buy, sell, whether as retailers, wholesalers, suppliers, indenters, packers, stockiest, agents, merchants, distributors, consignors, jobbers, brokers or otherwise deal in all shapes, sizes, specifications, gauges, thickness, dimensions and varieties of railings, utensils, electric or non-electric wires/cables, furniture, tools, handles, bars, equipment, plants, tubes, packing materials, springs, plates, circles, coils, foils, powder, rails, rods, squares, grills, doors, windows, their parts, accessories, nails, screws, hinges, plates, sheets, strips, hoops, rounds, circles, angles, components or any other architectural products manufactured from aluminum, steel, stainless steel, brass, copper, lead, zinc, nickel and any other ferrous and non-ferrous metals, rubber, plastic or any other material.*
- 2. To carry the business of manufacturing, trading, buy, sell, re-sell, supply, import, export, transport, store, forward, distribute, dispose, develop, handle, manipulate, market, supply or otherwise to deal in all types of interior and exterior products, designing and consulting relating to interiors, exteriors and decorators.*
- 3. To carry the business as manufactures, convertors, importers, exporters, traders, designers, sellers, retailers, wholesalers, suppliers, indenters, packers, movers, preservers, stockists, agents, sub-agents, merchants, distributors, consignors, jobbers, brokers, concessionaires or otherwise deal in all kinds of glass, leveled and unleveled silvered sheet, curved or flat laminated and safety glass, toughened glass, fiber glass, welding glass, silver glass, colored glass, float and plate glass, lead glass, gold mirror, decorative glass, ice flowered glass, glass doors, mirrors and fittings.*

#### **SHAREHOLDERS' AGREEMENTS**

Our Company has not entered into any shareholders agreement as on the date of filing this Draft Prospectus.

#### **OTHER AGREEMENTS**

As on the date of this Draft 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 as on the date of this Draft Prospectus.

#### **JOINT VENTURE AGREEMENTS**

Our Company has not entered into any Joint Venture Agreement as on the date of this Draft Prospectus.

For more details, please see the section entitled “*Information with respect to Group Companies/Entities*” on page no. 146 of this Draft Prospectus.

#### **COLLABORATION AGREEMENTS**

Our Company has not entered into any collaboration agreement as on the date of this Draft Prospectus.



## **STRATEGIC PARTNERS**

Our Company is not having any strategic partner as on the date of filing this Draft Prospectus.

## **FINANCIAL PARTENRS**

Our Company has not entered into any financial partnerships with any entity as on the date of filing of this Draft Prospectus.

*[The remainder of this page has intentionally been left blank]*



## OUR MANAGEMENT

In accordance with our Articles of Association, unless otherwise determined in a general meeting of the Company and subject to the provisions of the Companies Act, 2013 and other applicable rules, the number of Directors of the Company shall not be less than 3 and not more than 15, at least two thirds of whom shall be liable to retire by rotation other than independent directors. Our Company currently has 5 (Five) directors on our Board out of which 2 (Two) are Executive Director and 3 (Three) are Non-Executive Independent Directors.

S. No.	Name of the Director	Designation
1.	Mr. Anand Jitendrabhai Chovatiya	Chairman and Managing Director
2.	Mrs. Sheetalben Anand Chovatiya	Executive Director
3.	Mr. Bhavik Jamanbhai Gadhiya	Independent Director
4.	Mr. Harsh Maheshbhai Varsani	Independent Director
5.	Mr. Yogeshbhai Kantilal Trivedi	Independent Director

The Following table sets forth details regarding the Board of Directors as on the date of this Draft Prospectus:

MR. ANAND JITENDRABHAI CHOVIYA	
<b>Father's Name</b>	Mr. Jitendrabhai Lavjibhai Chovatiya
<b>DIN</b>	09212897
<b>Date of Birth</b>	25 <sup>th</sup> December, 1993.
<b>Age</b>	30 Years.
<b>Designation</b>	Chairman and Managing Director.
<b>Status</b>	Executive.
<b>Qualification</b>	B.E. Electrical
<b>No. of years of experience</b>	7 Years.
<b>Address</b>	Nilkanth park street-3 behind nilkanth cinema kothariya road, Rajkot, Gujarat – 360002
<b>Occupation</b>	Business
<b>Nationality</b>	Indian
<b>Date of Appointment</b>	<b>Initial Date of Appointment as Director:</b> 23 <sup>rd</sup> June, 2021; <b>Re-Designated as Chairman and Managing Director:</b> 30 <sup>th</sup> March, 2024
<b>Term of Appointment and date of expiration of current term of office.</b>	He was appointed as an Executive Director since the incorporation of the company, and later his designation was changed to Chairman and Managing Director, liable to retire by rotation for a period of five years w.e.f. 30 <sup>th</sup> March, 2024
<b>Other Directorships</b>	1. Jivial Technologies Private Limited;

MRS. SHEETALBEN ANAND CHOVIYA	
<b>Father's Name</b>	Mr. Bhagvanjibhai Gordhanbhai Sagpariya
<b>DIN</b>	09212898
<b>Date of Birth</b>	25 <sup>th</sup> September, 1993
<b>Age</b>	30 Year
<b>Designation</b>	Executive Director
<b>Status</b>	Executive
<b>Qualification</b>	Bachelor of Ayurvedic Medicine & Surgery
<b>No. of years of experience</b>	8 Years
<b>Address</b>	Nilkanth park street-3 behind nilkanth cinema kothariya road, Rajkot, Gujarat – 360002
<b>Occupation</b>	Business
<b>Nationality</b>	Indian
<b>Date of Appointment</b>	<b>Date of Appointment as Executive Director:</b> 23 <sup>rd</sup> June, 2021.
<b>Term of Appointment and date of expiration of current term of office</b>	She was appointed as an Executive Director since the incorporation of the company and she is liable to retire by rotation.
<b>Other Directorships</b>	-

### MR. BHAVIK JAMANBHAI GADHIYA



<b>Father's Name</b>	Mr. Jamanbhai Shamjibhai Gadhiya
<b>DIN</b>	10403456
<b>Date of Birth</b>	15 <sup>th</sup> December, 1993
<b>Age</b>	30 Years
<b>Designation</b>	Independent Director
<b>Status</b>	Non-Executive
<b>Qualification</b>	B.E. Electrical
<b>No. of years of experience</b>	8 Years
<b>Address</b>	Silver Park Street Number 1, Opp. Kothariya Gam, Near Golden Recidency, Kothariya Main Road, Rajkot, Gujarat - 360002
<b>Occupation</b>	Business
<b>Nationality</b>	Indian
<b>Date of Appointment</b>	<b>Initial Date of Appointment for Professional Non Executive as an Additional Director:</b> 24 <sup>th</sup> November, 2023; <b>Re-Designated as an Additional Independent Director:</b> 08 <sup>th</sup> February, 2024; <b>Regularization as Independent Director:</b> 04 <sup>th</sup> April, 2024.
<b>Term of Appointment and date of expiration of current term of office.</b>	He was appointed as an Additional Non Executive Director of the company w.e.f. 24 <sup>th</sup> November, 2023 after that he was re-designated as an independent additional director w.e.f 08 <sup>th</sup> February, 2024 and after that he was regularized as an Independent Director of the company w.e.f. 04 <sup>th</sup> April, 2024 for the period of 5 (Five) Years
<b>Other Directorships</b>	NA

#### MR. HARSH MAHESHBHAI VARSANI

<b>Father's Name</b>	Mr. Maheshbhai Batukbhai Varsani
<b>DIN</b>	10496880
<b>Date of Birth</b>	6 <sup>th</sup> July, 1997
<b>Age</b>	27 Years
<b>Designation</b>	Independent Director
<b>Status</b>	Non-Executive
<b>Qualification</b>	Bachelor of Business Administration in Applied Management
<b>No. of years of experience</b>	1 Year
<b>Address</b>	J-37/1, Nilkanth park street-3, behind nilkanth cinema, kothariya road, Rajkot, Gujarat – 360002
<b>Occupation</b>	Business
<b>Nationality</b>	Indian
<b>Date of Appointment</b>	<b>Initial Date of Appointment as Additional Director:</b> 08 <sup>th</sup> February, 2024; <b>Regularization as Independent Director:</b> 04 <sup>th</sup> April, 2024.
<b>Term of Appointment and date of expiration of current term of office.</b>	He was appointed as an Additional Director of the company w.e.f. 08 <sup>th</sup> February, 2024 after that he was regularized as an Independent Director of the company w.e.f 04 <sup>th</sup> April, 2024 for the period of 5 (Five) years.
<b>Other Directorships</b>	-

#### Mr. YOGESHBHAI KANTILAL TRIVEDI

<b>Father's Name</b>	Mr. Kantilal Chelaram Trivedi
<b>DIN</b>	10496888
<b>Date of Birth</b>	29 <sup>th</sup> September, 1968
<b>Age</b>	55 Year
<b>Designation</b>	Independent Director.
<b>Status</b>	Non-Executive Director.
<b>Qualification</b>	Bachelor of Arts, Executive MBA in HR Management.
<b>No. of years of experience</b>	10 Years.
<b>Address</b>	Eeshan, Plot No.44, Shyam Kiran Park, Near Surbhi Residency No.1, Kothariya Main Road, Rajkot, Gujarat – 360022.
<b>Occupation</b>	Service
<b>Nationality</b>	Indian.
<b>Date of Appointment</b>	<b>Initial Date of Appointment as Additional Director:</b> 08 <sup>th</sup> February, 2024; <b>Regularization as Independent Director:</b> 04 <sup>th</sup> April, 2024.



<b>Mr. YOGESHBHAI KANTILAL TRIVEDI</b>	
<b>Term of Appointment and date of expiration of current term of office.</b>	He was appointed as an Additional Director of the company w.e.f. 08 <sup>th</sup> February, 2024 after that he was regularized as an Independent Director of the company w.e.f 04 <sup>th</sup> April, 2024 for the period of 5 (Five) years.
<b>Other Directorships</b>	-

**As on the date of the Draft Prospectus:**

- A. None of the above mentioned Directors are on the RBI List of willful defaulters or Fraudulent Borrowers.
- B. 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 from accessing the capital market by SEBI. None of the Promoters, Directors or persons in control of our Company, has been or is involved as a promoter, director or person in control of any other company, which is debarred from accessing the capital market under any order or directions made by SEBI or any other regulatory authority.
- C. None of our Directors are/were director of any company whose shares were delisted from any stock exchange(s) upto the date of filing of this Draft Prospectus.
- D. None of Promoters or Directors of our Company are a fugitive economic offender.
- E. None of our Directors are/were director of any company whose shares were suspended from trading by stock exchange(s) or under any order or directions issued by the stock exchange(s)/ SEBI/ other regulatory authority in the last five years.
- F. In respect of the track record of the directors, there have been no criminal cases filed or investigations being undertaken with regard to alleged commission of any offence by any of our directors and none of our directors have been charge-sheeted with serious crimes like murder, rape, forgery, economic offence.

**RELATIONSHIP BETWEEN THE DIRECTORS**

There is no relationship between Directors of our Company with each other except as described below:

<b>Name</b>	<b>Designation</b>	<b>Relation</b>
Mr. Anand Jitendrabhai Chovatiya	Chairman and Managing Director	Husband of Mrs. Sheetalben Anand Chovatiya, Executive Director
Mrs. Sheetalben Anand Chovatiya	Executive Director	Wife of Mr. Anand Jitendrabhai Chovatiya, Chairman and Managing Director

**ARRANGEMENT AND UNDERSTANDING WITH MAJOR SHAREHOLDERS, CUSTOMERS, SUPPLIERS AND OTHERS**

There is no arrangement or understanding with major shareholders, customers, suppliers or others, pursuant to which any of the above mentioned Directors was selected as director or member of senior management.

**SERVICE CONTRACTS**

None of our directors have entered into any service contracts with our company and no benefits are granted upon their termination from employment other than the statutory benefits provided by our company. However, Executive Directors of our Company are appointed for specific terms and conditions for which no formal agreements are executed, however their terms and conditions of appointment and remuneration are specified and approved by the Board of Directors and Shareholders of the 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 employment.

**BORROWING POWERS OF THE BOARD OF DIRECTORS**

Pursuant to a special resolution passed at an Extra Ordinary General Meeting of our Company held on 04<sup>th</sup> April, 2024 and pursuant to provisions of Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 and rules made thereunder, the Board of Directors of the Company be and are hereby authorized to borrow





monies from time to time, any sum or sums of money on such security and on such terms and conditions as the Board may deem fit, notwithstanding that the money to be borrowed together with the money already borrowed by our Company may exceed in the aggregate, its paid up capital and free reserves and security premium (apart from temporary loans obtained / to be obtained from bankers in the ordinary course of business), provided that the outstanding principal amount of such borrowing at any point of time shall not exceed in the aggregate of ₹ 500 crores.

#### BRIEF PROFILE OF OUR DIRECTORS

NAME OF THE DIRECTOR	PROFILE
<b>MR. ANAND JITENDRABHAI CHOVIYA</b>	Mr. Anand Jitendrabhai Chovatiya, aged 30 years, is the Promoter, Chairman and Managing director of the company. He has been part of the Board of Directors of the company since its inception. He completed his Bachelor's Degree in Electrical Engineering from Gujarat Technological University in 2016. In 2018, he established his own manufacturing unit for aluminum railings under the proprietorship firm "Jivial Industries". Later on the firm got acquired by our Company. He is having over 7 years of experience in the railing and facade Industry.
<b>MRS. SHEETAL A CHOVIYA</b>	Mrs. Sheetal Anand Chovatiya is the Promoter and Executive Director of the company. She completed her Bachelor of Ayurvedic Medicine and Surgery (B.A.M.S) degree from Gujarat Ayurveda University in 2015. She has been part of the company since its inception. In 2018, she completed her internship in Medical Emergency Treatment Course at Padmakunvarba Hospital in Rajkot and subsequently started her own clinic, which she ran for one year in Rajkot. In 2021, she joined her husband's business. Her role in the company is to handle the accounts department and sales department. She possesses 3 years of experience in the railing and facade industry.
<b>MR. BHAVIK JAMANBHAI GADHIYA</b>	Mr. Bhavik Jamanbhai Gadhiya, aged 30 years is an independent director of our company. He completed his Bachelor's Degree in Electrical Engineering from Gujarat Technological University in 2016. Since then he is working in the steel industry as a production manager and spans experience of 8 Years.
<b>MR. HARSH MAHESHBHAI VARSANI</b>	Mr. Harsh Maheshbhai Varsani, aged 27 years is an independent director of our company. He completed his Bachelor's of Business Administration in Applied Management from Gujarat Technological University in 2018. Currently he is running sole proprietorship and having an experience of 1 Year.
<b>MR. YOGESHBHAI KANTILAL TRIVEDI</b>	Mr. Yogeshbhai Kantilal Trivedi, aged 55 years is an independent director of our company. He completed his Bachelor's of Arts from Saurashtra University in 1995 and Executive MBA in Human Resource Management from Karnataka State Open University in 2016. He possesses overall experience of 10 Years in general administration work.
<b>MRS. DHARA JATINKUMAR VEKARIYA</b>	Mrs. Dhara Jatinkumar Vekariya, aged 26 years is the Chief Financial Officer of our company. She completed her Bachelor's of commerce from Saurashtra University in 2018 and passed the CA CPT exams in 2019 with ICAI. She has 4 years of experience as an Assistant in Direct Tax and Audit Department.
<b>MRS. RITU GARG</b>	Mrs. Ritu Garg, aged 35 years is the Company Secretary and Compliance Officer of the Company. She is a Associate Member of The institute of Company Secretaries of India since 2015 and possesses an overall experience of 9 Years in the Legal and Secretarial work.

#### COMPENSATION AND BENEFITS TO THE MANAGING DIRECTOR AND WHOLE TIME DIRECTOR ARE AS FOLLOWS

##### Remuneration to Chairman and Managing Director

Name	<b>MR. ANAND JITENDRABHAI CHOVIYA</b>
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<b>Designation</b>	Chairman and Managing Director
<b>Date of Appointment</b>	23rd June, 2021
<b>Period</b>	5 Year.
<b>Salary</b>	₹ 1.50 Lakhs p.m.
<b>Bonus</b>	-
<b>Perquisite / Benefits</b>	-
<b>Compensation/remuneration paid during the F.Y. 2023-24</b>	₹ 17.05 Lakhs

#### Remuneration to Executive Directors

<b>Name</b>	<b>MRS. SHEETALBEN ANAND CHOVIYA</b>
<b>Designation</b>	Executive Director
<b>Date of Appointment</b>	23rd June, 2021
<b>Salary</b>	₹ 1.50 Lakhs p.m.
<b>Bonus</b>	-
<b>Perquisite / Benefits</b>	-
<b>Compensation/remuneration paid during the F.Y. 2023-24</b>	₹ 13.84 Lakhs

#### SITTING FEES PAYABLE TO NON-EXECUTIVE DIRECTORS

Till date, our Company has not paid any sitting fees to any of the Non-Executive Directors for attending any of the Board or Committee Meetings. Further, the Board of Directors has not yet decided any sitting fee for the Non-Executive Directors for attending any of the Board or Committee Meetings.

#### SHAREHOLDING OF DIRECTORS

The shareholding of our directors as on the date of this Draft Prospectus is as follows:

S. No.	Name of Directors	No. Equity Shares held	Category/ Status
1.	Mr. Anand Jitendrabhai Chovatiya	15,84,000	Chairman and Managing Director
2.	Mrs. Sheetal Anand Chovatiya	14,24,000	Executive Director
3.	Mr. Bhavik Jamanbhai Gadhiya	-	Independent Director
4.	Mr. Harsh Maheshbhai Varsani	-	Independent Director
5.	Mr. Yogeshbhai Kantilal Trivedi	-	Independent Director

#### INTEREST OF DIRECTORS

All the non-executive directors of the company may be deemed to be interested to the extent of fees, payable to them for attending meetings of the Board or Committee, if any as well as to the extent of other remuneration and/or reimbursement of expenses payable to them as per the applicable laws.

The directors may be regarded as interested in the shares and dividend payable thereon, if any, held by or that may be subscribed by and allotted/transferred to them or the companies, firms and trust, in which they are interested as directors, members, partners and or trustees. All directors may be deemed to be interested in the contracts, agreements/arrangements to be entered into by the issuer company with any company in which they hold directorships or any partnership or proprietorship firm in which they are partners or proprietors as declared in their respective declarations.

Executive Director is interested to the extent of remuneration paid to them for services rendered to the company.

Except as stated under “*Restated Financial Statements*” on page no. 129 of this Draft Prospectus, our company has not entered into any contracts, agreements or arrangements during the preceding two years from the date of the Draft Prospectus in which our directors are interested directly or indirectly.

#### CHANGES IN THE BOARD OF DIRECTORS DURING THE LAST THREE YEARS

Name of Director	Date of Event	Nature of Event	Reason for the Changes in the
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			<b>Board</b>
Mr. Anand Jitendrabhai Chovatiya	23 <sup>rd</sup> June, 2021	Appointment	Appointed as Executive Director of the Company.
Mrs. Sheetal Anand Chovatiya	23 <sup>rd</sup> June, 2021	Appointment	Appointed as Executive Director of the Company.
Mr. Bhavik Jamanbhai Gadhiya	24 <sup>th</sup> November, 2023	Appointment	Appointed as Professional, Non - Executive Additional Director of the Company.
Mr. Bhavik Jamanbhai Gadhiya	08 <sup>th</sup> February, 2024	Re-Designated as Additional Independent Director	He has been Re-Designated as a Additional Independent Director in the Company.
Mr. Harsh Maheshbhai Varsani	08 <sup>th</sup> February, 2024	Appointment	Appointed as Additional Director of the Company.
Mr. Yogeshbhai Kantilal Trivedi	08 <sup>th</sup> February, 2024	Appointment	Appointed as Additional Director of the Company.
Mr. Anand Jitendrabhai Chovatiya	30 <sup>th</sup> March, 2024	Re-Designated as Chairman and Managing Director	He has been Re-Designated as a Chairman and Managing Director in the Company.
Mr. Bhavik Jamanbhai Gadhiya	04 <sup>th</sup> April, 2024	Regularization	Regularization from Additional Director to Independent Director of the Company.
Mr. Harsh Maheshbhai Varsani	04 <sup>th</sup> April, 2024	Regularization	Regularization from Additional Director to Independent Director of the Company.
Mr. Yogeshbhai Kantilal Trivedi	04 <sup>th</sup> April, 2024	Regularization	Regularization from Additional Director to Independent Director of the Company.

## 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 Draft Prospectus, as our Company is coming with an issue in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, the requirements specified in regulations 17, 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 of SEBI (Listing Obligations and Disclosures Requirement) Regulations, 2015 are not applicable to our Company, although we require to comply with requirement of the Companies Act, 2013 wherever applicable. In spite of certain regulations and schedules of SEBI (Listing Obligations and Disclosures Requirement) Regulations, 2015 is not applicable to our Company, our Company endeavors to comply with the good Corporate Governance and accordingly certain exempted regulations have been compiled by our Company.

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.

## COMPOSITION OF BOARD OF DIRECTORS

Currently our Company currently has 5 (Five) directors on our Board out of which 2 (Two) are Executive Directors and 3 (Three) are Non-Executive Independent Directors.

**Composition of Board of Directors is set forth in the below mentioned table:**

S. No.	Name of Directors	Designation	Status	DIN
1	Mr. Anand Jitendrabhai Chovatiya	Chairman and Managing Director	Executive	09212897
2	Mrs. Sheetal Anand Chovatiya	Executive Director	Executive	09212898
3	Mr. Bhavik Jamanbhai Gadhiya	Independent Director	Non-Executive	10403456
4	Mr. Harsh Maheshbhai Varsani	Independent Director	Non-Executive	10496880



5	Mr. Yogeshbhai Kantilal Trivedi	Independent Director	Non-Executive	10496888
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## CONSTITUTION OF COMMITTEES

**Our company has constituted the following Committees of the Board:**

1. Audit Committee;
2. Stakeholders Relationship Committee; and
3. Nomination and Remuneration Committee.

Details of composition, terms of reference etc. of each of the above committees are provided hereunder:

### 1. Audit Committee:

The Board of Directors of our Company has, in pursuance to provisions of Section 177 of the Companies Act, 2013, or any subsequent modification(s) or amendment(s) thereof in its Meeting held on 30<sup>th</sup> March, 2024 constituted Audit Committee.

**The constitution of the Audit Committee is as follows:**

Name of the Directors	Designation	Nature of Directorship
Mr. Harsh Maheshbhai Varsani	Chairman	Non-Executive and Independent Director
Mr. Yogeshbhai Kantilal Trivedi	Member	Non-Executive and Independent Director
Mr. Anand Jitendrabhai Chovatiya	Member	Executive and Managing Director

Our Company Secretary and Compliance officer will act as the secretary of the Committee.

### Terms of Reference

**The Role of Audit Committee not limited to but includes: -**

- The recommendation for the appointment, re-appointment and, if required, the replacement or removal of the auditor, their remuneration and fixation of terms of appointment of the Auditors of the Company;
- Review and monitor the auditors independence and performance, and effectiveness of audit process;
- Examination of financial statement and auditors' report thereon including interim financial result before submission to the Board of Directors for approval;
  - Changes, if any, in accounting policies and practices and reasons for the same;
  - Major accounting entries involving estimates based on the exercise of judgment by management;
  - Significant adjustments made in the financial statements arising out of audit findings;
  - Compliance with listing and other legal requirements relating to financial statements;
  - Disclosure of any related party transactions.
  - Qualifications in the draft audit report.
- Approval or any subsequent modification of transactions of the Company with related party;

Provided that the Audit Committee may make omnibus approval for related party transactions proposed to be entered into by the company subject to such conditions as may be prescribed under the Companies Act, 2013 or any subsequent modification(s) or amendment(s) thereof;

Provided further that in case of transaction, other than transactions referred to in section 188 of Companies Act 2013 or any subsequent modification(s) or amendment(s) thereof, and where Audit Committee does not approve the transaction, it shall make its recommendations to the Board;

Provided also that in case any transaction involving any amount not exceeding one crore rupees is entered into by a director or officer of the company without obtaining the approval of the Audit Committee and it is not ratified by the Audit Committee within three months from the date of the transaction, such transaction shall be voidable at the option of the Audit Committee;

- Reviewing, with the management, and monitoring 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;

- vi. Scrutiny of Inter-corporate loans and investments;
- vii. Reviewing and discussing 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;
- viii. To review the functioning of the Whistle Blower mechanism, in case the same is existing;
- ix. Valuation of undertakings or assets of the company, where ever it is necessary;
- x. Evaluation of internal financial controls and risk management systems and reviewing, with the management, performance of internal auditors, and adequacy of the internal control systems; and
- xi. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- xii. 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; and
- xiii. Carrying out any other function as assigned by the Board of Directors from time to time.

#### **Review of Information**

- i. Management discussion and analysis of financial condition and results of operations;
- ii. Statement of significant related party transactions (as defined by the audit committee), submitted by management;
- iii. Management letters / letters of internal control weaknesses issued by the statutory auditors;
- iv. Internal audit reports relating to internal control weaknesses; and
- v. The appointment, removal and terms of remuneration of the Internal Auditor.

#### **Powers of Committee**

- i. To investigate any activity within its terms of reference;
- ii. To seek information from any employees;
- iii. To obtain outside legal or other professional advice; and
- iv. To secure attendance of outsiders with relevant expertise, if it considers necessary.

#### **Quorum and Meetings**

The audit committee shall meet as and when required to discuss and approve the items included in its role. The quorum of the meeting of the Audit Committee shall be one third of total members of the Audit Committee or 2, whichever is higher, subject to minimum two Independent Director shall present at the Meeting.

#### **2. Stakeholders Relationship Committee:**

The Board of Directors of our Company has, in pursuance to provisions of Section 178 of the Companies Act, 2013, or any subsequent modification(s) or amendment(s) thereof in its Meeting held on 30<sup>th</sup> March, 2024, constituted Stakeholders Relationship Committee.

**The constitution of the Stakeholders Relationship Committee is as follows:**

<b>Name of the Directors</b>	<b>Designation</b>	<b>Nature of Directorship</b>
Mr. Bhavik Jamanbhai Gadhiya	Chairman	Non-Executive and Independent Director
Mr. Anand Jitendrabhai Chovatiya	Member	Executive and Managing Director
Mrs. Sheetal Anand Chovatiya	Member	Executive Director

Our Company Secretary and Compliance officer will act as the secretary of the Committee.

#### **Terms of Reference**

**Role of Stakeholder Relationship Committee not limited to but includes:**

- i. Efficient transfer of shares; including review of cases for refusal of transfer / transmission of shares;
- ii. Redressal of shareholder and investor complaints like transfer of Shares, non-receipt of balance sheet, non-receipt of declared dividends etc.;
- iii. Issue duplicate/split/consolidated share certificates;
- iv. Dematerialization/Rematerialization of Share;
- v. Review of cases for refusal of transfer / transmission of shares and debentures;
- vi. Reference to statutory and regulatory authorities regarding investor grievances and to otherwise ensure proper and timely attendance and redressal of investor queries and grievances; Provided that inability to resolve or consider any grievance by the Stakeholders Relationship Committee in good faith shall not constitute a contravention of Section 178 of Companies Act, 2013 or any subsequent modification(s) or amendment(s) thereof.
- vii. Such other matters as may be required by any statutory, contractual or other regulatory requirements to be attended to by such committee from time to time.

**Quorum and Meetings**

The Stakeholders Relationship Committee shall meet as and when required to discuss and approve the items included in its role. The quorum shall be one third of total members of the Stakeholders Relationship Committee or 2 members, whichever is higher.

**3. Nomination and Remuneration Committee:**

The Board of Directors of our Company has, in pursuance of provisions of Section 178 of the Companies Act, 2013, or any subsequent modification(s) or amendment(s) thereof in its Meeting held on 30<sup>th</sup> March, 2024 constituted Nomination and Remuneration Committee.

**The constitution of the Nomination and Remuneration Committee is as follows:**

Name of the Directors	Designation	Nature of Directorship
Mr. Yogeshbhai Kantilal Trivedi	Chairman	Non-Executive and Independent Director
Mr. Anand Jitendrabhai Chovatiya	Member	Non-Executive and Independent Director
Mrs. Sheetal Anand Chovatiya	Member	Non-Executive and Independent Director

Our Company Secretary and Compliance officer will act as the secretary of the Committee.

**Terms of reference****Role of Nomination and Remuneration Committee not limited to but includes:**

- i. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
- ii. Formulation of criteria for evaluation of Independent Directors and the Board;
- iii. To ensure that the relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- iv. 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 and shall carry out evaluation of every director's performance.

**Quorum and Meetings**

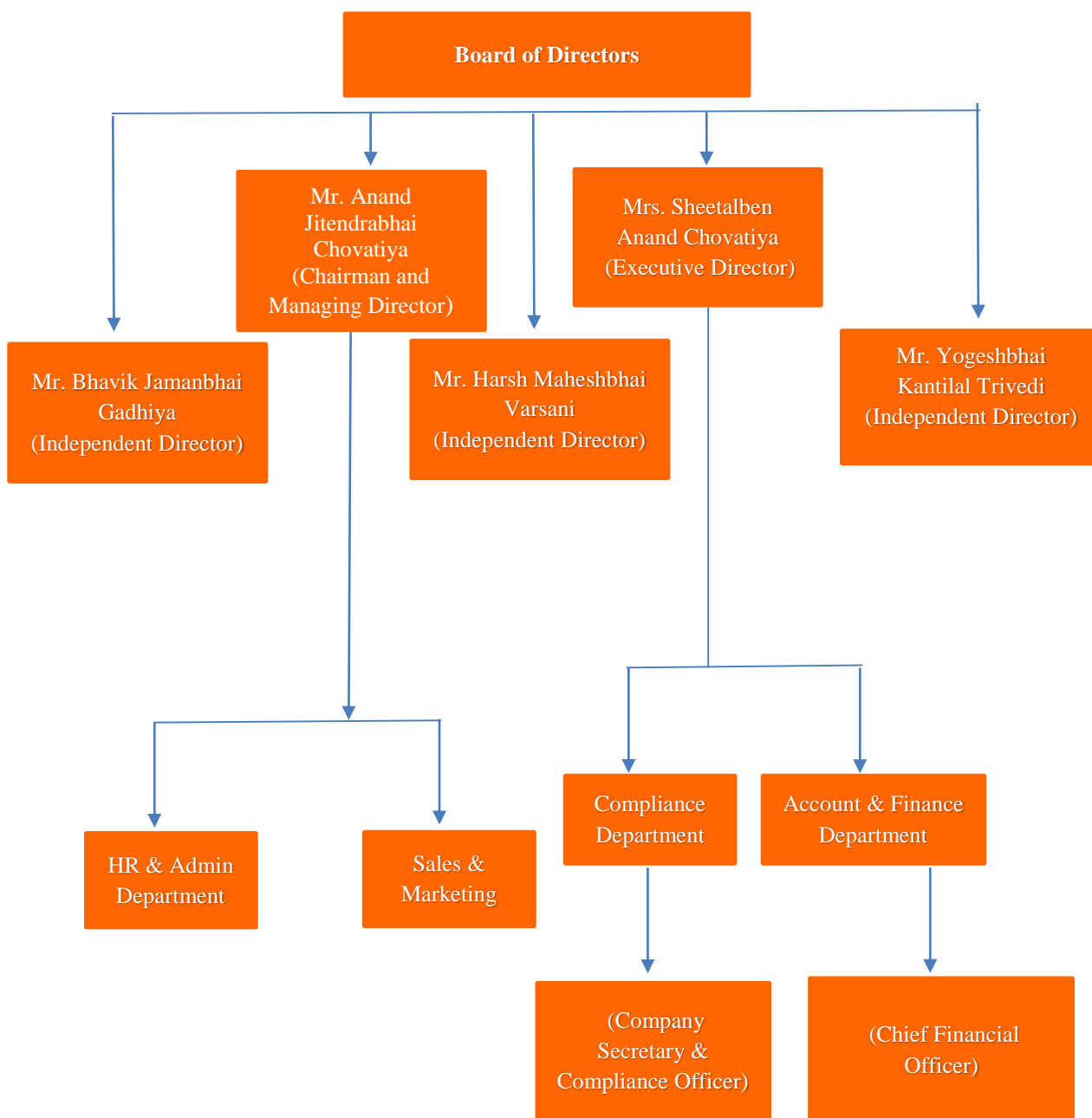
The Committee is required to meet at least once a year. The quorum necessary for a meeting of the Nomination and Remuneration Committee is one third of total members of the Nomination and Remuneration Committee or 2 members, whichever is higher.





## MANAGEMENT ORGANIZATION STRUCTURE

The Management Organization Structure of the company is depicted from the following chart:





## OUR KEY MANAGEMENT PERSONNEL

The Key Managerial Personnel of our Company other than our Executive Directors are as follows:

Name, Designation and Date of Joining		Qualification	Previous Employment	Remuneration paid in F.Y. 2023-24) ( ₹ in Lakhs)
Name	Mrs. Dhara Jatinkumar Vekariya	Bachelor of Commerce	H P Patadiya and Co., Chartered Accountants	2.40
Designation	Chief Financial Officer			
Date of Appointment	06 <sup>th</sup> May, 2024			
Overall Experience	4 Years of Experience in Direct Tax and Audit.			
Name	Ms. Ritu Garg	Company Secretary	-	-
Designation	Company Secretary and Compliance Officer			
Date of Appointment	10 <sup>th</sup> July, 2024			
Overall Experience	9 Years of Experience in Legal and Secretarial Work.			

## BONUS OR PROFIT SHARING PLAN FOR THE KEY MANAGEMENT PERSONNEL

Currently, Our Company does not have any bonus or profit sharing plan for our Key Managerial personnel. In future, Discretionary bonus may be paid as may be decided by Nomination and Remuneration Committee / Board of Directors, depending upon the performance of the Key Managerial Personnel, working of the Company and other relevant factors subject to Maximum of annual salary within the limits laid down under Para A of Section II of Part II of Schedule V of the Companies Act, 2013.

## CHANGES IN THE KEY MANAGEMENT PERSONNEL

The following are the changes in the Key Management Personnel other than Changes in the BOD mentioned above in this section in the last three years preceding the date of filing this Draft Prospectus, otherwise than by way of retirement in due course.

Name of Key Managerial Personnel	Date of Event	Nature of Event	Reason for the changes
Ms. Bhavika Rameshbhai Hidad	30 <sup>th</sup> March 2024	Appointment	She has been Appointed as CFO of the Company.
Ms. Neha Bhaskar Verma	30 <sup>th</sup> March 2024	Appointment	She has been appointed as a Company Secretary and Compliance Officer of the Company.
Ms. Bhavika Rameshbhai Hidad	05 <sup>th</sup> April 2024	Resignation	She has been resigned as a CFO of the Company due to personal and unavoidable circumstances.
Ms. Neha Bhaskar Verma	04 <sup>th</sup> July 2024	Resignation	She has been resigned as a Company Secretary and Compliance officer of the Company due to personal reasons.
Mrs. Dhara Jatinkumar Vekariya	06 <sup>th</sup> May 2024	Appointment	She has been Appointed as CFO of the Company.
Ms. Ritu Garg	10 <sup>th</sup> July 2024	Appointment	She has been Appointed as Company Secretary and Compliance officer of the Company.

## EMPLOYEE STOCK OPTION SCHEME

As on the date of filing of Draft Prospectus, our company does not have any ESOP Scheme for its employees.



## RELATIONSHIP BETWEEN KEY MANAGEMENT PERSONNEL

There is no relationship between KMP's of our Company with each other except as described below:

Name	Designation	Relation
Mr. Anand Jitendrabhai Chovatiya.	Chairman and Managing Director	Brother of Mrs. Dhara Jatin Vekariya, Chief Financial Officer.
Mrs. Dhara Jatin Vekariya	Chief Financial Officer	Sister of Mr. Anand Jitendrabhai Chovatiya, Chairman and Managing Director

## PAYMENT OF BENEFIT TO OFFICERS OF OUR COMPANY (NON-SALARY RELATED)

Except the statutory payments made by our Company, in the last two years, our company has not paid any sum to its employees in connection with superannuation payments and ex-gratia/ rewards and has not paid any non-salary amount or benefit to any of its officers.

### Notes:

- All the key managerial personnel mentioned above are on the payrolls of our Company as permanent employees.
- There is no arrangement / understanding with major shareholders, customers, suppliers or others pursuant to which any of the above-mentioned personnel have been recruited.
- None of our Key Managerial Personnel has been granted any benefits in kind from our Company, other than their remuneration.

None of our Key Managerial Personnel has entered into any service contracts with our company except acting in their Individual Capacity as Managing Director or Whole-Time Directors and no benefits are granted upon their termination from employment other than statutory benefits provided by our Company. Further, our Company has appointed certain Key Managerial Personnel i.e. Chief Financial Officer and Company Secretary and Compliance officer for which our company has not executed any formal service contracts; although they are abide by their terms of appointments.

## SHAREHOLDING OF THE KEY MANAGEMENT PERSONNEL

Except as disclosed below, none of the Key Managerial Personnel hold any Equity Shares of our Company as on the date of this Draft Prospectus.

S. No.	Name of Key Management Personnel	No. Equity Shares held	Category/ Status
1.	Mr. Anand J Chovatiya	15,84,000	Chairman and Managing Director




## OUR PROMOTERS AND PROMOTERS GROUP


### Promoters of Our Company is:

1. Mr. Anand Jitendrabhai Chovatiya;
2. Mrs. Sheetalben Anand Chovatiya.

As on the date of this Draft Prospectus, our Promoters holds 30,08,000 Equity Shares in aggregate, representing 90.88% of the issued, subscribed and paid-up Equity Share capital of our Company. For details of the Capital build-up of our Promoters in our Company, see section titled “*Capital Structure*” beginning on page no. 40 of this Draft Prospectus.

### The details of our Promoters are as follows:

	<b>MR. ANAND JITENDRABHAI CHOVIATIYA</b>
<p>Mr. Anand Jitendrabhai Chovatiya, aged 30 years, is the Promoter, Chairman and Managing director of the company. He has been part of the Board of Directors of the company since its inception. He completed his Bachelor's Degree in Electrical Engineering from Gujarat Technological University in 2016. In 2018, he established his own manufacturing unit for aluminum railings under the proprietorship firm “Jivial Industries”. Later on the firm got acquired by our Company. He is having over 7 years of experience in the railing and facade Industry.</p>	
<b>Date of Birth</b>	25 <sup>th</sup> December, 1993.
<b>Age</b>	30 Years.
<b>PAN</b>	BECPC7968E.
<b>Educational Qualification</b>	Bachelor of Engineering.
<b>Present Residential Address</b>	Nilkanth Park Street - 3 behind nilkanth cinema Kothariya Road, Rajkot, Gujarat – 360002.
<b>Position/posts held in the past</b>	Chairman and Managing Director.
<b>Directorship Held</b>	Jivial Technologies Private Limited.
<b>Other Ventures</b>	NA.

	<b>MRS. SHEETAL A CHOVIATIYA</b>
<p>Mrs. Sheetal Anand Chovatiya is the Promoter and Executive Director of the company. She completed her Bachelor of Ayurvedic Medicine and Surgery (B.A.M.S) degree from Gujarat Ayurveda University in 2015. She has been part of the company since its inception. In 2018, she completed her internship in Medical Emergency Treatment Course at Padmakunvarba Hospital in Rajkot and subsequently started her own clinic, which she ran for one year in Rajkot. In 2021, she joined her husband's business. Her role in the company is to handle the accounts department and sales department. She possesses 3 years of experience in the railing and facade industry.</p>	
<b>Date of Birth</b>	25 <sup>th</sup> September, 1993.
<b>Age</b>	30 Years.
<b>PAN</b>	DYEPS4297E.
<b>Educational Qualification</b>	Bachelor of Ayurvedic Medicine and Surgery.
<b>Present Residential Address</b>	Nilkanth Park Street-3 behind Nilkanth cinema Kothariya Road, Rajkot, Gujarat – 360002.
<b>Position/posts held in the past</b>	Executive Director.
<b>Directorship held</b>	-
<b>Other Ventures</b>	-

### DECLARATION

We declare and confirm that the details of the Aadhar Number, Driving License, Permanent Account Numbers, Bank Account Numbers and Passport Numbers of our Promoter are being submitted to the NSE, stock exchange on which the



specified securities are proposed to be listed along with filing of this Draft Prospectus with the Stock Exchange.

## **CHANGE IN THE CONTROL OR MANAGEMENT OF THE ISSUER IN LAST FIVE YEARS**

There has been no change in the control or management of our Company since incorporation.

## **INTEREST OF OUR PROMOTERS**

- Except as stated in “*Restated Financial Statement*” on page no. 129 of this Draft Prospectus and to the extent of compensation, remuneration/ sitting fees to be paid, Perquisites to be given, reimbursement of expenses to be made in accordance with their respective terms of appointment and to the extent of their shareholding and benefits, if any, arise on the shareholding, our Promoters do not have any other interest in our business.
- Further, our Promoters may be deemed to be interested to the extent of the payments made by our Company, if any, to the Group entities and payment to be made by our Company to the Group Entities. For the payments that are made by our Company to certain Group entities, please refer “*Restated Financial Statement*” on page no. 129 of this Draft Prospectus. For the payments proposed to be made by our Company to certain Group Entities, please refer page no. 129 of this Draft Prospectus.
- Our Promoters, Directors or Group Companies do not have any interest in any property acquired by our Company in the preceding three years before filing this Draft Prospectus. Further, they do not have any interest in any property to be acquired by our Company till the date of this Draft Prospectus.
- Our Company is currently promoted by the promoter in order to carry on its present business. Our Promoter is interested in our Company to the extent of their shareholding and directorship in our Company and the dividend declared, if any, by our Company.
- Except as disclosed in “*Business Overview*” under section titled “Details of Immovable Property” beginning on page no. 85 Our Promoter, Directors or Group Companies do not have any interest in any property acquired by our Company in the preceding three years before filing this Draft Prospectus. Further, they do not have any interest in any property to be acquired by our Company till the date of this Draft Prospectus.
- Excepted as otherwise as stated in this Draft Prospectus, we have not entered into any contract, agreements or arrangements during the preceding three years from the date of this Draft Prospectus in which promoters is directly or indirectly interested.

## **PAYMENT OF BENEFITS TO OUR PROMOTERS**

Except as stated in the section “*Restated Financial Statements*” on page no. 129 of this Draft Prospectus, there has been no payment of benefits made to our Promoters in the two years preceding the filing of this Draft Prospectus. Further, our Company may enter into transaction with or make payment of benefit to the Promoters Directors or Promoters’ Group, towards remunerations as decided by Board of Director.

## **CONFIRMATIONS**

Our Company and Promoters confirmed that they have not been declared as willful defaulters or Fraudulent Borrowers or by the RBI or by any other government authority and there are no violations of securities laws committed by them in the past or are currently pending against them or restraining period are continued.

Further, our Promoters, promoters’ group or directors have not been directly or indirectly, debarred from accessing the capital market or have not been restrained by any regulatory authority, directly or indirectly from acquiring the securities.

Additionally, our Promoters, promoters’ group or directors do not have direct or indirect relation with the companies, its promoters and whole-time director, which are compulsorily delisted by any recognized stock exchange or the companies which is debarred from accessing the capital market by the Board.

Also, our promoters or directors are not a fugitive economic offender.

**We and Our Promoters, Group Entities, and Companies promoted by the Promoters confirm that:**

- No material regulatory or disciplinary action has been taken by a stock exchange or regulatory authority in the past one year against us;
- There are no defaults in respect of payment of interest and/or principal to the debenture/bond/fixed deposit holders,



banks, FIs during the past three years.

- The details of outstanding litigation including its nature and status are disclosed in the section title “*Outstanding Litigation and Material Developments*” appearing on page no. 139 of this Draft Prospectus.

#### DISASSOCIATION OF PROMOTERS IN THE LAST THREE YEAR

Our Promoters have not disassociated them self from below Companies or Firm during the preceding three years.

#### RELATIONSHIP OF PROMOTERS WITH EACH OTHER AND WITH OUR DIRECTORS

There is no relationship between Promoters of our Company with each other and with other Directors except as described below:

Name	Designation	Relation
Mr. Anand Jitendrabhai Chovatiya	Chairman and Managing Director	Husband of Mrs. Sheetalben Anand Chovatiya, Promoter and Executive Director.
Mrs. Sheetalben Anand Chovatiya	Executive Director	Wife of Mr. Anand Jitendrabhai Chovatiya, Promoter and Chairman and Managing Director

#### OUR PROMOTERS GROUP

In addition to our Promoters named above, the following individuals and entities form a part of the Promoters’ Group:

##### A. Natural persons who are part of our Individual Promoter Group:

RELATIONSHIP WITH PROMOTER	MR. ANAND JITENDRABHAI CHOVIYA	MRS. SHEETAL A CHOVIYA
Father	Mr. Jitendrabhai Lavjibhai Chovatiya	Mr. Bhagvanjibhai Gordhanbhai Sagpariya
Mother	Mrs. Sangitaben Jitendrabhai Chovatiya	Mrs. Hemlataben Bhagvanjibhai Sagpariya
Spouse	Mrs. Sheetalben Anand Chovatiya	Mr. Anand Jitendrabhai Chovatiya
Brother/s	-	Mr. Sunit Bhagvanjibhai Sagpariya
Sister/s	Ms. Dhara Jatinkumar Vekariya	1. Ms. Varsha Pankajbhai Ajani; 2. Ms. Ilaben Hardikbhai Pansuriya; 3. Ms. Poonamben Pankajbhai Sorathiya; 4. Ms. Pooja Chetanbhai Akbari
Son/s	-	-
Daughter/s	Ms. Niva Anand Chovatiya	Ms. Niva Anand Chovatiya
Spouse’s Father	Mr. Bhagvanjibhai Gordhanbhai Sagpariya	Mr. Jitendrabhai Lavjibhai Chovatiya
Spouse’s Mother	Mrs. Hemlataben Bhagvanjibhai Sagpariya	Mrs. Sangitaben Jitendrabhai Chovatiya
Spouse’s Brother/s	Mr. Sunit Bhagvanjibhai Sagpariya	-
Spouse’s Sister/s	1. Ms. Varsha Pankajbhai Ajani; 2. Ms. Ilaben Hardikbhai Pansuriya; 3. Ms. Poonamben Pankajbhai Sorathiya; 4. Ms. Pooja Chetanbhai Akbari	Ms. Dhara Jatinkumar Vekariya

##### B. Companies related to our Promoter Company: Not Applicable.

Nature of Relationship	Name of Entities
Subsidiary or holding company of Promoter Company.	Not Applicable.
Any Body corporate in which promoter (Body Corporate) holds 20% or more of the equity share capital or which holds 20% or more of the equity share capital of the promoter (Body Corporate).	Not Applicable





**C. Companies, Proprietary concerns, HUF's related to our promoters:**

<b>Nature of Relationship</b>	<b>Name of Entities</b>
Any Body Corporate in which twenty percent or more of the equity share capital is held by promoter or an immediate relative of the promoter or a firm or HUF in which promoter or any one or more of his immediate relative is a member.	Jivial Technologies Private Limited.
Any Body corporate in which Body Corporate as provided above holds twenty percent or more of the equity share capital.	Not Applicable.
Any Hindu Undivided Family or Firm in which the aggregate shareholding of the promoter and his immediate relatives is equal to or more than twenty percent.	Steel Well.

**Following persons whose shareholding is aggregated under the heading “Shareholding of the Promoter Group”:**

<b>S. No.</b>	<b>Names</b>
1.	Mr. Jitendra Lavji Chovatiya
2.	Mrs. Sangitaben Jitendrabhai Chovatiya
3.	Mr. Vijay Lavjibhai Chovatiya
4.	Mrs. Nitaben Vijaybhai Chovatiya
5.	Mr. Lavjibhai Hirabhai Chovatiya

For further details on our “Group Entities” refer Chapter titled “*Information with Respect to Group Companies/Entities*” beginning on page no. 146 of this Draft Prospectus.



## DIVIDEND POLICY

Under the Companies Act, 2013 our Company can pay dividends upon a recommendation by our Board of Directors and approval by a majority of the shareholders at the General Meeting and as per provisions of Article of Association of our Company. The shareholders of the Company have the right to decrease but not to increase the amount of dividend recommended by the Board of Directors. The dividends may be paid out of the profits of our company in the year in which the dividend is declared or out of the undistributed profits or reserves of previous fiscal years or out of both. The Articles of Association of our Company also gives the discretion to our Board of Directors to declare and pay interim dividends. All Dividends upon recommendation by our Board of Directors and approved by the shareholders at the General Meeting will be paid to credit of registered shareholders by way of cheque or warrant or in any electronic mode.

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 while considering the dividend and other relevant factors and approval of the Equity Shareholders at their discretion. 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.

Upon the listing of the Equity Shares of our Company and subject to the SEBI Listing Regulations, we may be required to formulate a dividend distribution policy which shall be required to include, among others, details of circumstances under which the shareholders may or may not expect dividend, the financial parameters that shall be considered while declaring dividend, internal and external factors that shall be considered for declaration of dividend, policy as to how the retained earnings will be utilized and parameters that shall be adopted with regard to various classes of shares, as applicable.

For details of risks in relation to our capability to pay dividend, see “*Risk Factors*”.

Our Company has not paid / declared any dividend in last three years from date of this Draft Prospectus.



## SECTION IX - FINANCIAL INFORMATION OF OUR COMPANY

### RESTATED FINANCIAL STATEMENTS

Particulars	Page No.
Restated Financial Statement	F-1 to F-29

**Independent Auditor's Examination report on Restated Financial Information of  
JIVIAL INDUSTRIES LIMITED**

To,  
The Board of Directors  
JIVIAL INDUSTRIES LIMITED,  
A1/5, Road C, Beside Daynamic Forge, Aji  
GIDC, Rajkot Aji Ind Estate, Rajkot, Gujarat,  
India, 360003

Dear Sirs,

1. We have examined the attached Restated Financial Information of **JIVIAL INDUSTRIES LIMITED** (Formerly known as **JIVIAL INDUSTRIES PRIVATE LIMITED**) (the "Company" or the "Issuer"), comprising the Restated Statement of Assets and Liabilities as at March 31, 2024, 2023, and 2022 and , the Restated Statements of Profit and Loss , the Restated Cash Flow Statement for the year ended March 31, 2024, 2023, and 2022, the Summary Statement of Significant Accounting Policies, and other explanatory information (collectively, the "Restated Financial Information"), as approved by the Board of Directors of the Company at their meeting held on 2nd July, 2024 for the purpose of inclusion in the Draft Red Herring Prospectus/ Red Herring Prospectus / Prospectus (Here-in Offer Documents) prepared by the Company in connection with its proposed Initial Public Offer of equity shares ("IPO").
2. These restated Summary Statement have been prepared in terms of the requirements of:
  - a) Section 26 of Part I of Chapter III of the Companies Act, 2013 (the "Act")
  - b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("ICDR Regulations"); and
  - c) The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India ("ICAI"), as amended from time to time (the "Guidance Note").
3. The Company's Board of Directors is responsible for the preparation of the Restated Financial Information for the purpose of inclusion in the Offer Documents to be filed with Securities and Exchange Board of India, Registrar of Companies, Gujarat and the NSE SME Exchange in connection with the proposed IPO. The Restated Financial Information have been prepared by the management of the Company on the basis of preparation stated in Annexure IV to the Restated Financial Information. The Board of Directors' responsibility includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Financial Information. The Board of Directors are also responsible for identifying and ensuring that the Company complies with the Act, ICDR Regulations and the Guidance Note.





4. We have examined such Restated Financial Information taking into consideration:
- a) The terms of reference and terms of our engagement agreed upon with you in accordance with our engagement letter dated May 11, 2024 in connection with the proposed IPO of equity shares of the Issuer;
  - 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 Information; and
  - d) The requirements of Section 26 of the Act and the ICDR Regulations. Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act, the ICDR Regulations and the Guidance Note in connection with the IPO.
5. These Restated Financial Information have been compiled by the management from the Audited Financial Statements of the Company for the financial years ended on March 31, 2024, 2023, and 2022 which has been approved by the Board of Directors.
- a) We have not audited the financial statements of the company as at March 31, 2024, 2023, and 2022 which were prepared by the company in accordance with Indian Accounting Standard (Indian GAAP).
  - b) We have relied upon Statutory Audited financial statements of the Company as at and for the years ended March 31, 2024, 2023 & 2022 prepared in accordance with the Indian Accounting Standards (Indian GAAP) which have been approved by the Board of Directors at their meeting held on May 09, 2024, August 25, 2023 and September 01, 2022 respectively.
6. For the purpose of our examination, we have relied on:
- a) Auditors' Report issued by statutory auditor dated May 09, 2024, August 25, 2023 and September 01, 2022 on the financial statements of the company for the financial year ended on March 31, 2024, 2023 and 2022 as referred in Paragraph 5(b) above.

The audits for the financial years ended March 31, 2024, were conducted by the Company's previous auditors M/s JNCY & Associates., Chartered Accountants, and the audit for the financial year ended March 2023, and March 2022, were conducted by company previous auditors M/s. NN KAPURIYA & CO. and accordingly reliance has been placed on the restated statement of assets and liabilities and the restated statements of profit and loss and cash flow statements, the Summary Statement of Significant Accounting Policies, and other explanatory information and collectively, the " Restated Financial Information" examined by them for the said years.

7. Based on our examination and according to the information and explanations given to us, we report that:
- a) The "Restated Summary Statement of Assets and Liabilities" as set out in Annexure I to this report, of the Company as at and for the year ended on March 31, 2024, March 31, 2023 & March



31, 2022 are prepared by the Company and approved by the Board of Directors. These Restated Summary Statement of Assets and Liabilities, have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more. These fully described in Significant Accounting Policies and Notes to Accounts as set out in **Annexure IV** to this Report.

- b) The “**Restated Summary Statement of Profit and Loss**” as set out in **Annexure II** to this report, of the Company as at and for the year ended on March 31, 2024, March 31, 2023 & March 31, 2022 are prepared by the Company and approved by the Board of Directors. These Restated Summary Statement of Profit and Loss have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Accounts as set out in **Annexure IV** to this Report.
- c) The “**Restated Summary Statement of Cash Flow**” as set out in **Annexure III** to this report, of the Company as at and for the year ended on March 31, 2024, March 31, 2023 & March 31, 2022 are prepared by the Company and approved by the Board of Directors. These Restated Summary Statement of Cash Flow 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 and Notes to Accounts as set out in **Annexure IV** to this Report.
- d) The Restated Summary Statement have been prepared in accordance with the Act, ICDR Regulations and the Guidance Note.
- e) The Restated Summary Statements have been made after incorporating adjustments for the changes in accounting policies retrospectively in respective financial period/years to reflect the same accounting treatment as per the changed accounting policy for all reporting periods, if any;
- f) The Restated Summary Statements have been made after incorporating adjustments for prior period and other material amounts in the respective financial years/period to which they relate, if any and there are no qualifications which require adjustments;
- g) Extra-ordinary items that need to be disclosed separately in the accounts has been disclosed wherever required;
- h) There were no qualifications in the Audit Reports issued by the Statutory Auditors as at and for the year ended on March 31, 2024, March 31, 2023 & March 31, 2022 which would require adjustments in this Restated Financial Statements of the Company;
- i) Profits and losses have been arrived at after charging all expenses including depreciation and after making such adjustments/restatements and regroupings as in our opinion are appropriate and are to be read in accordance with the Significant Accounting Policies and Notes to Accounts as set out in **Annexure IV** to this report;
- j) There was no change in accounting policies, which needs to be adjusted in the Restated Summary Statements





- k) There are no revaluation reserves, which need to be disclosed separately in the Restated Financial Statements;
- l) The company has not proposed any dividend in past effective for the said period.
8. We have also examined the following other financial information relating to the Company prepared by the Management and as approved by the Board of Directors of the Company and annexed to this report relating to the Company as at and for the year ended March 31, 2024, March 31, 2023 & March 31, 2022 proposed to be included in the Offer Documents.

Annexure No.	Particulars
<b>I</b>	<b>Restated Statement of Assets &amp; Liabilities</b>
I.1	Restated Statement of Share Capital
I.2	Restated Statement of Reserves & Surpluses
I.3	Restated Statement of Long-Term Borrowings
I.4	Restated Statement of Deferred Tax Liabilities
I.5	Restated Statement of Short-term borrowings
I.6	Restated Statement of Trade Payable
I.7	Restated Statement of Other Current Liabilities
I.8	Restated Statement of Short-Term Provisions
I.9	Restated Statement of Property, Plant & Equipment and Intangible Assets
I.10	Restated Statement of Deferred Tax Assets
I.11	Restated Statement of Other Non-Current Assets
I.12	Restated Statement of Inventories
I.13	Restated Statement of Trade Receivable
I.14	Restated Statement of Cash & Cash Equivalent
I.15	Restated Statement of Short-Term Loans and Advances
I.16	Restated Statement of Other Current Assets
<b>II</b>	
II.1	Restated Statement of Revenue from operations
II.2	Restated Statement of Other Income
II.3	Restated Statement of Cost of materials consumed
II.4	Restated Statement of Changes in Inventories of finished goods and work-in-progress
II.5	Restated Statement of Employees Benefit Expenses
II.6	Restated Statement of Finance Cost
II.7	Restated Statement of Other Expenses
II.8	Restated Statement of Earnings per equity share
Other Annexures:	
III	Cash Flow Statement
IV	Statement of Significant Accounting Policies
V	Notes to the Re-stated Financial Statements
VI	Statement of Accounting & Other Ratios, As Restated
VII	Statement of Capitalization, As Restated



Annexure No.	Particulars
VIII	Statement of Tax Shelter, As Restated
IX	Statement of Related Parties & Transactions
X	Statement of Dividends
XI	Changes in the Significant Accounting Policies
XII	Contingent Liabilities & Capital Commitments

9. We, M/s. S V J K And Associates., Chartered Accountants have been subjected to the peer review process of the Institute of Chartered Accountants of India ("ICAI") and hold a valid peer review certificate issued by the "Peer Review Board" of the ICAI which is valid till November 30, 2026.
10. The Restated Financial Information do not reflect the effects of events that occurred subsequent to the respective dates of the reports on the special purpose interim financial statements and audited financial statements mentioned in paragraph Sabove.
11. This report should not in any way be construed as a reissuance or re-dating of any of the previous audit reports issued by us, nor should this report be construed as a new opinion on any of the financial statements referred to herein.
12. We have no responsibility to update our report for events and circumstances occurring after the date of the report.
13. Our report is intended solely for use of the Board of Directors for inclusion in the Offer Documents to be filed with Securities and Exchange Board of India, the stock exchanges and Registrar of Companies, Gujarat in connection with the proposed IPO. Our report should not be used, referred to, or distributed for any other purpose except with our prior consent in writing. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

For, S V J K And Associates  
Chartered Accountants  
Firm Reg. No: 135182W  
PRC No: 014698

Anki Singh  
Partner  
Membership No: 151324

Place: Ahmedabad  
Date: 2<sup>nd</sup> July, 2024  
UDIN: 24151324BKESHO7364



**ANNEXURE - I**  
**STATEMENT OF ASSETS & LIABILITIES, AS RESTATED**

(₹ in Lakhs)

	Particulars	Note	As At 31/03/2024	As At 31/03/2023	As At 31/03/2022
<b>I</b>	<b>EQUITY AND LIABILITIES</b>				
	1. Shareholders' funds				
	(a) Share Capital	I.1	331.00	1.00	1.00
	(b) Reserves and surplus	I.2	244.41	152.26	35.57
	2. Non-current liabilities				
	(a) Long-term borrowings	I.3	39.16	18.00	15.50
	(b) Other Non-current liabilities		-	-	-
	(c) Deferred tax liabilities	I.4	-	0.03	-
	3. Current liabilities				
	(a) Short-term borrowings	I.5	4.52	-	-
	(b) Trade payables	I.6			
	i) Total outstanding dues of micro enterprises and small enterprises;		4.75	13.32	18.17
	ii) Total outstanding dues of creditors other than micro		-	-	-
	(c) Other current liabilities	I.7	17.52	5.20	2.08
	(d) Short-term provisions	I.8	53.01	26.27	9.09
	<b>TOTAL</b>		<b>694.37</b>	<b>216.08</b>	<b>81.41</b>
<b>II.</b>	<b>ASSETS</b>				
	1. Non-current assets				
	(a) Property Plant & Equipments and Intangible Assets				
	(i) Property Plant & Equipments	I.9	67.83	10.00	-
	(ii) Intangible Assets		42.25	-	-
	(b) Deferred tax asstes(Net)	I.10	0.10	-	-
	(c) Other Non Current Assets	I.11	87.00	-	-
	2. Current assets				
	(a) Inventories	I.12	240.68	87.37	50.85
	(b) Trade receivables	I.13	107.17	79.53	21.43
	(c) Cash and cash equivalents	I.14	82.62	15.15	6.50
	(d) Short-term loans and advances	I.15	55.60	24.03	2.64
	(e) Other Current Assets	I.16	11.12	-	-
	<b>TOTAL</b>		<b>694.37</b>	<b>216.08</b>	<b>81.41</b>

Note: The above statement should be read with the Significant Accounting Policies and Notes on Financial Statements appearing in Annexure IV & V respectively.

As per our report of even date attached

For S V J K and Associates  
Chartered Accountants  
Firm's Registration No: 135182W

Ankit Singhal  
Partner  
M No:151324  
UDIN: 24151324BKESHO7364

For and on behalf of the Board of Directors  
JIVIAL INDUSTRIES LIMITED

Anand Chovatiya      Sheetalben Chovatiya  
Managing Director      Director  
(DIN : 09212897)      (DIN : 09212898)

Dhara Vekariya      Neha Bhaskar Verma  
CFO      Company Secretary

Place: Ahmedabad  
Date : 2nd July, 2024

Place: Ahmedabad  
Date : 2nd July, 2024

**ANNEXURE - II**  
**STATEMENT OF PROFIT & LOSS, AS RESTATED**

(₹ in Lakhs)

	Particulars	Note	For the period ended 31/03/2024	For the period ended 31/03/2023	For the period ended 31/03/2022
<b>I</b>	Revenue from operations	II.1	1,105.73	839.93	279.99
<b>II</b>	Other Income	II.2	-	-	0.29
<b>III</b>	<b>Total Income (I+II)</b>		<b>1,105.73</b>	<b>839.93</b>	<b>280.27</b>
	<b>Expenses:</b>				
	(a) Cost of materials consumed	II.3	718.20	576.19	211.52
	(b) Changes in inventories of finished goods and work-in- progress	II.4	(44.57)	3.57	(15.80)
	(c) Employee benefits expense	II.5	55.86	39.41	16.07
	(d) Finance costs	II.6	1.93	-	-
	(e) Depreciation and amortisation expense	I.9	11.99	0.63	-
	(f) Other expenses	II.7	68.26	78.30	24.53
<b>IV</b>	<b>Total expenses</b>		<b>811.67</b>	<b>698.09</b>	<b>236.32</b>
				-	
<b>V</b>	<b>Profit /(Loss) before tax and Exceptional Items (III-IV)</b>		<b>294.06</b>	<b>141.84</b>	<b>43.95</b>
<b>VI</b>	<b>Exceptional Items</b>		-	-	-
<b>VII</b>	<b>Profit /(Loss) before tax (V-VI)</b>		<b>294.06</b>	<b>141.84</b>	<b>43.95</b>
<b>VIII</b>	<b>Tax expense:</b>				
	(a) Current tax expense		52.01	25.12	8.38
	(b) Deferred tax charge/(credit)		(0.13)	0.03	-
			<b>51.88</b>	<b>25.15</b>	<b>8.38</b>
<b>IX</b>	<b>Profit after tax for the year (VII-VIII)</b>		<b>242.18</b>	<b>116.69</b>	<b>35.57</b>
<b>XII</b>	<b>Earnings per share (face value of ₹ 10/- each): (Considering Bonus impact with retrospective effect)</b>	II.8			
	(a) Basic (in ₹)		10.23	7.73	2.36
	(b) Diluted (in ₹)		10.23	7.73	2.36

Note: The above statement should be read with the Significant Accounting Policies and Notes on Financial Statements appearing in Annexure IV & V respectively.

As per our report of even date attached

For S V J K and Associates  
Chartered Accountants  
Firm's Registration No: 135182W

Ankit Singhal  
Partner  
M No:151324  
UDIN: 24151324BKESHO7364

For and on behalf of the Board of Directors  
JIVIAL INDUSTRIES LIMITED

Anand Chovatiya      Sheetalben Chovatiya  
Managing Director      Director  
(DIN : 06851614)      (DIN : 06851606)

Dhara Vekariya      Neha Bhaskar Verma  
CFO      Company Secretary

Place: Ahmedabad  
Date : 2nd July, 2024

Place: Ahmedabad  
Date : 2nd July, 2024

**ANNEXURE - III  
STATEMENT OF CASH FLOW, AS RESTATED**

(₹ in Lakhs)

Particulars	For the period ended	For the period ended	For the year Ended
	31/03/2024	31/03/2023	31/03/2022
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>			
Net Profit before Extraordinary items	294.06	141.84	43.95
Adjustment For:			
(a) Depreciation and Amortization	11.99	0.63	-
(b) Interest Charges	1.93	-	-
(c) Interest & Other income	-	-	(0.29)
Operating Profit before Working Capital Changes	<b>307.98</b>	<b>142.47</b>	<b>43.67</b>
Adjustment For :			
(a) (Increase)/Decrease in Inventories	(153.32)	(36.52)	(50.85)
(b) (Increase)/Decrease in Trade Receivables	(27.64)	(58.10)	(21.43)
(c) (Increase)/Decrease in Short Term Loans & Advances	(31.57)	(21.40)	(2.64)
(d) (Increase)/Decrease in Other Assets	(11.12)	-	-
(e) (Increase)/Decrease in Long Term Loans & Advances	(87.00)	-	-
(f) Increase /(Decrease) in Trade Payables	(8.57)	(4.85)	18.17
(g) Increase /(Decrease) in Other Current Liabilities	12.28	3.12	2.08
(h) Increase /(Decrease) in Short term provisions	26.74	17.18	9.09
CASH GENERATED FROM OPERATIONS	27.80	41.90	(1.91)
Less : Direct Taxes paid	(52.01)	(25.12)	(8.38)
CASH FLOW BEFORE EXTRAORDINARY ITEMS	<b>(24.21)</b>	<b>16.78</b>	<b>(10.29)</b>
NET CASH FROM OPERATING ACTIVITIES (A)	<b>(24.21)</b>	<b>16.78</b>	<b>(10.29)</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>			
(a) Sales / (Addition) in Fixed Assets & WIP	(112.06)	(10.63)	-
(b) Interest and other income	-	-	0.29
NET CASH FROM INVESTING ACTIVITIES (B)	<b>(112.06)</b>	<b>(10.63)</b>	<b>0.29</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>			
(a) Increase/(Decrease) in Long term Borrowings	21.16	2.50	15.50
(b) Increase/(Decrease) in Short term Borrowings	4.52	-	-
(c) Issue of Share Capital	180.00	-	1.00
(d) Interest Paid	(1.93)	-	-
NET CASH FLOW IN FINANCING ACTIVITIES (C)	<b>203.75</b>	<b>2.50</b>	<b>16.50</b>
NET INCREASE IN CASH & CASH EQUIVALENTS (A)+(B)+(C )	67.48	8.65	6.50
OPENING BALANCE – CASH & CASH EQUIVALENT	<b>15.15</b>	<b>6.50</b>	-
CLOSING BALANCE - CASH & CASH EQUIVALENT	<b>82.62</b>	<b>15.15</b>	<b>6.50</b>
As per our Report of even date			
<div> <div> <b>For S V J K and Associates</b>  Chartered Accountants  Firm's Registration No: 135182W   Ankit Singhal  M No:151324  UDIN: 24151324BKESHO7364 </div> <div> <b>For and on Behalf of the Board</b>  <b>JIVIAL INDUSTRIES LIMITED</b>   Anand Chovatiya      Sheetalben Chovatiya  Managing Director      Director  (DIN : 09212897)      (DIN : 09212898)   Dhara Vekariya      Neha Bhaskar Verma  CFO      Company Secretary </div> </div>			
<div> Place: Ahmedabad  Date : 2nd July, 2024 </div> <div> Place: Ahmedabad  Date : 2nd July, 2024 </div>			



**Annexure - I.1**

**Restated Statement of Share Capital**

(₹ in Lakhs)

Particulars	As At 31/03/2024	As At 31/03/2023	As At 31/03/2022
<b>Authorised Capital</b>			
No. of Equity Shares of ₹ 10/- each	52,00,000	10,000	10,000
Authorised Equity Share Capital In Rs.	520.00	1.00	1.00
<b>Issued, Subscribed &amp; Fully Paid up</b>			
No. of Equity Shares of ₹ 10/- each	33,10,000	10,000	10,000
Issued, Subscribed & Fully Paid up Share Capital In Rs.	331.00	1.00	1.00
<b>Total</b>	<b>331.00</b>	<b>1.00</b>	<b>1.00</b>

**Reconciliation of the number of shares outstanding is set out below:-**

Particulars	As At 31/03/2024	As At 31/03/2023	As At 31/03/2022
	Number of Shares	Number of Shares	Number of Shares
<b>Shares outstanding at the beginning of the year</b>	10,000	10,000	10,000
<b>Add:-Shares Issued during the year</b>			
Fresh Issue	18,00,000	-	-
Bonus Shares Issued	15,00,000	-	-
<b>Less: Shares bought back during the year</b>			
Other Changes (give details)	-	-	-
<b>Shares outstanding at the end of the year</b>	<b>33,10,000</b>	<b>10,000</b>	<b>10,000</b>

**Terms/Rights attached to equity share**

(a) The Company has one class of equity shares having a par value of Rs. 10 per share. Each shareholder is eligible for one vote per share held. The company has not proposed any dividend during preceding financial year. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amount, in proportion to their shareholding.

(b) 15,00,000 shares of face value of Rs 10 per share were issued as fully paid bonus shares by utilisation of Rs 1,50,00,000 from general Reserves and surplus.

(c) 18,00,000 shares of face value of Rs 10 per share allotted on Right basis to Shareholders who has exercise their rights to buy such Right Issue.

**Details of Shareholders holding more than 5 % shares:-**

Name of Shareholder	As At 31/03/2024	As At 31/03/2023	As At 31/03/2022
<b>Anand Jitendrabhai Chovatiya</b>			
Number of Shares	15,84,000	4,000	5,000
% of Holding	47.85%	40.00%	50.00%
<b>Sheetalben Anand Chovatiya</b>			
Number of Shares	14,24,000	4,000	5,000
% of Holding	43.02%	40.00%	50.00%

**Details of promoters holding shares:-**

Name of Shareholder	As At 31/03/2024	As At 31/03/2023	As At 31/03/2022
<b>Anand Jitendrabhai Chovatiya</b>			
Number of Shares	15,84,000	4,000	5,000
% of Holding	47.85%	40.00%	50.00%
<b>Sheetalben Anand Chovatiya</b>			
Number of Shares	14,24,000	4,000	5,000
% of Holding	43.02%	40.00%	50.00%
<b>Jitendrabhai Lavijbhai Chovatiya (PG)</b>			
Number of Shares	60,400	400	-
% of Holding	1.82%	4.00%	0.00%
<b>Sangitaben Jitendrabhai Chovatiya (PG)</b>			
Number of Shares	60,400	400	-
% of Holding	1.82%	4.00%	0.00%
<b>Vijaybhai Lavijbhai Chovatiya (PG)</b>			
Number of Shares	60,400	400	-
% of Holding	1.82%	4.00%	0.00%
<b>Nitaben Lavijbhai Chovatiya (PG)</b>			
Number of Shares	60,400	400	-
% of Holding	1.82%	4.00%	0.00%
<b>Lavijbhai Hirabhai Chovatiya (PG)</b>			
Number of Shares	60,400	400	-
% of Holding	1.82%	4.00%	0.00%

\* PG - Promoter's Group



**Annexure - I.4**

**Restated Statement of Deferred Tax Liability**

(₹ in Lakhs)

Particulars	As At 31/03/2024	As At 31/03/2023	As At 31/03/2022
<b>Deferred Tax Liability</b>			
On account of timing difference in Net block as per books & as per Income Tax	-	0.03	-
<b>Total</b>	-	<b>0.03</b>	-

**Annexure - I.5**

**Restated Statement of Short Tem Borrowings**

(₹ in Lakhs)

Particulars	As At 31/03/2024	As At 31/03/2023	As At 31/03/2022
<b><u>Loan repayable on demand</u></b>			
(a) From Banks	-	-	-
(b) Current Maturity of long term debt	4.52	-	-
<b><u>From Related Parties</u></b>			
From Body Corporates	-	-	-
<b>Total</b>	<b>4.52</b>	-	-

**Annexure - I.6**

**Restated Statement of Trade Payable**

(₹ in Lakhs)

Particulars	As At 31/03/2024	As At 31/03/2023	As At 31/03/2022
Micro, Small and Medium Enterprises	4.75	13.32	18.17
Others	-	-	-
<b>Total</b>	<b>4.75</b>	<b>13.32</b>	<b>18.17</b>

**(a) Ageing schedule:**

**Balance as at 31st March, 2024**

(₹ in Lakhs)

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years
(i) Undisputed dues - MSME	4.75	-	-	-
(ii) Undisputed dues - Others	-	-	-	-
(iii) Disputed dues - MSME	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-
<b>Total</b>	<b>4.75</b>	<b>-</b>	<b>-</b>	<b>-</b>

**Balance as at 31st March, 2023**

(₹ in Lakhs)

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years
(i) Undisputed dues - MSME	13.32	-	-	-
(ii) Undisputed dues - Others	-	-	-	-
(iii) Disputed dues - MSME	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-
<b>Total</b>	<b>13.32</b>	<b>-</b>	<b>-</b>	<b>-</b>

**Balance as at 31st March 2022**

(₹ in Lakhs)

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years
(i) Undisputed dues - MSME	18.17	-	-	-
(ii) Undisputed dues - Others	-	-	-	-
(iii) Disputed dues - MSME	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-
<b>Total</b>	<b>18.17</b>	<b>-</b>	<b>-</b>	<b>-</b>

**(b) Dues payable to Micro and Small Enterprises:**

(₹ in Lakhs)

Particulars	As At 31/03/2024	As At 31/03/2023	As At 31/03/2022
Principal amount remaining unpaid to any supplier as at the year end	4.75	13.32	18.17
Interest due on the above mention principal amount remaining unpaid to any	-	-	-
Amount of the interest paid by the Company in terms of Section 16	-	-	-
Amount of the interest due and payable for the period of delay in making	-	-	-
payment but without adding the interest specified under the MSMED Act	-	-	-
Amount of interest accrued and remaining unpaid at the end of the accounting	-	-	-

\*Note: Trade Payable due to MSME have been determined to the extent such parties have been indentified on the basis of information collected by Management. This has been relied upon by the auditors.

**Annexure - I.7**

**Restated Statement of Other Current Liabilities**

(₹ in Lakhs)

Particulars	As At 31/03/2024	As At 31/03/2023	As At 31/03/2022
Advances from Customers	11.81	2.71	1.93
GST Payable	1.77	2.31	-
TDS Payable	3.94	0.18	0.15
<b>Total</b>	<b>17.52</b>	<b>5.20</b>	<b>2.08</b>

**Annexure - I.8**

**Restated Statement Short Term Provisions**

(₹ in Lakhs)

Particulars	As At 31/03/2024	As At 31/03/2023	As At 31/03/2022
Provision for Expense	1.00	1.15	0.71
Provision for tax	52.01	25.12	8.38
<b>Total</b>	<b>53.01</b>	<b>26.27</b>	<b>9.09</b>

JIVIAL INDUSTRIES LIMITED  
[Formally known as Jivial Industries Pvt Ltd]  
CIN : U28999GJ2021PTC123516

**Annexure - I.9**

**Restated Statement of Property Plant & Equipment**

(₹ in Lakhs)

	Particulars	Gross Block				Accumulated Depreciation				Net Block	
		Balance as at 1 April 2023	Additions	Disposals	Balance as at 31st March, 2024	Balance as at 1 April 2023	Depreciation charge for the year	On disposals	Balance as at 31st March, 2024	Balance as at 31st March, 2024	Balance as at 31 March 2023
I.	<b>Property Plant &amp; Equipment</b>										
	Factory building	1.69	1.87	-	3.56	0.07	0.66	-	0.73	2.83	1.62
	Plant and machinery	4.43	17.84	-	22.27	0.28	2.68	-	2.96	19.31	4.15
	Motor vehicle	4.51	43.95	-	48.46	0.28	8.20	-	8.48	39.98	4.23
	Furniture and Fixtures	-	4.91	-	4.91	-	0.20	-	0.20	4.70	-
	Computer and Data Processing Unit	-	1.25	-	1.25	-	0.25	-	0.25	1.01	-
	<b>Total Property Plant &amp; Equipment</b>	<b>10.63</b>	<b>69.82</b>	<b>-</b>	<b>80.45</b>	<b>0.63</b>	<b>11.99</b>	<b>-</b>	<b>12.62</b>	<b>67.83</b>	<b>10.00</b>
II.	<b>Intangible Assets</b>										
	Goodwill	-	42.25	-	42.25	-	-	-	-	42.25	-
			<b>42.25</b>	<b>-</b>	<b>42.25</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>42.25</b>	<b>-</b>
	<b>Total</b>	<b>10.63</b>	<b>112.06</b>	<b>-</b>	<b>122.69</b>	<b>0.63</b>	<b>11.99</b>	<b>-</b>	<b>12.62</b>	<b>110.08</b>	<b>10.00</b>

(₹ in Lakhs)

	Particulars	Gross Block				Accumulated Depreciation				Net Block	
		Balance as at 1 April 2022	Additions	Disposals	Balance as at 31st March, 2023	Balance as at 1 April 2022	Depreciation charge for the year	On disposals	Balance as at 31st March, 2023	Balance as at 31st March, 2023	Balance as at 31 March 2022
I.	<b>Property Plant &amp; Equipment</b>										
	Factory building	-	1.69	-	1.69	-	0.07	-	0.07	1.62	-
	Plant and machinery	-	4.43	-	4.43	-	0.28	-	0.28	4.15	-
	Motor vehicle	-	4.51	-	4.51	-	0.28	-	0.28	4.23	-
	<b>Total Property Plant &amp; Equipment</b>	<b>-</b>	<b>10.63</b>	<b>-</b>	<b>10.63</b>	<b>-</b>	<b>0.63</b>	<b>-</b>	<b>0.63</b>	<b>10.00</b>	<b>-</b>
	<b>Total</b>	<b>-</b>	<b>10.63</b>	<b>-</b>	<b>10.63</b>	<b>-</b>	<b>0.63</b>	<b>-</b>	<b>0.63</b>	<b>10.00</b>	<b>-</b>

JIVIAL INDUSTRIES LIMITED  
[Formaly known as Jivial Industries Pvt Ltd]  
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**Annexure - I.2**

**Restated Statement of Reserves And Surplus**

(₹ in Lakhs)

Particulars	As At 31/03/2024	As At 31/03/2023	As At 31/03/2022
<b>b. Surplus in Statement of Profit &amp; Loss A/c</b>			
Opening balance	152.26	35.57	-
(+) Net Profit For the current year	242.18	116.69	35.57
: Less Bonus Shares Issued	150.04	-	-
<b>Net Surplus in Statement of Profit and Loss</b>	<b>244.41</b>	<b>152.26</b>	<b>35.57</b>
<b>Total</b>	<b>244.41</b>	<b>152.26</b>	<b>35.57</b>

**Annexure - I.3**

**Restated Statement of Long Term Borrowings**

(₹ in Lakhs)

Particulars	As At 31/03/2024	As At 31/03/2023	As At 31/03/2022
<b>Secured</b>			
(a) Term loans (Refer I.3.1)			
Rupee Term Loan	33.38	-	-
<b>Total Secured Term Loans</b>	<b>33.38</b>	<b>-</b>	<b>-</b>
<b>Total Secured Long Term Borrowings</b>	<b>33.38</b>	<b>-</b>	<b>-</b>
<b>Unsecured</b>			
(a) Loans from Directors			
From Directors & Share Holders	5.79	18.00	15.50
<b>Total Unsecured Long Term Borrowings</b>	<b>5.79</b>	<b>18.00</b>	<b>15.50</b>
<b>Total</b>	<b>39.16</b>	<b>18.00</b>	<b>15.50</b>

**Note I.3.1 Additional information to secured Long term Borrowings**

**Loan from**

Lender	Nature of Loan	Sanctioned Amount (Rs. In Lakhs)	Outstanding as on 31/03/2024 (Rs. In Lakhs)	Rate of Interest	Period of Repayment	Primary Security
Punjab National Bank	VEHICLE LOAN	40.00	33.38	8.80%	84 Installments ended on 25.10.2030	Hypothecation of vehicle

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**Annexure - I.10**

**Deferred Tax Assets**

(₹ in Lakhs)

Particulars	As At 31/03/2024	As At 31/03/2023	As At 31/03/2022
On Account of difference between WDV as per companies Act and Income tax Act	0.10	-	-
<b>Total</b>	<b>0.10</b>	<b>-</b>	<b>-</b>

**Annexure - I.11**

**Restated Statement of Other Non Current Assets**

(₹ in Lakhs)

Particulars	As At 31/03/2024	As At 31/03/2023	As At 31/03/2022
Security Deposits	87.00	-	-
<b>Total</b>	<b>87.00</b>	<b>-</b>	<b>-</b>

**Annexure - I.12**

**Restated Statement of Inventories (Valued at Cost or NRV which ever is lower)**

(₹ in Lakhs)

Particulars	As At 31/03/2024	As At 31/03/2023	As At 31/03/2022
a. Raw Materials and components	183.88	75.14	35.05
b. Finished goods	56.80	12.23	15.80
c. Stock-in-trade	-	-	-
d. Waste	-	-	-
<b>Total</b>	<b>240.68</b>	<b>87.37</b>	<b>50.85</b>

**Annexure - I.13**

**Restated Statement of Trade receivables**

(₹ in Lakhs)

Particulars	As At 31/03/2024	As At 31/03/2023	As At 31/03/2022
Trade Receivables, Unsecured	107.17	79.53	21.43
<b>Total</b>	<b>107.17</b>	<b>79.53</b>	<b>21.43</b>

**Age of receivables**

**Balance as at 31st March, 2024**

(₹ in Lakhs)

Particulars	Less than 6 months	6 Months - 1 year	1-2 years	2-3 years	More than 3 years
<b>Undisputed</b>					
Trade receivables - Considered good	90.78	13.63	2.75	-	-
Trade receivables - doubtful debt	-	-	-	-	-
<b>Disputed</b>					
Trade receivables - Considered good	-	-	-	-	-
Trade receivables - doubtful debt	-	-	-	-	-
<b>Total</b>	<b>90.78</b>	<b>13.63</b>	<b>2.75</b>	<b>-</b>	<b>-</b>

**Balance as at 31st March, 2023**

(₹ in Lakhs)

Particulars	Less than 6 months	6 Months - 1 year	1-2 years	2-3 years	More than 3 years
<b>Undisputed</b>					
Trade receivables - Considered good	79.53	-	-	-	-
Trade receivables - doubtful debt	-	-	-	-	-
<b>Disputed</b>					
Trade receivables - Considered good	-	-	-	-	-
Trade receivables - doubtful debt	-	-	-	-	-
<b>Total</b>	<b>79.53</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**Balance as at 31st March, 2022**
**(₹ in Lakhs)**

Particulars	Less than 6 months	6 Months - 1 year	1-2 years	2-3 years	More than 3 years
<b>Undisputed</b>					
Trade receivables - Considered good	21.43	-	-	-	-
Trade receivables - doubtful debt	-	-	-	-	-
<b>Disputed</b>					
Trade receivables - Considered good	-	-	-	-	-
Trade receivables - doubtful debt	-	-	-	-	-
<b>Total</b>	<b>21.43</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**Annexure - I.14**
**Restated Statement of Cash and Bank Balance**
**(₹ in Lakhs)**

Particulars	As At 31/03/2024	As At 31/03/2023	As At 31/03/2022
<b>Cash and Cash Equivalents</b>			
Bank Balance			
In current accounts	61.59	13.49	3.32
Cash on Hand	21.03	1.66	3.17
<b>Total</b>	<b>82.62</b>	<b>15.15</b>	<b>6.50</b>

**Annexure - I.15**
**Restated Statement of Short Term Loans And Advances**
**(₹ in Lakhs)**

Particulars	As At 31/03/2024	As At 31/03/2023	As At 31/03/2022
<b>A) Loans and Advances to others</b>			
Advance to Suppliers	9.63	3.45	0.01
Prepaid expenses	-	-	-
Balance with Revenue Authority	45.98	20.58	2.63
<b>Total</b>	<b>55.60</b>	<b>24.03</b>	<b>2.64</b>

**Annexure - I.16**
**Restated Statement of Other current assets**
**(₹ in Lakhs)**

Particulars	As At 31/03/2024	As At 31/03/2023	As At 31/03/2022
Preliminary Expense	11.12	-	-
<b>Total</b>	<b>11.12</b>	<b>-</b>	<b>-</b>



JIVIAL INDUSTRIES LIMITED  
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**Annexure - II.1**

**Restated Statement of Revenue from operations**

(₹ in Lakhs)			
Particulars	For the period ended 31/03/2024	For the period ended 31/03/2023	For the period ended 31/03/2022
Sale of products	1,105.73	839.93	279.99
<b>Total</b>	<b>1,105.73</b>	<b>839.93</b>	<b>279.99</b>

Notes:

**\*Geographicalwise Revenue Bifurcation**

Particulars	For the period ended 31/03/2024	For the period ended 31/03/2023	For the period ended 31/03/2022
Within India	1,105.02	839.93	279.99
Outside India	0.71	-	-
<b>Total</b>	<b>1,105.73</b>	<b>839.93</b>	<b>279.99</b>

**\*Statewise Revenue Bifurcation**

(₹ in Lakhs)			
Particulars	For the period ended 31/03/2024	For the period ended 31/03/2023	For the period ended 31/03/2022
Andhra Pradesh	0.35	1.14	0.25
Assam	2.97	3.32	0.70
Chhattisgarh	114.51	64.59	4.02
Delhi	45.22	65.12	15.36
Goa	2.37	1.91	0.46
Gujarat	544.26	373.21	125.39
Haryana	32.39	21.90	15.27
Jharkhand	9.72	6.98	-
Karnataka	34.82	32.06	23.06
Kerala	12.28	16.21	0.18
Madhya Pradesh	44.45	42.09	12.59
Maharashtra	90.30	87.57	42.37
Meghalaya	0.22	1.78	-
Mizoram	4.67	-	-
Odisha	2.31	5.18	0.04
Punjab	6.30	5.28	2.43
Rajasthan	79.38	64.78	19.80
Tamil Nadu	17.63	11.12	3.63
Telangana	38.63	13.82	11.09
Uttar Pradesh	18.91	18.62	3.34
West Bengal	3.32	3.07	-
Jammu and Kashmir	-	0.17	-
<b>Total</b>	<b>1,105.02</b>	<b>839.93</b>	<b>279.99</b>

**\*Countrywise Revenue Bifurcation**

Particulars	For the period ended 31/03/2024	For the period ended 31/03/2023	For the period ended 31/03/2022
Bahrain	0.71	-	-
<b>Total</b>	<b>0.71</b>	<b>-</b>	<b>-</b>

**\*Productwise Revenue Bifurcation**

(₹ in Lakhs)			
Particulars	For the period ended 31/03/2024	For the year ended 31/03/2023	For the year ended 31/03/2022
<b>Manufacturing products:-</b>			
Aluminium Profile	245.93	192.47	63.38
Aluminium Continues Profile	273.58	151.63	44.79
Aluminium Handrail	75.66	136.23	27.97
Aluminium Spigot	30.01	11.04	-
Aluminium Conceal	18.58	-	-
Aluminium Bracket	58.37	56.61	10.07
Aluminium Bend	14.75	34.02	3.39
Jointer	7.46	3.16	0.52
Aluminium Lock	1.35	1.71	0.46
Endcap	1.02	1.51	0.43
Aluminium Cover	7.40	22.18	4.88
Other Products,Accessories And Charges	316.51	221.82	123.80
<b>(A)</b>	<b>1,050.63</b>	<b>832.38</b>	<b>279.69</b>
<b>Trading Products:-</b>			
Ss Welded J3 Pipe (Trading)	40.56	-	-
S.S Part (Trading)	11.45	5.57	0.30
38Mm Point Fittings (Trading)	1.39	0.62	-
50Mm Point Fittings	0.82	-	-
S.S Railing Handrail	0.89	1.36	-
<b>(B)</b>	<b>55.10</b>	<b>7.55</b>	<b>0.30</b>
<b>Total (A+B)</b>	<b>1,105.73</b>	<b>839.93</b>	<b>279.99</b>

**Annexure - II.2**

**Restated Statement of Other income**

(₹ in Lakhs)			
Particulars	For the period ended 31/03/2024	For the period ended 31/03/2023	For the period ended 31/03/2022
Discount	-	-	0.29
<b>Total</b>	<b>-</b>	<b>-</b>	<b>0.29</b>

## Annexure - II.3

## Restated Statement of Cost of materials consumed

(₹ in Lakhs)

Particulars	For the period ended 31/03/2024	For the period ended 31/03/2023	For the period ended 31/03/2022
Inventories at the beginning of the year	75.14	35.05	-
Add: Purchases during the year	826.95	616.28	246.56
Less: Closing stock at the end of the year	183.88	75.14	35.05
<b>Cost of materials consumed</b>	<b>718.20</b>	<b>576.19</b>	<b>211.52</b>

## Annexure - II.4

## Restated Statement of Changes in inventories of finished goods and work-in-progress

(₹ in Lakhs)

Particulars	For the period ended 31/03/2024	For the period ended 31/03/2023	For the period ended 31/03/2022
<b>Inventories at the end of the year:</b>			
(a) Finished goods	56.80	12.23	15.80
(b) Work-in-progress	-	-	-
(c) Stock-in-trade	-	-	-
(d) Waste	-	-	-
	<b>56.80</b>	<b>12.23</b>	<b>15.80</b>
<b>Inventories at the beginning of the year:</b>			
(a) Finished goods	12.23	15.80	-
(b) Work-in-progress	-	-	-
(c) Stock-in-trade	-	-	-
(d) Waste	-	-	-
	<b>12.23</b>	<b>15.80</b>	<b>-</b>
<b>Net (increase) / decrease</b>	<b>(44.57)</b>	<b>3.57</b>	<b>(15.80)</b>

## Annexure - II.5

## Restated Statement of Employee benefits expense

(₹ in Lakhs)

Particulars	For the period ended 31/03/2024	For the period ended 31/03/2023	For the period ended 31/03/2022
(a) Salaries and wages	24.76	21.61	9.20
(b) Staff welfare expenses	0.22	0.80	0.37
(c) Director's Remuneration	30.88	17.00	6.50
<b>Total</b>	<b>55.86</b>	<b>39.41</b>	<b>16.07</b>

## Annexure - II.6

## Restated Statement of Finance costs

(₹ in Lakhs)

Particulars	For the period ended 31/03/2024	For the period ended 31/03/2023	For the period ended 31/03/2022
Interest Expense	1.73	-	-
Other borrowing costs; bank Charges	0.20	-	-
<b>Total</b>	<b>1.93</b>	<b>-</b>	<b>-</b>

## Annexure - II.7

## Restated Statement of Other expenses

(₹ in Lakhs)

Particulars	For the period ended 31/03/2024	For the period ended 31/03/2023	For the period ended 31/03/2022
<b>A. Manufacturing Expenses</b>			
Electric Power, Fuel & Water	2.45	0.46	0.03
Job contract Expenses	34.58	57.24	18.60
Other Manufacturing Exps.	7.19	4.80	2.18
Freight & Forwarding	3.36	-	-
<b>Subtotal (A)</b>	<b>47.58</b>	<b>62.50</b>	<b>20.81</b>
<b>B. Administrative expenses.</b>			
Advertising Expense	1.96	-	-
Container Expense	0.38	-	-
Commision Expense	2.48	1.55	0.39
Rent Expense	2.20	-	-
Telephone expenses	0.14	0.19	0.13
Trademark Expense	0.17	-	-
Computer & Maintainance	0.00	0.07	-
Conveance	-	0.78	0.53
Electric Expense	0.05	-	-
Exibition expense	3.42	-	-
Marketing Expense	0.33	-	-
Insurance Expense	1.61	0.21	-
Intrest on Tds	-	0.00	-
Internet Expenses	0.06	0.05	-
Tours and traveling	0.16	0.65	0.43
Loading & Unloading Expenses	-	1.46	0.67
Legal and Professional Fees	1.46	0.70	0.40
Office expenses	0.81	0.96	0.40
Accounting Fees	-	0.60	0.36
Postage & Courier	0.53	0.39	-
Factory Expenses	0.19	3.64	-
Transport Expenses	-	0.10	-
Vehicle Expenses	0.31	0.73	-
Stationary and Printing	1.87	0.08	-
Website	0.13	0.20	-
Property Tax	-	0.21	-
Software Expenses	0.07	0.03	-
Auditor's remuneration	1.00	0.30	0.20
Donation Expense	0.93	0.05	-
Repairs and Maintance	0.17	-	-
<b>Other Expenses</b>			
Kasar - vatav	0.26	0.35	0.01
Misc. Expenses	-	-	0.20
Loss on sale of assets	-	-	-
Valuation Report Exp	-	2.50	-
<b>Sub total (B)</b>	<b>20.68</b>	<b>15.80</b>	<b>3.72</b>
<b>Total (A+B)</b>	<b>68.26</b>	<b>78.30</b>	<b>24.53</b>

## Annexure - II.8

## Restated Statement of Earning Per Equity Share

(₹ in Lakhs)

Particulars	For the period ended 31/03/2024	For the period ended 31/03/2023	For the period ended 31/03/2022
<b>Before Exceptional Itmes</b>			
1. Net Profit after tax as per Statement of Profit and Loss attributable to Equity Shareholders (Rs. in Lakhs)	242.18	116.69	35.57
2. Weighted Average number of equity shares [Original]			
2. Weighted Average number of equity shares used as denominator for calculating EPS (Considering Bonus impact with retrosnective effect)	23,68,082	15,10,000	15,10,000
<b>3. Basic and Diluted Earning per Share (On Face value of Rs. 10/ per share)</b>	<b>10.23</b>	<b>7.73</b>	<b>2.36</b>

## JIVIAL INDUSTRIES LIMITED

[Formaly known as Jivial Industries Pvt Ltd]

CIN : U28999GJ2021PTC123516

### **A Corporate Information**

M/s. Jivial Industries Limited [*Formaly knwon as Jivial Industries Pvt Ltd*] ('the Company') is a Private company, incorporated on June 23, 2021. It is classified as Non-govt Company and is registered at Registrar of Companies, Ahmedabad. The Company has its registered office at Shade No. A1/5, Road C, Beside Daynamic Forge, Aji GIDC, Rajkot Aji Ind Estate, Rajkot, Gujarat, India, 360003. Company is engaged in the business to carry on the business to Manufacture, Produce, design, develop, process, assemble, refine, import, export, trade, sell, buy or otherwise deal in all shapes, gauges, thickness, diamentions and variaties of rallings, utensils, packing materials, springs, plates, circles, coils, foils, powder, rail, road, squares, grills, doors, circles, angels, or any other architactural products, manufactured from aluminium, stainless steel, brass, copper, lead, zinc, nickel and other ferrous and non-ferrous metal.

### **B ACCOUNTING POLICIES;**

#### **1 BASIS OF ACCOUNTING**

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013 ("the 2013 Act") as applicable. The financial statements have been prepared as a going concern 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 year.

#### **2 INVENTORIES**

Inventories are stated at cost or net realisable value whichever is less. In determining the cost of raw materials, components, stores, spares and loose tools, the first-in-first-out method (FIFO) is used. Cost of work-in-process and manufactured finished products include material cost, labour, manufacturing and direct expenses on the basis of full absorption costing and wherever applicable, Goods & Service Tax.

#### **3 REVENUE RECOGNITION**

- a** Sale of goods are recognised net of returns, trade discounts and applicable taxes on transfer of significant risks and rewards of ownership to the buyer. Sale of services are recognised when services are rendered and related costs are incurred.
- b** Interest Income is recognized on accrual basis.
- c** Refund of taxes and other income are recognised in the year in which it is received.
- d** Dividend income is recognised on the basis of dividend declared by Company.

#### **4 PROPERTY, PLANT AND EQUIPMENT**

- a** Property, Plant and Equipment are stated at cost, less accumulated depreciation and impairment losses if any. Cost comprises the purchase price, including duties and other non-refundable taxes or levies and directly attributable cost of bringing the asset to its working condition and indirect costs specifically attributable to construction of a project or to the acquisition of property, plant and equipment.
  - b** Fixed assets in the course of work-in-progress for production or administrative purposes are carried at cost less any impairment loss. Work-in-progress includes expenditure pending for capitalisation.
  - c** Any gain or loss arising on the disposal or retirement of an asset is determined as the difference between sales proceeds and the carrying amount of the asset and is recognized in profit and loss account for the relevant financial year.
-

## **DEPRECIATION AND AMORTIZATION**

- a The Company provides for depreciation on tangible Property, Plant and Equipment has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013 .
- b Depreciation on additions to assets or on sale / discardment of assets is provided on pro rata basis with reference to the date of addition / disposal.

## **5 GOVERNMENT GRANTS**

The Government grants in the nature of subsidies, cash incentives, duty drawbacks, waiver, concessions, reimbursements, etc. are recognised on reasonable assurance of compliance of conditions attached to them and it shall be received.

## **6 BORROWING COSTS**

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

## **7 PROVISION, CONTINGENT LIABILITIES AND ASSETS**

- a Provisions are recognised when the company has a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.
- b Contingent liabilities are not recognised in the statement of financial position. However, unless the possibility of an outflow of resources embodying economic benefits is remote, a contingent liability is disclosed in the notes.
- c Contingent assets are neither recognised nor disclosed.

## **8 CASH AND CASH EQUIVALENTS**

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

## **9 INTANGIBLE ASSETS**

Intangible assets are recognized at acquisition cost when the asset is identifiable, non monetary in nature, without physical substance and it is probable that such expenditure is to result in future economic benefits to the entity.

## **10 TAXES ON INCOME**

Current tax is determined as the amount of tax payable in respect of taxable income for the year. Deferred tax is recognised, on timing difference, being the difference between taxable incomes and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. The deferred tax asset is recognized and carried forward only to the extent that there is a virtual certainty that there would be adequate future taxable income against which deferred tax asset can be realized.

**11 EMPLOYEE BENEFITS**

- a** Employee benefits include wages, provident fund, employee state insurance scheme, gratuity fund and Compensated absences.
- b** The company is not having any defined contribution plan.
- c** The company accounts for gratuity/pension as and when payable.

**12 FOREIGN CURRENCY TRANSACTIONS**

Foreign Currency transactions are translated at the exchange rates prevailing at the date of such transactions. Monetary items remaining unsettled or those transactions at the balance sheet date are retranslated at the contracted rates (where applicable) or at the exchange rates prevailing at the end of accounting year. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated at the end of accounting year. The net Loss / Gain arising from transactions of revenue nature is charged to relevant revenue heads in the profit and loss accounts and net Loss / Gain arising from transaction relating to capital expenditure is adjusted with relevant assets.

**13 USE OF ESTIMATES**

The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of financial statements are prudent and reasonable. Future results could differ due to these estimates and the difference between the actual results and the estimates are recognised in the periods in which the results are known / materialised.



**Notes to the Re-stated Financial Statements:**

**I. Additional regulatory information**

**(a) Details of crypto currency or virtual currency**

The Company has neither traded nor invested in Crypto currency or Virtual Currency during the period ended for the year March 31,2024, 2023, 2022. Further, the Company has also not received any deposits or advances from any person for the purpose of trading or investing in Crypto Currency or Virtual Currency.

**(b) Undisclosed income**

During the Period, the Company has not surrendered or disclosed as income any transactions not recorded in the books of accounts in the course of tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

**(c) Relationship with struck off companies**

The Company does not have any transactions with the companies struck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956 during the year ended on March 31, 2024, 2023 & 2022.

**(d) Compliance with numbers of layers of companies**

The Company is in compliance with the number of layers of companies in accordance with clause 87 of Section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017 during the period ended for the year March 31,2024 and for the year ended on March 31, 2023&2022.

**(e) Utilisation of borrowed funds and share premium**

During the period ended for the year March 31,2024 and for the year ended on March 31,2024,2023 & 2022 the Company has not advanced or loaned or invested funds (either borrowed funds or share premium or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall:

- i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
- ii) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.

For the year ended on March 31,2024, 2023 & 2022. the Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

- i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
- ii) provide any guarantee, security, or the like on behalf of the ultimate beneficiaries.

**(f) The Company has not been declared Wilful Defaulter by any bank or financial institution or government or any government authority.**

**(g) No proceeding have been initiated nor pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act,1988 (45 of 1988) and rules made thereunder.**

**VI. Non-adjustment Items:**

No Audit qualifications for the respective periods which require any corrective adjustment in these Restated Financial Statements of the Company have been pointed out during the restated period.

**II. Material Regroupings:**

Appropriate adjustments have been made in the restated summary statements of Assets and Liabilities Profits and Losses and Cash flows wherever required by reclassification of the corresponding items of income expenses assets and liabilities in order to bring them in line with the requirements of the SEBI Regulations.

### III. Material Adjustments in Restated Profit & Loss Account:

Particulars	(₹ in Lakhs)		
	For the Period Ended		
	31/03/2024	31/03/2023	31/03/2022
<b>Profit After Tax as per Books of Accounts</b>	<b>242.19</b>	<b>116.69</b>	<b>35.57</b>
Adjustment for provision of Depreciation	-	-	-
Adjustment for provision of Income Tax	-	-	-
Adjustment for provision of Deferred Tax	-	-	-
<b>Profit After Tax as per Restated</b>	<b>242.19</b>	<b>116.69</b>	<b>35.57</b>

### IV. Details of dues to Micro and Small Enterprises as defined under the MSMED Act, 2006

Based on the information available with the Company in respect of MSME (as defined in the Micro, Small and Medium Enterprises Development Act, 2006) there are no delays in payment of dues to such enterprise during the year.

The identification of Micro, Small and Medium Enterprises Suppliers as defined under "The Micro, Small and Medium Enterprises Development Act, 2006" is based on the information available with the management. As certified by the management, the amounts overdue as for the year March 31, 2024 & March 31, 2023 & 2022 to Micro, Small and Medium Enterprises on account of principal amount together with interest, aggregate to Rs. Nil.

I. Other figures of the previous years have been regrouped / reclassified and / or rearranged wherever necessary.

II. The balance of Sundry Creditors, Sundry Debtors, Loans Advances, Unsecured Loans, and Current Liabilities are subject to confirmation and reconciliation.

V. As required under SEBI (ICDR) Regulations, the statement of assets and liabilities has been prepared after deducting the balance outstanding on revaluation reserve account from both fixed assets and reserves and the net worth arrived after such deductions.

### VI. Provision for Gratuity

As per provision of Gratuity Act, the Company had not crossed the threshold limit for deducting Gratuity and therefore the said provisions are not applicable till date.

### VII. Trade Receivables, Trade Payables, Borrowings, Loans & Advances and Deposits

Balances of Trade Receivables, Trade Payables, Borrowings and Loans & Advances and Deposits are subject to confirmation.

### VIII. Re-grouping/re-classification of amounts

The figures have been grouped and classified wherever they were necessary.

### IX. Examination of Books of Accounts & Contingent Liability

The list of books of accounts maintained is based on information provided by the assessee and is not exhaustive. The information in audit report is based on our examination of books of accounts presented to us at the time of audit and as per the information and explanation provided by the assessed at the time of audit.

### X. Director Personal Expenses

There are no direct personal expenses debited to the profit and loss account. However, personal expenditure if included in expenses like telephone, vehicle expenses etc. are not identifiable or separable.

### XI. Deferred Tax Asset / Liability: [AS-22]

The company has created Deferred Tax Asset / Liability as required by Accounting Standard (AS) - 22.

XII. Corporate Social Responsibility (CSR) is not applicable to the Company and hence details not provided.

### XIII. Additional information to Financial Statement:

CIF Value Of Import	For FY 2023-24	For FY 2022-23	For FY 2021-22
(a) Raw materials	38.13	-	-
(b) Components and spare parts	-	-	-
(c) Capital Goods	-	-	-
<b>Total</b>	<b>38.13</b>	<b>-</b>	<b>-</b>

### Value of Imported and Indigenous material consumed

Particulars	For FY 2023-24	%	For FY 2022-23	%	For FY 2021-22	%
<b>Imported materials</b>						
Raw materials	-	0%	-	0%	-	0%
Components and spare parts	-	0%	-	0%	-	0%
<b>Total (a)</b>	<b>-</b>					
<b>Indigenous materials</b>						
Raw materials	718.20	100%	576.19	100%	211.52	100%
Components and spare parts	-	0%	-	0%	-	0%
<b>Total (b)</b>	<b>718.20</b>		<b>576.19</b>		<b>211.52</b>	
<b>TOTAL(A+B)</b>	<b>718.20</b>		<b>576.19</b>		<b>211.52</b>	

ANNEXURE –VI

Statement of Accounting & Other Ratios, As Restated

Particulars	31/03/2024	31/03/2023	31/03/2022
Net Profit as Restated (A)	242.18	116.69	35.57
Add: Depreciation	11.99	0.63	-
Add: Interest on Loan	1.93	-	-
Add: Income Tax/ Deferred Tax	51.88	25.15	8.38
Less: Other Income	-	-	(0.29)
<b>EBITDA</b>	<b>307.98</b>	<b>142.47</b>	<b>43.67</b>
<b>EBITDA Margin (%)</b>	<b>27.85%</b>	<b>16.96%</b>	<b>15.60%</b>
Net Worth as Restated (B)	575.41	153.26	36.57
<b>Return on Net worth (%) as Restated (A/B)</b>	<b>42.09%</b>	<b>76.14%</b>	<b>97.27%</b>
Equity Share at the end of year (in Nos.) (C)	33,10,000	10,000	10,000
<b>Weighted No. of Equity Shares (Pre Bonus) (D)</b>	<b>23,68,082</b>	<b>10,000</b>	<b>10,000</b>
Weighted No. of Equity Shares (Post Bonus) (E)	23,68,082	15,10,000	15,10,000
<b>(after considering Bonus Impact with retrospective effect)</b>			
<b>Basic &amp; Diluted Earnings per Equity Share as Restated (A/D)</b>	<b>7.32</b>	<b>1,166.89</b>	<b>355.75</b>
Basic & Diluted Earnings per Equity Share as Restated after considering Bonus Impact with retrospective effect (A/E)	10.23	7.73	2.36
Equity Share at the end of year (in Nos.) (F)	23,68,082	15,10,000	15,10,000
Equity Share at the end of year (in Nos.) (after considering Bonus Impact with retrospective effect) (G)	23,68,082	15,10,000	15,10,000
<b>Net Asset Value per Equity share as Restated (B/C)</b>	<b>17.38</b>	<b>1,532.63</b>	<b>365.75</b>
<b>Net Asset Value per Equity share as Restated after considering Bonus Impact with retrospective effect (B/G)</b>	<b>24.30</b>	<b>10.15</b>	<b>2.42</b>

Note:-

EBITDA Margin = EBITDA/Total Revenues

Earnings per share (₹) = Profit available to equity shareholders / Weighted No. of shares outstanding at the end of the year

Return on Net worth (%) = Restated Profit after taxation / Net worth x 100

Net asset value/Book value per share (₹) = Net worth / No. of equity shares

The Company does not have any revaluation reserves or extra-ordinary items.

Sr. No.	Ratio	As At 31/03/2024	As At 31/03/2023	As At 31/03/2022
1	Current Ratio	6.23	4.60	2.78
2	Debt-Equity Ratio	0.08	0.12	0.42
3	Debt Service Coverage Ratio	49.22	NA	NA
4	Return on Equity (ROE)(%)	66%	123%	195%
5	Inventory Turnover Ratio	4.38	8.34	8.32
6	Trade receivables turnover ratio	11.85	16.64	26.13
7	Trade payables turnover ratio	91.55	39.15	27.14
8	Net capital turnover ratio	3.82	7.87	10.75
9	Net profit ratio(%)	22%	14%	13%
10	Return on capital employed (ROCE)(%)	75%	127%	168%
11	Return on investments(%)	42%	76%	97%

Sr. No.	Ratio	As At 31/03/2024	Notes	As At 31/03/2023	Notes
1	Current Ratio	35.41%	Refer A-1	65.83%	Refer B-1
2	Debt-Equity Ratio	-35.36%	Refer A-2	-72.29%	Refer B-2
3	Debt Service Coverage Ratio	NA		NA	
4	Return on Equity (ROE)(%)	-45.93%	Refer A-3	-36.80%	Refer B-3
5	Inventory Turnover Ratio	-47.48%	Refer A-4	0.21%	
6	Trade receivables turnover ratio	-28.81%	Refer A-5	-36.31%	Refer B-4
7	Trade payables turnover ratio	133.88%	Refer A-6	44.22%	Refer B-4
8	Net capital turnover ratio	-51.46%	Refer A-7	-26.78%	Refer B-6
9	Net profit ratio(%)	57.66%	Refer A-8	9.34%	
10	Return on capital employed (ROCE)(%)	-41.02%	Refer A-9	-24.28%	
11	Return on investments(%)	-44.72%	Refer A-10	-21.72%	

**Note : A Reasons for Variations:**

- 1 Current Ratio : It is decreased due to increase in Trade Payable
- 2 Return on Equity (ROE)(%) : The variance is due to increase in retained earnings
- 3 Inventory Turnover Ratio : It is increased due to decreased in purchase stock in trade
- 4 Trade receivables turnover ratio : It is decreased due to increase in Trade receivables
- 5 Trade payables turnover ratio : It is decreased due to increase in Trade payables
- 6 Net capital turnover ratio : It is decreased due to decreased in revenue from operation
- 7 Return on capital employed (ROCE)(%) : The variance is due to increase in capital employed

**Note : B Reasons for Variations:**

- 1 Current Ratio : It is increased due to increase in Trade receivables
- 2 Debt-Equity Ratio : It is decreased as the company has repaid its debt
- 3 Debt Service Coverage Ratio : It is increased as overall operating profit of company is increased
- 4 Return on Equity (ROE)(%) : It is increased as overall operating profit of company is increased
- 5 Trade receivables turnover ratio : It is decreased due to increase in Trade receivables
- 6 Trade payables turnover ratio : It is decreased due to increase in Trade payables
- 7 Net capital turnover ratio : It is decreased due to increase in working capital
- 8 Net profit ratio(%) : It is increased as overall operating profit of company is increased
- 9 Return on investments(%) : It is increased as overall operating profit of company is increased

JIVIAL INDUSTRIES LIMITED  
[Formaly known as Jivial Industries Pvt Ltd]  
CIN : U28999GJ2021PTC123516

**ANNEXURE –VII**

**Statement of Capitalization, As Restated**

(₹ in Lakhs)

Particulars	Pre-Issue	Post Issue*
	31/03/2024	
<b>Debt :</b>		
Long Term Debt	39.16	[●]
Short Term Debt	4.52	[●]
<b>Total Debt</b>	<b>43.68</b>	-
<b>Shareholders Funds</b>		
Equity Share Capital	331.00	[●]
Reserves and Surplus	244.41	[●]
Less: Misc. Expenditure	-	-
<b>Total Shareholders' Funds</b>	<b>575.41</b>	[●]
<b>Long Term Debt/ Shareholders' Funds</b>	<b>0.07</b>	[●]
<b>Total Debt / Shareholders Fund</b>	<b>0.08</b>	[●]
<p>*Note:-  1) "The post issue figures are as on 31.03.2024"  2) "The post issue figures are not available since issue price is not yet finalized"</p>		

JIVIAL INDUSTRIES LIMITED  
[Formaly known as Jivial Industries Pvt Ltd]  
CIN : U28999GJ2021PTC123516

**ANNEXURE –VIII**

**Statement of Tax Shelter, As Restated**

Particulars	As At		
	31/03/2024	31/03/2023	31/03/2022
<b>Profit Before Tax as per books of accounts (A)</b>	<b>294.06</b>	<b>141.84</b>	<b>43.95</b>
-- Normal Tax rate	17.16%	17.16%	17.16%
-- Minimum Alternative Tax rate	0.00%	0.00%	0.00%
<b>Permanent differences</b>			
Other adjustments	0.93	0.05	-
Prior Period Item	-	-	-
<b>Total (B)</b>	<b>0.93</b>	<b>0.05</b>	<b>-</b>
<b>Timing Differences</b>			
Depreciation as per Books of Accounts	11.99	0.63	-
Depreciation as per Income Tax	11.23	0.82	-
Difference between tax depreciation and book depreciation	0.76	(0.19)	-
Other adjustments	-	-	-
Deduction under chapter VI-A	-	-	-
<b>Total (C)</b>	<b>0.76</b>	<b>(0.19)</b>	<b>-</b>
<b>Net Adjustments (D = B+C)</b>	<b>1.69</b>	<b>(0.13)</b>	<b>-</b>
<b>Total Income (E = A+D)</b>	<b>295.75</b>	<b>141.70</b>	<b>43.95</b>
Brought forward losses set off (Depreciation)	-	-	-
Tax effect on the above (F)	-	-	-
<b>Taxable Income/ (Loss) for the year/period (E+F)</b>	<b>295.75</b>	<b>141.70</b>	<b>43.95</b>
Tax Payable and Interest for the year	52.01	25.12	8.38
Tax payable as per MAT	-	-	-
Tax expense recognised	<b>52.01</b>	<b>25.12</b>	<b>8.38</b>
Tax payable as per normal rates or MAT (whichever is higher)	<b>Income Tax</b>	<b>Income Tax</b>	<b>Income Tax</b>

**ANNEXURE –IX**

**Statement of Related Party & Transactions :**

**List of Related Parties where Control exists and Relationships:**

<b>Sr. No</b>	<b>Name of the Related Party</b>	<b>Relationship</b>
1)	Anand Jitendrabhai Chovatiya	Key management personnel
2)	Sheetalben Anand Chovatiya	Key management personnel
3)	Dhara Jitendrabhai Chovatiya	Relative of key management personnel
4)	Meera Vijaybhai Chovatiya	Relative of key management personnel
5)	Jitendrabhai Lavjibhai Chovatiya	Relative of key management personnel
6)	Vijaybhai Lavjibhai Chovatiya	Relative of key management personnel
7)	Jivial Industries (Prop. Of Anand Jitendrabhai Chovatiya)	Proprietor firm of KMP

<b>(₹ in Lakhs)</b>			
<b>Transactions during the year:</b>	<b>For the period ended 31/03/2024</b>	<b>For the period ended 31/03/2023</b>	<b>For the period ended 31/03/2022</b>
<b>Remuneration &amp; Salary</b>			
Anand Jitendrabhai Chovatiya	17.05	9.00	-
Sheetalben Anand Chovatiya	13.84	8.00	6.50
Dhara Jitendrabhai Chovatiya	2.40	2.40	2.50
Meera Vijaybhai Chovatiya	2.40	2.40	2.50
Jitendrabhai Lavjibhai Chovatiya	2.75	2.40	-
Vijaybhai Lavjibhai Chovatiya	2.75	2.40	-
<b>Purchase of Goods</b>			
Jivial Industries	5.24	0.15	7.79
<b>Loan received from Related Parties</b>			
Anand Jitendrabhai Chovatiya	22.00	5.00	17.00
Sheetalben Anand Chovatiya	16.79	-	-
Lavjibhai Hirabhai Chovatiya	5.00	-	-
	-	-	-
<b>Loan Repaid to Related Parties</b>			
Anand Jitendrabhai Chovatiya	40.00	2.50	1.50
Sheetalben Anand Chovatiya	16.00	-	-
<b>Balance Outstanding</b>			
Anand Jitendrabhai Chovatiya	-	18.00	15.50
Sheetalben Anand Chovatiya	0.79	-	-
Lavjibhai Hirabhai Chovatiya	5.00	-	-
Jivial Industries	0.22	-	3.14

Note: The Company has acquired Proprietorship firm M/s. Jivial Industries (Proprietor Mr. Anand Chovatiya) by way of Business Transfer Agreement dated 29th September, 2023 and paid Rs. 51,00,000/- as consideration.



**ANNEXURE –X**

**Statement of Dividends**  
No Dividend Paid till Date

**ANNEXURE –XI**

**Changes in the Significant Accounting Policies**

There have been no changes in the accounting policies of the company for the period covered under audit

**ANNEXURE –XII**

**Contingent Liabilities & Capital Commitment:**

a.Claims against the Company (including unasserted claims) not acknowledged as debt:

<b>(₹ in Lakhs)</b>			
<b>Particulars</b>	<b>As At 31/03/2024</b>	<b>As At 31/03/2023</b>	<b>As At 31/03/2022</b>
NIL	NIL	NIL	NIL

<b>(₹ in Lakhs)</b>			
<b>Capital Commitment</b>	<b>As At 31/03/2024</b>	<b>As At 31/03/2023</b>	<b>As At 31/03/2022</b>
NIL	NIL	NIL	NIL



## OTHER FINANCIAL INFORMATION

(Amount in Lakhs)

Particulars	As at 31 <sup>st</sup> March 2024	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
Net Worth (A)	575.41	153.26	36.57
Average Net Worth (B)	364.34	94.92	18.29
Profit Attributable to the Owners of the Company (C)	242.18	116.69	35.57
<b>Weighted Average Number of Equity Shares Outstanding During the Period/Year</b>			
For Basic Earnings Per Share (D)	23,68,082	15,10,000	15,10,000
For Diluted Earnings Per Share (E)	23,68,082	15,10,000	15,10,000
Weighted Number of Shares Outstanding at the End of the Period/Year (F)	23,68,082	15,10,000	15,10,000
Restated Basic Earnings Per Share (INR) (C/D)	10.23	7.73	2.36
Restated Diluted Earnings Per Share (INR) (C/E)	10.23	7.73	2.36
Return on Average Net Worth (%) (C/B)	66.47%	122.93%	194.53%
Net Assets Value Per Share of INR 10/- Each (A/F)	24.30	10.15	2.42
Face Value (INR)	10.00	10.00	10.00
Earnings Before Interest, Tax, Depreciation and Amortisation (EBITDA)	307.98	142.46	43.67
1. The ratios have been computed as below:			
<b>Basic earnings per share (INR)</b> = Net profit after tax attributable to owners of the Company, as restated / Weighted Average number of Equity Shares outstanding at the end of the year after taking effect of bonus shares			
<b>Diluted earnings per share (INR)</b> = Net profit after tax attributable to owners of the Company, as restated / Weighted average number of potential equity shares outstanding during the year.			
<b>Return on average net worth (%)</b> = Net profit after tax attributable to owners of the Company, as restated / Average net worth as restated.			
<b>Net asset value per share (INR)</b> = Net worth, as restated / Weighted Average number of Equity Shares outstanding at the end of the year after taking effect of bonus shares.			
2. Earning per share (EPS) calculation is in accordance with the notified Accounting Standard (AS) 20 'Earnings per share' prescribed by The Companies (Accounting Standards) Rules, 2006, as amended.			
3. The amounts disclosed above are based on the restated financial information of the Company.			
4. Net worth means the aggregate value of the paid up share capital of the Company and all reserves created out of profits and securities premium as per restated statement of assets and liabilities of the Company.			
5. Earnings before interest, tax, depreciation and amortisation (EBITDA) is as per restated statement of profit and loss of the Company for respective reported period/years. <i>EBITDA = Profit before tax + depreciation &amp; amortization expense + finance cost - Other Income</i>			



## STATEMENT OF FINANCIAL INDEBTEDNESS

The Company has availed loans and financing facilities in the ordinary course of business for meeting working capital and business requirements.

The details of the indebtedness of the Company as on March 31<sup>st</sup>, 2024 is provided below:

(Rs. in Lakhs)

Nature of Borrowings	March 31 <sup>st</sup> , 2024
Secured Borrowings (fund based)	37.90
Unsecured Borrowings	5.79
<b>Total</b>	<b>43.69</b>

### A. SECURED

(Rs. in Lakhs)

Sr. No.	Name of Institution	Sanction Amount (₹ in Lakhs)	Nature of Facility	Amount o/s as on March 31, 2024 (₹ In Lakhs)	Interest Rate per annum	Security/Margin		Period of Repayment
						Security/Principal terms and conditions	Collateral Security/ other Condition	
1.	Punjab National Bank	40.00	Car Loan	37.90	8.8% per annum	Hypothecation of Car	-	84 Monthly Installments of Rs. 63,541.

### B. UNSECURED

(Rs. in Lakhs)

Name of Lender	Purpose	Rate of Interest	Amount Outstanding as on March 31, 2024	Re-Payment Schedule
<b>Promoters &amp; Promoter Group</b>				
Mrs. Sheetalben Anand Chovatiya	Unsecured Loan	0.00	0.79	On Demand
Mr . Lavjibhai Hirabhjai Chovatiya	Unsecured Loan	0.00	5.00	On Demand
		<b>Total</b>	<b>5.79</b>	



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

*You should read the following discussion of our financial position and results of operations together with our Restated Standalone Financial Information, which have been included in this Draft Prospectus. You should also read the section entitled "Risk Factors" beginning on page no. 15 and "Forward Looking Statements" beginning on page no. 10, which discusses a number of factors, risks and contingencies that could affect our financial condition and results of operations.*

*The following discussion and analysis of our financial position and results of operations is based on our Restated Standalone Financial Information for the financial years ended March 31<sup>st</sup>, 2024, 2023 and 2022 including the related notes and reports, included in this Draft Prospectus prepared in accordance with requirements of the Companies Act and restated in accordance with the SEBI Regulations, which differ in certain material respects from IFRS, U.S. GAAP and GAAP in other countries. Our Financial Statements, as restated have been derived from our audited financial statements for the respective period and years. Accordingly, the degree to which our Restated Standalone Financial Information will provide meaningful information to a prospective investor in countries other than India is entirely dependent on the reader's level of familiarity with Indian GAAP, Companies Act, SEBI Regulations and other relevant accounting practices in India.*

*This discussion contains forward-looking statements and reflects our current views with respect to future events and financial performance. Actual results may differ materially from those anticipated in these forward looking statements as a result of certain factors such as those described under "Risk Factors" and "Forward Looking Statements" on page nos. 15 and 10, respectively, and elsewhere in this Draft Red Herring Prospectus. Our Financial Year ends on March 31 of each year. Accordingly, all references to a particular Financial Year are to the 12 months ended March 31 of that year.*

### BUSINESS OVERVIEW

Our Company was originally incorporated as Private Limited, under the Companies Act, 2013 ("Companies Act") in the name and style of "Jivial Industries Private Limited" on June 23<sup>rd</sup>, 2021 under the provisions of the Companies Act, 2013 vide Certificate of Incorporation issued by the Registrar of Companies, Ahmedabad, Gujarat. Later on, company was converted into public limited company, the name of the Company has changed to "Jivial Industries Limited" and for the same fresh Certificate of Incorporation dated January 01<sup>st</sup>, 2024, issued by the Registrar of Companies, Ahmedabad, Gujarat.

Our Company, an ISO 9001:2015 certified company, promoted by Mr. Anand Jitendrabhai Chovatiya and Mrs. Sheetalben Anand Chovatiya located in the Rajkot district of Gujarat, India. We specializes in manufacturing of Aluminum railings and related products catering to small and medium level construction projects. Our journey began in 2018 as a proprietorship firm "Jivial Industries".

Our company is the manufacturer and supplier of aluminum Extrusion Products like aluminum railing and stainless steel glass railing products in India. We are engaged in Manufacturing of high quality array of Aluminum Railings and Stainless Steel Glass Railing Products with different colors as per customer requirements. Our customers are wholesalers, architect, interior designers, builders, glass providers and fabricators. We are supplying aluminum railing materials to all over India. With a focus on innovation and quality, our offerings are crafted to meet the unique preferences and requirements of our diverse customer base.

Our Company offers a diverse range of products, including Aluminum Profiles, Aluminum Continous Profile, Aluminum handrails, Aluminum spigots, Aluminum conceal, Aluminum Bend, Aluminum bracket, Jointer Aluminum Lock, Aluminum endcap and is also involved in trading of S.S welded Pipes S.S Part, 38 MM and 50 MM Point Fittings.

For more details kindly refer our chapter titled "Business Overview" begins from page no. 85 of this Draft Prospectus.

### Key Performance Indicators of our Company:

(Rs. In Lakhs)

Particulars	As on 31 <sup>st</sup> March, 2024	As on 31 <sup>st</sup> March, 2023	As on 31 <sup>st</sup> March, 2022
Revenue <sup>(1)</sup>	1,105.73	839.93	279.99
Growth in Revenue <sup>(2)</sup>	31.65%	199.99%	-
EBIDTA <sup>(3)</sup>	307.98	142.46	43.67
EBITDA Margin <sup>(4)</sup>	27.85%	16.96%	15.60%



PAT <sup>(5)</sup>	242.18	116.69	35.57
PAT Margin <sup>(6)</sup>	21.90%	13.89%	12.71%
Net Debt <sup>(7)</sup>	-38.94	2.85	9.00
Net Worth <sup>(8)</sup>	575.41	153.26	36.57
ROE (%) <sup>(9)</sup>	42.09%	76.14%	97.27%
ROCE (%) <sup>(10)</sup>	51.32%	82.80%	84.41%
EPS (Basic & Diluted) <sup>(11)</sup>	10.23	7.73	2.36

**Note:**

- (1) Revenue from operation means revenue from sales;
- (2) Growth in Revenue from Operations (%) is calculated as Revenue from Operations of the relevant period minus Revenue from Operations of the preceding period, divided by Revenue from Operations of the preceding period;
- (3) EBITDA is calculated as Profit before tax + Depreciation + Finance Costs – Other Income ;
- (4) EBITDA Margin' is calculated as EBITDA divided by Revenue from Operations;
- (5) PAT is calculated as Profit before tax – Taxes;
- (6) PAT Margin is calculated as PAT for the period/year divided by revenue from operations.
- (7) Net debt = Non-current borrowing + current borrowing - Cash and cash equivalent, Bank balance, and Investments.
- (8) Net Worth = Equity share capital + Reserves and Surplus.
- (9) ROE = Net profit after tax / Net Worth.
- (10) ROCE = Profit before tax and finance cost / Capital employed\*
- \*Capital employed = Net Worth + Non-current borrowing + Current Borrowing + Deferred Tax liabilities - Deferred Tax Assets – Intangible Assets.
- (11) EPS = Net Profit after tax, as restated, attributable to equity shareholders divided by weighted average number of equity shares outstanding at the end of the year after taking effect of bonus shares.

After the date of last Audited accounts i.e., 31<sup>st</sup> March, 2024, the Directors of our Company confirm that, there have not been any significant material developments except as stated below;

1. The Board of Directors of the Company approved the Initial Public Offering of our Company in their meeting held on 03<sup>rd</sup> June, 2024.
2. The Shareholders of the Company approved the Initial Public Offering of our Company in their meeting held on 04<sup>th</sup> June, 2024.

## STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

For details in respect of Statement of Significant Accounting Policies, please refer Restated Financial Statements under chapter titled “Restated Financial Statements” beginning on page no. 129 of this Draft Prospectus.

## Significant Developments after March 31<sup>st</sup>, 2024 that may affect our Future Results of Operations

The Directors confirm that there have been no events or circumstances since the date of the last financial statements as disclosed in the Draft Prospectus which materially or adversely affect or is likely to affect the profitability of our Company, or the value of our assets, or our ability to pay liabilities within next twelve months.

## FACTORS AFFECTING OUR RESULTS OF OPERATIONS

Our business is subjected to various risks and uncertainties, including those discussed in the section titled “Risk Factors” beginning on page no. 15 of this Draft Prospectus. Our results of operations and financial conditions are affected by numerous factors including the following:

1. Our dependence on limited number of customers/suppliers/brands for a significant portion of our revenues;
2. Any failure to comply with the financial and restrictive covenants under our financing arrangements;
3. Our ability to retain and hire key employees or maintain good relations with our workforce;
4. Impact of any reduction in sales of our services/products;
5. Rapid Technological advancement and inability to keep pace with the change;
6. Increased competition in industries/sector in which we operate;
7. General economic and business conditions in India and in the markets in which we operate and in the local, regional and national economies;
8. Changes in laws and regulations relating to the Sectors in which we operate;
9. Political instability or changes in the Government in India or in the government of the states where we operate could cause us significant adverse effects;
10. Failure to obtain any applicable approvals, licenses, registrations and permits in a timely manner;
11. Occurrence of natural or man-made disasters could adversely affect our results of operations and financial condition; and



12. Our inability to successfully diversify our product offerings may adversely affect our growth and negatively impact our profitability.
13. Covid – 19 pandemic.

## BRIEF FINANCIALS OF OUR COMPANY

(₹ In Lakhs)

Particulars	For the year ended March 31,2024		For the year ended March 31,2023		For the year ended March 31,2022	
	Amount	% of Total Income	Amount	% of Total Income	Amount	% of Total Income
Revenue from operations	1,105.73	100.00	839.93	100.00	279.99	99.90
Other Income	0.00	0.00	0.00	0.00	0.29	0.10
<b>Total Income</b>	<b>1,105.73</b>	<b>100.00</b>	<b>839.93</b>	<b>100.00</b>	<b>280.27</b>	<b>100.00</b>
<b>EXPENDITURE</b>						
Cost Of Material Consumed	718.20	64.95	576.19	68.60	211.52	75.47
Changes In Inventories	-44.57	-4.03	3.57	0.42	-15.80	-5.64
Employees Benefits Expenses	55.86	5.05	39.41	4.69	16.07	5.73
Finance Costs	1.93	0.17	0.00	0.00	0.00	0.00
Depreciation And Amortization Expense	11.99	1.08	0.63	0.07	0.00	0.00
Other Expenses	68.26	6.17	78.30	9.32	24.53	8.75
<b>TOTAL EXPENSES</b>	<b>811.67</b>	<b>73.41</b>	<b>698.10</b>	<b>83.11</b>	<b>236.32</b>	<b>84.32</b>
<b>Profit Before Tax</b>	<b>294.07</b>	<b>26.59</b>	<b>141.84</b>	<b>16.89</b>	<b>43.95</b>	<b>15.68</b>
<b>Tax Expenses</b>						
Current Tax	52.01	4.70	25.12	2.99	8.38	2.99
Deffered Tax (Liabilities) / Assets	-0.13	-0.01	0.03	0.00	0.00	0.00
<b>Profit After Tax</b>	<b>242.19</b>	<b>21.90</b>	<b>116.69</b>	<b>13.89</b>	<b>35.57</b>	<b>12.69</b>

## Comparison of Financial Performance of Fiscal 2024 with Fiscal 2023

The following descriptions set forth information with respect to the key components of our profit and loss statement.

### 1. INCOME:

**Total Revenue:** During FY 2023-24 the company's revenue from operations and other income increased to ₹1105.73 Lakhs, from the amount of ₹839.93 Lakhs recorded in FY 2022-23. Due to the Increase in demand of Aluminium profile and Aluminium Continuous Profile, aluminium spigot and increase in the product line by adding aluminium conceal the company was able to expand their client base and increased revenue.

### 2. EXPENSES:

**Total Expenses:** The total expenditure for FY 2023-24 has been increased to ₹811.67 Lakhs as against ₹698.10 Lakhs in FY 2022-23. This increase was mainly due to increase in cost of materials consumed.

**Cost of materials consumed:** Cost of materials consumed for FY 2023-24 have increased to ₹718.20 Lakhs, from the amount of ₹576.19 Lakhs in FY 2022-23. This was mainly due to increase in Purchase of raw materials.

**Changes in Inventories of finished goods and work in progress :** Changes in inventories for FY 2023-24 have decreased to (₹ 44.57) lakhs as against ₹ 3.57 lakhs in FY 2022-23. This was majorly due to increase in closing stock of finished goods.

**Changes in Inventories of finished goods and work in progress :** Changes in inventories for FY 2023-24 have decreased to (₹ 44.57) lakhs as against ₹ 3.57 lakhs in FY 2022-23. This was majorly due to increase in closing stock of finished goods.

**Employee Benefits Expense:** The Employee Benefit Expenses for FY 2023-24 have Increased to ₹55.86 Lakhs, from the amount of ₹39.41 Lakhs in FY 2022-23. This was mainly due to change in Directors Remuneration.

**Finance Cost :** The Finance Cost for the FY 2023-2024 have increased to ₹1.93 Lakhs as against ₹0.00 Lakhs in the FY 2022-23. This was mainly due to increase in Borrowings.



**Depreciation and Amortization Expense:** The Depreciation and Amortization Expenses for FY 2023-24 have increased to ₹11.99 Lakhs, from the amount of ₹0.63 Lakhs in FY 2022-23. This was mainly due to purchase of plant and machinery motor vehicle, furniture and fixtures, computer and data processing unit.

**Other Expenses:** The Other Expenses for the FY 2023-2024 have increased to ₹68.26 Lakhs as against ₹78.30 Lakhs in the FY 2022-23. This decrease was majorly due to decrease in job contract expenses.

### 3. PROFIT:

**Profit/ (Loss) Before Tax:** The Restated Profit Before Tax for FY 2023-24 has been significantly increased to ₹294.06 Lakhs as against ₹141.84 Lakhs in the FY 2022-23. This was mainly due to increase in the sales volume and increase in closing stock during the fiscal year.

**Profit/ (Loss) After Tax:** The restated Profit After Tax for FY 2023-24 has been significantly increased to ₹242.18 Lakhs as against ₹116.69 Lakhs in the FY 2022-23. This was mainly due to increase in the sales volume and increase in closing stock during the fiscal year.

### Comparison of Financial Performance of Fiscal 2023 with Fiscal 2022

The following descriptions set forth information with respect to the key components of our profit and loss statement.

#### 1. INCOME:

**Total Revenue:** During FY 2022-23 the revenue from operation increased to ₹839.93 Lakhs as against ₹ 279.99 Lakhs respectively in FY 2021-22. This increase was mainly due to increase in product line by adding Aluminium spigot and our association with new dealers and clients along with increased revenue from existing clients.

#### 2. EXPENSES:

**Total Expenses:** The total expenditure for FY 2022-23 increased to ₹698.09 Lakhs as against ₹236.32 Lakhs in FY 2021-22. This increase was mainly due to increase in cost of materials consumed.

**Cost of materials consumed:** Cost of materials consumed for FY 2022-23 have increased to ₹576.19 Lakhs, from the amount of ₹211.52 Lakhs in FY 2021-22. This was mainly due to addition in product line and to cater to increased demand, we have to purchase additional raw materials.

**Changes in Inventories of finished goods and work in progress :** Changes in inventories for FY 2022-23 have increased to ₹ 3.57 lakhs as against (₹ 15.80) lakhs in FY 2021-22. This was majorly due to decrease in Closing stock of finished goods and absence of opening stock in the FY 2021-22.

**Employee Benefits Expense:** The Employee Benefit Expenses for FY 2022-23 have Increased to ₹39.41 Lakhs, against the amount of ₹16.07 Lakhs in FY 2021-22. This was mainly due to increase in salaries and wages and directors remuneration.

**Finance cost :** There was no Finance cost for FY 2022-2023 and FY 2021-2022.

**Depreciation and Amortization Expense:** The Depreciation and Amortization Expenses for FY 2022-23 have increased to ₹0.63 Lakhs, from the amount of ₹0.00 Lakhs in FY 2021-22. This was mainly due to purchase of factory Building, plant and machinery and motor vehicle.

**Other Expenses:** The Other Expenses for the FY 2022-2023 increased to ₹78.30 Lakhs as against ₹24.53 Lakhs in the FY 2021-22. This increase was mainly due to increase in operational and administrative expenses like rent, sales & promotion, office expenses and insurance expenses.

### 3. PROFIT:

**Profit/ (Loss) Before Tax:** The Restated Profit Before Tax for FY 2022-23 increased to ₹141.84 Lakhs as against ₹43.95 Lakhs in the FY 2021-22. This increase was mainly due to increase in sales as mentioned above leading to improvement in profit margin.

**Profit/ (Loss) after Tax:** The Restated Profit After Tax for FY 2022-23 increased to ₹ 116.69 Lakhs as against ₹ 35.57 Lakhs in the FY 2021-22. This Significant increase was mainly due to increase in sales during the FY as mentioned in above leading to improvement in profit margins.



**CASH FLOWS:****(₹ In Lakhs)**

Particulars	For the Year ended March 31 <sup>st</sup>		
	2024	2023	2022
Net Cash from Operating Activities	(24.21)	16.78	(10.29)
Net Cash from Investing Activities	(112.06)	(10.63)	0.29
Net Cash from Financing Activities	203.75	2.50	16.50

***Cash Flows from Operating Activities***

Net cash used in operating activities for the period ended 31<sup>st</sup> March, 2024 was ₹24.21 Lakhs as compared to the Profit Before Tax at ₹ 294.06 Lakhs. This was primarily due increase in inventories and long term loans and advances.

Net cash Flow from operating activities for year ended 31<sup>st</sup> March, 2023 was ₹ 16.78 Lakhs as compared to the Profit Before Tax at ₹ 141.84 Lakhs. This was primarily due to working capital change.

Net cash used in operating activities for year ended 31<sup>st</sup> March, 2022 was ₹ 10.29 Lakhs as compared to the Profit Before Tax at ₹ 43.95 Lakhs. This was primarily due to increase in inventories and Trade receivables.

***Cash Flows from Investment Activities***

For the year ended 31<sup>st</sup> March, 2024, net cash outflows from Investing Activities were ₹ 112.06 Lakhs. This was mainly on account of purchases of fixed assets.

For the year ended 31<sup>st</sup> March, 2023, net cash outflows from Investing Activities were ₹ 10.63 Lakhs. This was mainly on account of purchases of fixed assets.

For the year ended 31<sup>st</sup> March, 2022, net cash inflow from Investing Activities were ₹ 0.29 Lakhs. This was mainly on account of interest and other income.

***Cash Flows from Financing Activities***

For the year ended 31<sup>st</sup> March, 2024, net cash Inflow from financing activities was ₹ 203.75 Lakhs. This was primarily on account of right issue of shares and proceeds from long term borrowings.

For the year ended 31<sup>st</sup> March, 2023, net cash inflow from financing activities was ₹ 2.50 Lakhs. This was primarily on account of Proceeds from Long term Borrowings.

For the year ended 31<sup>st</sup> March, 2022, net cash Inflow from financing activities was ₹ 16.50 Lakhs. This was primarily on account of Proceeds from long term Borrowings and issue of shares.

**Information required as per Item (II) (C) (iv) of Part A of Schedule VI to the SEBI Regulations:****An analysis of reasons for the changes in significant items of income and expenditure is given hereunder:*****1. Unusual or infrequent events or transactions.***

There has not been any unusual trend on account of our business activity. There are no Unusual or infrequent events or transactions in our Company. The transactions are as per usual business operations.

***2. Significant economic changes that materially affected or are likely to affect income from continuing operations.***

Except for any change in economic policy affecting service industry in India, there are no other significant economic changes that may materially affect or likely to affect income from continuing operations.

***3. Known trends or uncertainties that have had or are expected to have a material adverse impact on sales, revenue or income from continuing operations.***

Apart from the risks as disclosed under Section “RISK FACTORS” beginning on page --- in the Draft Prospectus, in our opinion there are no other known trends or uncertainties that have had or are expected to have a material adverse impact on revenue or income from continuing operations.

***4. Future changes in relationship between costs and revenues.***



Our Company's future costs and revenues will be determined by growth of industry in which we operate.

***5. Increases in net sales or revenue and Introduction of new products or services or increased sales prices.***

Increases in revenues are by and large linked to increases in volume of our business.

***6. Status of any publicly announced New Products or Business Segment.***

Our Company has not announced any new products.

***7. Seasonality of business.***

The nature of business is not seasonal. For further detail, please refer to section titled "*Risk Factors*" beginning on page no. 15 of this Draft Prospectus.

***8. Competitive conditions.***

Competitive conditions are as described under the Chapters "*Industry Overview*" and "*Business Overview*" beginning on page nos. 78 and 85, respectively of the Draft Red Herring Prospectus.

***9. Details of material developments after the date of last balance sheet i.e. March 31<sup>st</sup>, 2024.***

Except as mentioned in this Draft Prospectus, no circumstances have arisen since the date of last financial statement until the date of filing the Draft Prospectus, which materially and adversely affect or are likely to affect the operations or profitability of our Company, or value of its assets, or its ability to pay its liability within next twelve months.



## CAPITALIZATION STATEMENT

### Statement of Capitalization

(₹ In Lakhs)

Particulars	Pre Issue	Post Issue
<b>Borrowings</b>		
Short term Debt (A)	4.52	4.52
Long Term Debt (B)	39.16	39.16
<b>Total debts (C = A+B)</b>	<b>43.68</b>	<b>43.68</b>
<b>Shareholders' funds</b>		
Equity share capital	331.00	467.92
Reserve and surplus - as restated	244.41	1408.23
<b>Total shareholders' funds</b>	<b>575.41</b>	<b>1,876.15</b>
<b>Long term debt / shareholders' funds</b>	0.07	0.02
<b>Total debt / shareholders' funds</b>	0.08	0.02

**Note:**

- The amount disclosed above are based on the restated financial statements of assets and liabilities as at March 31<sup>st</sup>, 2024.



## SECTION X – LEGAL AND OTHER INFORMATION

### OUTSTANDING LITIGATIONS AND MATERIAL DEVELOPMENTS

*Except as stated in this section, there are no: (i) criminal proceedings; (ii) actions by statutory or regulatory authorities; (iii) claims relating to direct and indirect taxes; or (iv) Material Litigation (as defined below); involving our Company, Directors, Promoters or Group Company. Our Board, in its meeting held on March 30<sup>th</sup>, 2024, determined that all pending litigation involving our Company, holding, Subsidiary, Directors, Promoters and Group Company, other than criminal proceedings and statutory or regulatory actions, disciplinary actions including penalty imposed by SEBI or stock exchanges, claims related to direct and indirect taxes, would be considered 'material' if the monetary amount of claim by or against the entity or person in any such pending proceeding is in excess of Rupees One Lakh ("Material Litigation").*

*As per the materiality policy adopted by the Board of our Company in its meeting held on March 30<sup>th</sup>, 2024, related to creditors of our Company the outstanding dues to creditors in excess of Rupees One Lakh shall be considered material. Details of outstanding dues to creditors (including micro and small enterprises as defined under the Micro, Small and Medium Enterprises Development Act, 2006) as required under the SEBI Regulations have been disclosed on our website at [www.jivialrailings.com](http://www.jivialrailings.com).*

*Our Company, Directors, Promoter and Group Company are not Wilful Defaulters and there have been no violations of securities laws in the past or pending against them.*

### **OUTSTANDING TAXATION MATTERS INVOLVING OUR COMPANY, DIRECTORS, PROMOTER AND SUBSIDIARIES:**

Particulars	By the Company	Against the Company
Civil Proceedings	Nil	Nil
Criminal Proceedings	Nil	Nil
Tax Proceedings:		
- Direct Tax	Nil	Nil
- Indirect Tax	Nil	Nil
Other Proceedings	Nil	Nil

#### **PART 1: LITIGATION RELATING TO OUR COMPANY**

##### **A. FILED AGAINST OUR COMPANY**

###### **1) Litigation Involving Criminal Laws**

As on date there are no issues with regards to criminal liability on the part of Company.

###### **2) Litigation Involving Actions by Statutory/Regulatory Authorities**

As on date there are no litigations with regards to Statutory/Regulatory Authorities on the part of Company.

###### **3) Disciplinary Actions by Authorities**

As on date there are no issues with regards to Disciplinary Actions on the part of Company.

###### **4) Litigation Involving Tax Liability**

**Direct Tax:** As on date there is no outstanding demand of Income Tax and other Direct Taxes against the Company.

**Indirect Tax:** As on date there is no outstanding demand of Indirect Taxes against the Company.

###### **5) Other Pending Litigation Based On Materiality Policy Of the Company**

NIL.

##### **B. CASES FILED BY OUR COMPANY**

###### **1) Litigation Involving Criminal Laws**

As on date there are no issues with regards to criminal liability on the part of Company.



## 2) Litigation Involving Actions by Statutory/Regulatory Authorities

As on date there are no litigations with regards to Statutory/Regulatory Authorities on the part of Company.

## 3) Disciplinary Actions by Authorities

As on date there are no issues with regards to Disciplinary Actions on the part of Company.

## 4) Litigation Involving Tax Liability

**Direct Tax:** As on date there are no issues of Income Tax and other Direct Taxes on the part of Company.

**Indirect Tax:** As on date there are no issues of Indirect Taxes on the part of the Company.

## 5) Other Pending Litigation Based On Materiality Policy Of the Company

NIL.

## PART 2: LITIGATION RELATING TO OUR DIRECTORS, KMPs AND PROMOTERS OF THE COMPANY

Particulars	By Directors, KMPs, and Promoters	Against Directors, KMPs and Promoters
Civil Proceedings	Nil	Nil
Criminal Proceedings	Nil	Nil
<b>Tax Proceedings</b>		
Direct Tax	Nil	Nil
Indirect Tax	Nil	Nil
Other Proceedings	Nil	Nil

## A. LITIGATION AGAINST DIRECTORS, KMPs AND PROMOTERS

### 1) Litigation Involving Criminal Laws

As on date there are no issues with regards to criminal liability on the part of Directors/KMPs.

### 2) Litigation Involving Actions By Statutory/Regulatory Authorities

As on date there are no litigations with regards to Statutory/Regulatory Authorities on the part of Directors/KMPs.

### 3) Disciplinary Actions By Authorities

As on date there are no issues with regards to Disciplinary Actions on the part of Directors/KMPs.

### 4) Litigation Involving Tax Liability

**Direct Tax:** As on date there is no outstanding demand of Income Tax and other Direct Taxes against the Directors/KMPs.

**Indirect Tax:** As on date there is no outstanding demand of Indirect Taxes against the Directors/KMPs.

### 5) Other Pending Litigation Based On Materiality Policy Of the Company

As on date there are no other issues on the part of Directors/KMPs.

## PART 3: LITIGATION RELATING TO HOLDING/SUBSIDIARIES COMPANIES

As on date there is no holding/subsidiary company of JIVIAL INDUSTRIES LIMITED.

## PART 4: LITIGATION RELATING TO OUR GROUP COMPANIES

Following is the Group Company of the Company as on date:

- **Jivial Technologies Private Limited**



Particulars	By the Company	Against the Company
Civil Proceedings	Nil	Nil
Criminal Proceedings	Nil	Nil
Tax Proceedings:		
- Direct Tax	Nil	Nil
- Indirect Tax	Nil	Nil
Other Proceedings	Nil	Nil

#### **A. FILED AGAINST THE GROUP COMPANIES**

##### **1) Litigation Involving Criminal Laws**

As on date there are no issues with regards to criminal liability on the part of the group Companies.

##### **2) Litigation Involving Actions by Statutory/Regulatory Authorities**

As on date there are no litigations with regards to Statutory/Regulatory Authorities on the part of the group Companies.

##### **3) Disciplinary Actions by Authorities**

As on date there are no issues with regards to Disciplinary Actions on the part of the group Companies.

##### **4) Litigation Involving Tax Liability**

**Direct Tax:** As on date there is no outstanding demand of Income Tax and other Direct Taxes against the group Companies.

**Indirect Tax:** As on date there is no outstanding demand of Indirect Taxes against the group Companies.

##### **5) Other Pending Litigation Based On Materiality Policy Of the Group Companies**

NIL.

#### **B. CASES FILED BY THE GROUP COMPANIES**

##### **1) Litigation Involving Criminal Laws**

As on date there are no issues with regards to criminal liability on the part the group Companies.

##### **2) Litigation Involving Actions by Statutory/Regulatory Authorities**

As on date there are no litigations with regards to Statutory/Regulatory Authorities on the part of the group Companies.

##### **3) Disciplinary Actions by Authorities**

As on date there are no issues with regards to Disciplinary Actions on the part of the group Companies.

##### **4) Litigation Involving Tax Liability**

**Direct Tax:** As on date there are no issues of Income Tax and other Direct Taxes on the part of the group Companies.

**Indirect Tax:** As on date there are no issues of Indirect Taxes on the part of the group Companies.

##### **5) Other Pending Litigation Based On Materiality Policy Of the Group Companies**

NIL.

#### **OUTSTANDING DUES TO SMALL SCALE UNDERTAKINGS OR ANY OTHER CREDITORS**

In terms of the Materiality Policy of the Company, Company has NIL material creditor, as on date of this Report.



Particulars (As on 31.03.2024)	No. of Creditors	Amount (in Lakhs)
Outstanding dues to material creditors	Nil	Nil
Outstanding dues to small scale undertakings	14	4.75
Outstanding dues to other creditors	Nil	Nil
<b>Total outstanding dues</b>		4.75

#### **MATERIAL DEVELOPMENTS OCCURING AFTER LAST BALANCE SHEET DATE**

Except as disclosed in Chapter titled “*Management’s Discussion & Analysis of Financial Conditions & Results of Operations*” beginning on page no. 132 there have been no material developments that have occurred after the Last Balance Sheet Date.

*[The remainder of this page has intentionally been left blank]*





## GOVERNMENT AND OTHER APPROVALS

*We have received the necessary consents, licenses, permissions and approvals from the Government and various governmental agencies required for our present business (as applicable on date of this Draft Prospectus) and except as mentioned below, no further approvals are required for carrying on our present business.*

*In view of the approvals listed below, we can undertake this Issue and our current/proposed business activities and no further major approvals from any governmental or regulatory authority or any other entity are required to be undertaken in respect of the Issue or to continue our business activities. It must be distinctly understood that, in granting these approvals, the Government of India does not take any responsibility for our financial soundness or for the correctness of any of the statements made or opinions expressed in this behalf. Unless otherwise stated, these approvals are all valid as of the date of this Draft Prospectus.*

The main objects clause of the Memorandum of Association and objects incidental to the main objects enable our Company to carry out its activities. The following are the details of licenses, permissions and approvals obtained by the Company under various Central and State Laws for carrying out its business:

### APPROVALS FOR THE ISSUE

1. The Board of Directors has, vide their resolution passed at its meeting held on June 06<sup>th</sup>, 2024, authorized the Issue, subject to the approval of the shareholders of the Company under Section 62(1) (c) of the Companies Act, 2013 and approvals by such other authorities, as may be necessary.
2. The Shareholders of the Company have, vide their resolution passed at its meeting held on July 01<sup>st</sup>, 2024, authorized the Issue under Section 62(1) (c) of the Companies Act, 2013, subject to approvals by such other authorities, as may be necessary.
3. The Company has entered into an agreement dated April 18<sup>th</sup>, 2024, with the Central Depository Services (India) Limited (“CDSL”) and the Registrar and Transfer Agent, who, in this case, is Integrated Registry Management Services Private Limited, for the dematerialization of its shares.
4. The Company has also entered into an agreement dated May 08<sup>th</sup>, 2024, with the National Securities Depository Limited (“NSDL”) and the Registrar and Transfer Agent, who, in this case, is Integrated Registry Management Services Private Limited, for the dematerialization of its shares.
5. The Company has obtained in-principle listing approval dated [●] from NSE for using its name in this offer document for listing our shares on the Emerge Platform of NSE.
6. The Company’s International Securities Identification Number (“ISIN”) is INE0V3T01017.

### REGISTRATION UNDER THE COMPANIES ACT, 2013:

S. No.	Authority Granting Approval	Approval/Registration No.	Applicable Laws	Nature of Approvals	Date of Issue	Validity
1.	Registrar of Companies, Ahmedabad	U28999GJ2021PTC123516	The Companies Act, 2013	Certificate of Incorporation	23 <sup>rd</sup> June, 2021	Perpetual
2.	Registrar of Companies, Central Registration Centre	U28999GJ2021PLC123516	The Companies Act, 2013	Certificate of Incorporation upon change of name from ‘Jivial Industries Private Limited’ to ‘Jivial Industries Limited’ pursuant to conversion from Private Company to Public Company.	01 <sup>st</sup> January, 2024	Perpetual




## REGISTRATION UNDER VARIOUS TAX LAWS, ACTS, RULES REGULATIONS

S. No	Applicable Laws	Authority Granting Approval	Nature of Approvals	Approval/ Registration No.	Date of Issue	Validity
1.	The Income Tax Act, 1961	Income Tax Department	Permanent Account Number	AAFCJ2305M	15 <sup>th</sup> February, 2024	Valid till Cancellation
2.	The Income Tax Act, 1961	Income Tax Department	Tax Deduction Account Number	RKTJ05337D	22 <sup>nd</sup> March, 2024	Valid till Cancellation
3.	Gujarat Goods and Services Tax Act, 2017	Government of India	Goods and Services Tax – Gujarat	24AAFCJ2305M1ZP	04 <sup>th</sup> April, 2024	Valid till Cancellation
4.	Foreign Trade (Development and Regulation) Act, 1992	Directorate General of Foreign Trade Office of the Joint Director General of Foreign Trade, Surat	Importer-Exporter Code	AAFCJ2305M	03 <sup>rd</sup> June, 2022	Valid till Cancellation
5.	The Gujarat State Tax on Professions, Trades, Callings and Employment Act, 1976	Rajkot Municipal Corporation	Professional Tax Registration	PRC04028722	04 <sup>th</sup> May, 2024	Valid till Cancellation

## BUSINESS RELATED LICENSES/ APPROVALS

S. No	Applicable Laws	Authority Granting Approval	Nature of Approvals	Approval/ Registration No.	Date of Issue	Validity
1.	The Gujarat Factories Act, 1948	Directorate Industrial Safety & Health, Gujarat State	Factory License	54267	06 <sup>th</sup> May, 2024	31 <sup>st</sup> December, 2028
2.	The Payment and Settlement System Act, 2007 (as amended in 2015)	Legal Entity Identifier India Limited	LEI Code	984500CB54CG37Q5A966	29 <sup>th</sup> July, 2024	29 <sup>th</sup> July, 2025

## REGISTRATION UNDER THE TRADE MARK ACT, 1999 AND PATENTS ACT, 1970

Logo / Word /Name of Registration	Class	Trademark/ Patents in respect of	Owner of Trademark / Patents	Trade Mark / Design No.	Date of Registration	Validity
	6	Metal Railing	Anand Jitendrabhai Chovatiya*	4804117	02 <sup>nd</sup> January, 2021	10 Years
Certificate of Registration of Design	09-07	SPIGOT	Jivial Industries Private Limited	374504-001	22 <sup>nd</sup> November, 2022	10 Years
	08-09	SPIGOT		374487-001	22 <sup>nd</sup> November, 2022	10 Years

\*Applied for transfer of trademark to Jivial Industries Limited vide application dated 06<sup>th</sup> July, 2024.

## OTHER CERTIFICATES, LICENSE, APPROVAL ETC.

S. No.	Description	Registration / Certificate Number	Issuing Authority	Date of Issue	Validity
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1.	Udyam Registration Certificate	UDYAM-GJ-20-0104683	Ministry of Micro Small and Medium Enterprises	07 <sup>th</sup> January, 2023	Valid till Cancelled
2.	ZED Bronze Certificate	16022024_258591	Ministry of Micro Small and Medium Enterprises	16 <sup>th</sup> February, 2024	Valid till 3 Years from the date of Issue

#### QUALITY RELATED APPROVALS

S. No.	Name of Registration	Registration No.	Applicable Law	Date of Issue	Validity
1.	Certificate of Registration for ISO 9001:2015*	GCS/QMS/7060	Quality Management System	14 <sup>th</sup> August, 2023	13 <sup>th</sup> August, 2026

*\*In the name of Private Limited.*

#### MATERIAL LICENSES/ APPROVALS/PERMISSION FOR WHICH APPLICATIONS HAVE BEEN MADE BY OUR COMPANY BUT NOT RECEIVED AND/OR YET TO BE APPLIED BY OUR COMPANY

Our Company not applied for any application which is pending with any authorities or there is no such certificate which company has to apply for.

*[The remainder of this page has intentionally been left blank]*



## SECTION XI – INFORMATION WITH RESPECT TO GROUP COMPANIES/ ENTITIES

In terms of the SEBI ICDR Regulations, the term “Group Companies”, includes: (i) such companies (other than promoter(s) and subsidiary (ies)) with which there were related party transactions during the period for which financial information is disclosed, as covered under applicable accounting standards, and (ii) any other companies considered material by the board of directors of the relevant issuer company.

Accordingly, in terms of the Materiality Policy as approved by our Board pursuant to its resolution dated 30<sup>th</sup> March, 2024 (i) companies (other than the Subsidiary) with which there were related party transactions, during the period for which financial information is disclosed in this Draft Prospectus; (ii) a company that is a member of the Promoter Group in terms of Regulation 2(1)(pp) of the SEBI ICDR Regulations, and has entered into one or more related party transactions during the last completed financial year and the stub period, if any, which individually or in the aggregate, exceed 10% of the total revenue from operations of our Company, for the last completed financial year, as included in the offer documents until the date of filing of the offer documents, as set out below:

### 1. Jivial Technologies Private Limited.

Except as stated above, there are no companies/entities falling under definition of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 which are to be identified as group companies/entities.

As per sub clause C of clause 13 of Schedule VI of SEBI (ICDR) Regulations, 2018, we have provided the financial information of top five unlisted group companies/entities.

### 1. JIVIAL TECHNOLOGIES PRIVATE LIMITED

<b>Date of Incorporation</b>	18 <sup>th</sup> April 2024.
<b>Main Objects</b>	To carry on the business to manufacture, buy, sell, resell, assemble, design, develop, maintain, repair, produce, transport, store, import, export, trade, supply and deal whether as distributors, wholesalers, agent, representative, consultant, franchiser, franchisee, collaborator, stockiest, jobworker, retailers, exporters, importers, or otherwise to deal in all kind, type, shape, size, varieties, descriptions, uses and packs of drones, including unmanned aerial vehicles (UAVs), quadcopters, hexacopters, octocopters, and related equipment, drone parts, components, and accessories such as drone motors, batteries, propellers, BLDC motors, aerospace parts, drone circuits, electronic circuits, electrical generators, alternators, lighting products, LED displays, LED panels, LED circuits and to provide consultancy services, research and development services in the fields of drone technology, aerospace engineering, electronic circuits, electrical generators and lighting products and to engage in collaborative projects, partnerships, and joint ventures for technological advancements and market expansion in the drone industry and related sectors, and undertake any other activities incidental, ancillary, or conducive to the attainment of the above objects.
<b>CIN</b>	U30305GJ2024PTC150748.
<b>Registered Office Address</b>	Sorathiyawadi Street No. 6, Kothariya Main Road, Rajkot Sorathiyawadi, Rajkot, Gujarat, India, 360002.

### Financial Performance

In accordance with the SEBI (ICDR) Regulations, details of reserves (excluding revaluation reserves), sales, profit after tax, earnings per share, basis/diluted earnings per share and Net Asset Value, derived from the latest audited financial statements available on a standalone basis of our group company are available on the website of our company at [www.jivialrailings.com](http://www.jivialrailings.com).

It is clarified that such details available on our group company websites do not form a part of this Draft Prospectus. Anyone placing reliance on any other source of information, including our Group Company website, as mentioned above, would be doing so at their own risk.

As our company was incorporated on 18<sup>th</sup> April, 2024, due to which Audited Financial Information for the financial year ended March 31<sup>st</sup>, 2024 is not available.

### PENDING LITIGATIONS



There is no pending litigation involving any of the above mentioned group companies/entities which has a material impact on our company. However, for details of Outstanding Litigation against our Company and Group Companies/Entities, please refer to Chapter titled “*Outstanding Litigations and Material Developments*” on the page no. 139 of this Draft Prospectus.

#### **GENERAL DISCLOSURE**

- None of the securities of our Group Entity are listed on any stock exchange and our Group Entity has not made any public or rights issue of securities in the preceding three years.
- None of the above mentioned Group Companies/Entities is in defaults in meeting any Statutory/bank/institutional dues and no proceedings have been initiated for economic offences against any of the Group Companies/Entities.
- Our Group Entity has not been debarred from accessing the capital market for any reasons by the SEBI or any other authorities.
- Our Group Entity has not been identified as a Willful Defaulter or fraudulent borrower.

#### **COMMON PURSUITS**

There is no other Group Companies / Entities which are in same line of business or having some of the objects similar to that of our Company's business. We shall adopt the necessary procedures and practices as permitted by law to address any conflicting situations, as and when they may arise.

#### **BUSINESS INTERESTS AMONGST OUR COMPANY AND GROUP COMPANIES/ENTITIES/ASSOCIATE COMPANIES**

Except as mentioned under Chapter titled “*Restated Financial Statements*” beginning on page no. 129 of this Draft Prospectus, there is no business interest among Group Companies/Entities.

Additionally, our Company will pay remuneration and salary to our Directors and Key Managerial Personnel as approved by the Board of Directors and Shareholders of our Company.

In addition to all above transactions proposed to be entered, our Company may also propose to enter in to new transactions or transactions beyond the present omnibus approval given by the Board of Directors/Audit Committee after obtaining the fresh approval for the new transactions or transactions beyond the omnibus approval specified above.

#### **DISSOCIATION OF PROMOTERS IN THE LAST THREE YEARS**

Our individual Promoters have not disassociated themselves from any Company/entity in the last three years.

#### **RELATED BUSINESS TRANSACTIONS WITHIN THE GROUP COMPANY/ENTITY AND ITS SIGNIFICANCE ON THE FINANCIAL PERFORMANCE OF OUR COMPANY**

For details, please see Chapter title “*Restated Financial Statements*” on page no. 129 this Draft Prospectus.

#### **CHANGES IN ACCOUNTING POLICIES IN THE LAST THREE YEARS**

Except as mentioned under the paragraph Changes in Significant Accounting Policies, under Chapter titled “*Restated Financial Statements*” beginning on page no. 129 of the Draft Prospectus, there have been no changes in the accounting policies in the last three years.



## SECTION XII – OTHER REGULATORY AND STATUTORY DISCLOSURES

### AUTHORITY FOR THE ISSUE

The Board of Directors has, pursuant to a resolution passed at its meeting held on June 06<sup>th</sup>, 2024 authorized the Issue, subject to the approval of the shareholders of the Company under Section 62(1)(c) and all other applicable provisions of the Companies Act, 2013.

The shareholders of the Company have, pursuant to a special resolution passed in EGM held on July 01<sup>st</sup>, 2024 authorized the Issue under Section 62(1)(c) and all other applicable provisions of the Companies Act, 2013.

### IN-PRINCIPLE APPROVAL

Our Company has obtained in-principle approval from the Emerge Platform of National Stock Exchange of India Limited for using its name in the Draft Prospectus/ Prospectus pursuant to letter dated [●]. NSE is the Designated Stock Exchange.

### CONFIRMATIONS

1. Our Company, our Promoters, our Directors and our Promoters' Group have not been prohibited from accessing or debarred from buying, selling, or dealing in securities under any order or direction passed by the Board or any securities market regulators in any other jurisdiction or any other authority/court.
2. Our Company, our Promoters, Promoters' Group are in 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, our and Promoter Group will ensure compliance with the Companies (Significant Beneficial Ownerships) Rules, 2018, upon notification of the relevant forms, as may be applicable to them.
3. None of the Directors in any manner associated with any entities which are engaged in securities market related business and are registered with the SEBI.
4. Neither our Company, nor our Promoters, nor the relatives (as defined under the Companies Act) of our Promoters nor Group Companies/Entities have been identified as willful defaulters or Fraudulent Borrowers by the RBI or any other governmental authority.
5. 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.
6. Our directors have not been declared as wilful defaulter by RBI or any other government authority and there has been no violation of securities laws committed by them in the past or no proceedings thereof are pending against them.
7. Our Company is an "Unlisted Issuer" in terms of the SEBI (ICDR) Regulations; and this Issue is an "Initial Public Issue" in terms of the SEBI (ICDR) Regulations.
8. There has been no action taken by SEBI against any of our Directors or any entity with which our Directors are associated as Promoters or directors.

### ELIGIBILITY FOR THE ISSUE

We are an issuer whose post issue paid-up capital is less than or equal to ₹ 10 Crore and therefore, our company is eligible for the Issue in accordance with Regulation 229(1) of Chapter IX of the SEBI (ICDR) Regulations, 2018.

Our Company also complies with the eligibility conditions laid by the Emerge Platform of National Stock Exchange of India Limited for listing of our Equity Shares. The point wise Criteria for Emerge Platform of National Stock Exchange of India Limited and compliance thereof are given hereunder:

1. **The Issuer should be a company incorporated under the Companies Act 1956 / 2013 in India.**

Our Company is incorporated under the Companies Act, 2013.

2. **The post issue paid up capital of the company (face value) shall not be more than ₹ 25.00 Crore.**



The present paid-up capital of our Company is ₹331.00 Lakhs and we are proposing Issue of 13,69,200 Equity Shares of ₹10/- each at Issue price of ₹95/- per Equity Share including share premium of ₹85/- per Equity Share, aggregating to ₹1,300.74 Lakhs. Hence, our Post Issue Paid up Capital will be ₹4.68 Crore which is less than ₹25.00 Crore.

### 3. Track Record.

#### A. The company should have a track record of at least 3 years.

Our Company was originally incorporated as Jivial Industries Private Limited, on June 23<sup>rd</sup>, 2021 under the provision of the Companies Act, 2013 vide Certificate of Incorporation issued by the Registrar of Companies, Ahmedabad, Gujarat. Subsequently, our Company was converted into a public limited company and the name of our Company was changed from “Jivial Industries Private Limited” to “Jivial Industries Limited”. The status of the Company was changed to public limited and the fresh certificate of incorporation consequent to conversion was issued on January 01<sup>st</sup>, 2024 by the Registrar of Companies, Ahmedabad, Gujarat. Therefore we are in compliance with criteria of having track record of 3 years.

#### B. The company/entity should have operating profit (earnings before interest, depreciation and tax) from operations for at least any 2 out of 3 financial years preceding the application and its net-worth should be positive.

Our Company satisfies the criteria of track record which given hereunder based on Restated Financial Statement.

(Amount ₹ In lakh)

Particulars	For the year ended March 31 <sup>st</sup> , 2024	For the year ended March 31 <sup>st</sup> , 2023	For the year ended March 31 <sup>st</sup> , 2022
Operating profit (earnings before interest, depreciation and tax) from operations*	307.98	142.46	43.67
Net Worth as per Restated Financial Statement	575.41	153.26	36.57

\*the above values are excluding revelation reserves.

### 4. Other Requirements

#### We confirm that;

- The Company has not been referred to the Board for Industrial and Financial Reconstruction (BIFR) or No proceedings have been admitted under Insolvency and Bankruptcy Code against the issuer and Promoting companies.
- There is no winding up petition against the company, which has been admitted by the NCLT/ Court or a liquidator has not been appointed.
- No material regulatory or disciplinary action by a stock exchange or regulatory authority in the past three years against our company.
- None of the Issues managed by LM are returned by NSE in last six months from the date of this Draft Prospectus.
- None of our Promoters or Directors has been declared as fugitive economic offender under Economic Offenders Act, 2018.
- It is mandatory for the company to facilitate trading in demat securities and enter into an agreement with both the depositories.

To facilitate trading in demat securities; the Company had signed the following tripartite agreements with the Depositories and the Registrar and Share Transfer Agent:

- Tripartite agreement dated 18<sup>th</sup> April, 2024 with CDSL, our Company and Registrar to the Issue;
- Tripartite agreement dated 08<sup>th</sup> May, 2024 with NSDL, our Company and Registrar to the Issue;
- The Company's shares bear an ISIN: INE0V3T01017.

- The Company has a website: [www.jivialrailings.com](http://www.jivialrailings.com)

### 5. Disclosures

#### We confirm that:





- i. There is no material regulatory or disciplinary action taken by a stock exchange or regulatory authority in the past one year in respect of promoters/promoting Company(ies), group companies, companies promoted by the promoters/promoting companies of the Company.
- ii. There is no default in payment of interest and/or principal to the debenture/bond/fixed deposit holders, banks, FIs by the Company, promoters/promoting Company(ies), group companies, companies promoted by the promoters/promoting Company(ies) during the past three years.

**In terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, we confirm that:**

1. This Issue is 100% underwritten by the LM in compliance of Regulations 260(1) and 260(2) of the SEBI (ICDR) Regulations, 2018. For details pertaining to underwriting by LM, please refer to Section titled “General Information” beginning on page no. 32 of this Draft Prospectus.
2. In accordance with Regulation 261 of the SEBI (ICDR) Regulations, 2018, the LM will ensure compulsory market making for a minimum period of three years from the date of listing of Equity Shares issued in the Initial Public Offer. For details of the market making arrangement, see Section titled “General Information” beginning on page no. 32 of this Draft Prospectus.
3. In accordance with Regulation 268(1) of the SEBI (ICDR) Regulations, 2018, we shall ensure that the total number of proposed allottees in the Issue is greater than or equal to 50 (fifty), otherwise, the entire application money will be refunded forthwith. If such money is not repaid within 8 (eight) days from the date our company becomes liable to repay it, then our company and every officer in default shall, on and from expiry of eight days, be liable to repay such application money, with interest at rate of 15% (fifteen per cent) per annum and within such time as disclosed in the issue document and lead manager shall ensure the same.
4. In accordance with Regulation 246 of the SEBI (ICDR) Regulations, 2018, we shall also ensure that we submit the soft copy of Prospectus through LM immediately up on filing of the Prospectus with the Registrar of Companies along with a Due Diligence Certificate including additional confirmations. However SEBI shall not issue any observation on our Prospectus.

We further confirm that we shall be complying with all the other requirements as laid down for such an Issue under Chapter IX of SEBI (ICDR) Regulations, 2018 as amended from time to time and Subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

**SEBI DISCLAIMER CLAUSE**

**“IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THE DRAFT OFFER DOCUMENT/~~DRAFT LETTER OF OFFER~~/OFFER DOCUMENT TO THE SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE DRAFT OFFER DOCUMENT/~~DRAFT LETTER OF OFFER~~/OFFER DOCUMENT. THE LEAD MANAGER HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE DRAFT OFFER DOCUMENT/~~DRAFT LETTER OF OFFER~~/OFFER DOCUMENT ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE REGULATIONS. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING INVESTMENT IN THE PROPOSED ISSUE.**

**IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE ISSUER IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE DRAFT OFFER DOCUMENT / OFFER DOCUMENT, THE LEAD MANAGER(S) IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE ISSUER DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE LEAD MANAGER(S) SWASTIKA INVESTMART LIMITED HAS FURNISHED TO STOCK EXCHANGE/SEBI, A DUE DILIGENCE CERTIFICATE DATED 23<sup>RD</sup> AUGUST, 2024 IN THE FORMAT PRESCRIBED UNDER SCHEDULE V(A) OF THE SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018.**

**THE FILING OF THE DRAFT OFFER DOCUMENT/~~DRAFT LETTER OF OFFER~~/OFFER DOCUMENT DOES NOT, HOWEVER, ABSOLVE THE ISSUER FROM ANY LIABILITIES UNDER THE COMPANIES ACT, 2013 OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY OR OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED ISSUE. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP, AT ANY POINT OF TIME, WITH THE LEAD MANAGER(S) ANY**



## **IRREGULARITIES OR LAPSES IN THE DRAFT OFFER DOCUMENT/DRAFT LETTER OF OFFER/OFFER DOCUMENT.”**

**ALL LEGAL REQUIREMENTS PERTAINING TO THIS ISSUE WILL BE COMPLIED WITH AT THE TIME OF FILING OF THE PROSPECTUS WITH THE REGISTRAR OF COMPANIES, AHMEDABAD, IN TERMS OF SECTION 26, 30 AND SECTION 33 OF THE COMPANIES ACT, 2013.**

### **DISCLAIMER CLAUSE BY EXCHANGE**

The copy of the Draft Prospectus is submitted to NSE. Post scrutiny of the Draft Prospectus, the Disclaimer Clause as intimated by NSE to us is read as under:

“As required, a copy of this Offer Document has been submitted to National Stock Exchange of India Limited (hereinafter referred to as NSE). NSE has given vide its letter Ref.: [●] dated [●] permission to the Issuer to use the Exchange’s name in this Offer Document as one of the stock exchanges on which this Issuer’s securities are proposed to be listed. The Exchange has scrutinized this draft offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Issuer. It is to be distinctly understood that the aforesaid permission given by NSE should not in any way be deemed or construed that the offer document has been cleared or approved by NSE; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; nor does it warrant that this Issuer’s securities will be listed or will continue to be listed on the Exchange; nor does it take any responsibility for the financial or other soundness of this Issuer, its promoters, its management or any scheme or project of this Issuer.

Every person who desires to apply for or otherwise acquire any securities of this Issuer may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription /acquisition whether by reason of anything stated or omitted to be stated herein or any other reason whatsoever.”

### **CAUTION – DISCLAIMER FROM OUR COMPANY AND THE LEAD MANAGER**

Our Company and the Lead Manager accept no responsibility for statements made otherwise than those contained in this Draft Prospectus or, in case of the Company, in any advertisements or any other material issued by or at our Company’s instance and anyone placing reliance on any other source of information would be doing so at his or her own risk.

The LM accept no responsibility, save to the limited extent as provided in the Agreement entered between the LM (Swastika Investmart Limited) and our Company on July 30<sup>th</sup>, 2024 and the Underwriting Agreement dated July 30<sup>th</sup>, 2024 entered into between the Underwriters and our Company and the Market Making Agreement dated July 30<sup>th</sup>, 2024 entered into among the Market Maker and our Company.

All information shall be made available by our Company and the Lead Manager to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever including at road show presentations, in research or sales reports, at collection centres or elsewhere.

The Lead Manager and their respective associates and affiliates may engage in transactions with, and perform services for, our Company, our Promoter Group, Group Entities, or our affiliates or associates in the ordinary course of business and have engaged, or may in future engage, in commercial banking and investment banking transactions with our Company, our Promoter Group, Group Entities, and our affiliates or associates, for which they have received and may in future receive compensation.

#### **Note:**

Investors that apply in this Issue will be required to confirm and will be deemed to have represented to our Company, the Underwriters and LM and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our company and will not offer, sell, pledge or transfer the Equity Shares of our company to any person who is not eligible under applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our company. Our Company, the Underwriters and the LM and their respective directors, officers, agents, affiliates and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire Equity Shares of our company.

### **DISCLAIMER IN RESPECT OF JURISDICTION**

This Issue is being made in India to persons resident in India including Indian nationals resident in India who are not minors, HUFs, companies, corporate bodies and societies registered under the applicable laws in India and authorised to invest in shares, Indian mutual funds registered with SEBI, Indian financial institutions, commercial banks, regional rural banks, co - operative banks (subject to RBI permission), or trusts under the applicable trust law and who are authorized under



their constitution to hold and invest in shares, and any FII sub - account registered with SEBI which is a foreign corporate or go reign individual, permitted insurance companies and pension funds and to FIIs and Eligible NRIs. This Draft Prospectus doesnot, however, constitute an invitation to subscribe to Equity Shares issued hereby in any other jurisdiction to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession the Draft 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 Rajkot only.

No action has been or will be taken to permit a public offering in any jurisdiction where action would be required for that purpose.

Accordingly, our Company's Equity Shares, represented thereby may not be offered or sold, directly or indirectly, and Draft Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of Draft Prospectus nor any sale here under shall, under any circumstances, create any implication that there has been any change in our Company's affairs from the date hereof or that the information contained herein is correct as of any time subsequent to this date.

#### **DISCLAIMER CLAUSE UNDER RULE 144A OF THE U.S. SECURITIES ACT, 1993**

The Equity Shares have not been and will not be registered under the U.S. Securities Act 1933, as amended (the "Securities Act") or any state securities laws in the United States and may not be offered or sold within the United States or to, or for the account or benefit of, "U.S. persons" (as defined in Regulation S of the Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Equity Shares will be offered and sold (i) in the United States only to "qualified institutional buyers", as defined in Rule 144A of the Securities Act, and (ii) outside the United States in offshore transactions in reliance on Regulation S under the Securities Act and in compliance with the applicable laws of the jurisdiction where those offers and sales occur.

Accordingly, the Equity Shares are being offered and sold only outside the United States in offshore transactions in compliance with Regulation S under the Securities Act and the applicable laws of the jurisdictions where those offers and sales occur.

The Equity Shares have not been, and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction. Further, each applicant, wherever requires, agrees that such applicant will not sell or transfer any Equity Share or create any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with applicable laws and legislations in each jurisdiction, including India.

#### **FILING OF DRAFT PROSPECTUS/ PROSPECTUS WITH THE BOARD AND THE REGISTRAR OF COMPANIES**

A soft copy of Draft Prospectus is filed with SEBI. However, SEBI will not issue any observation on the offer document in term of Regulation 246(2) of the SEBI (ICDR) Regulations, 2018. Further, a soft copy of the Prospectus along with due diligence certificate including additional confirmations shall be filed with SEBI. Pursuant to SEBI Circular Number SEBI/HO/CFD/DIL1/CIR/P/2018/011 dated January 19<sup>th</sup>, 2018, a copy of the Prospectus will be filed online through SEBI Intermediary Portal at <https://siportal.sebi.gov.in>.

A copy of the Prospectus, along with the material contracts and documents referred elsewhere in the Prospectus, will be delivered to the RoC Office situated at, ROC Bhavan, Opp Rupal Park Society, Behind Ankur Bus Stop, Naranpura, Ahmedabad, Gujarat - 380013.

#### **LISTING**

Application is to be made to the Emerge Platform of NSE for obtaining permission to deal in and for an official quotation of our Equity Shares. NSE is the Designated Stock Exchange, with which the Basis of Allotment will be finalized for the Issue.

Our Company has received an In-Principle Approval letter dated [●] from NSE for using its name in this offer document for listing our shares on the Emerge Platform of NSE.

If the permissions to deal in and for an official quotation of our Equity Shares are not granted by the NSE, the Company shall refund through verifiable means the entire monies received within 4 (Four) 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 day 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.

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 mentioned above are taken within 3 (Three) Working Days from the Offer Closing Date.

## **IMPERSONATION**

Attention of the Applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

### **“Any person who –**

- a. makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities, or
- b. makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or
- c. Otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under section 447.”

The liability prescribed under Section 447 of the Companies Act, 2013 - any person who is found to be guilty of fraud involving an amount of at least ₹ 10 (ten) Lakh rupees or 1% (one) per cent. of the turnover of the company, whichever is lower shall be punishable with imprisonment for a term which shall not be less than 6 (six) months but which may extend to 10 (ten) years (provided that where the fraud involves public interest, such term shall not be less than 3 (three) years and shall also be liable to fine which shall not be less than the amount involved in the fraud, but which may extend to 3 (three) times the amount involved in the fraud.

Provided further that where the fraud involves an amount less than ₹ 10 (ten) Lakh rupees or 1% (one) per cent. of the turnover of the company, whichever is lower, and does not involve public interest, any person guilty of such fraud shall be punishable with imprisonment for a term which may extend to 5 (five) years or with fine which may extend to 50 (fifty) lakh rupees or with both.

## **CONSENTS**

Consents in writing of (a) Our Directors, Our Promoters, Our Company Secretary & Compliance Officer, Chief Financial Officer, Our Statutory Auditor, Our Peer Review Auditor, Our Banker(s) to the Company; (b) Lead Manager, Registrar to the Issue, Banker(s) to the Issue\*, Legal Advisor to the Issue, Underwriter(s) to the Issue and Market Maker to the Issue to act in their respective capacities have been obtained as required under section 26 of the Companies Act, 2013 and shall be filed along with a copy of the Prospectus with the RoC, as required under Sections 32 of the Companies Act, 2013 and such consents will not be withdrawn up to the time of delivery of the Prospectus for registration with the RoC.

*\*The aforesaid will be appointed prior to filing of Prospectus with RoC and their consents as above would be obtained prior to the filing of the Prospectus with RoC.*

Above consents will be filed along with a copy of the Prospectus with the ROC, as required under Sections 26 and 32 of the Companies Act, 2013 and such consents have not been withdrawn up to the time of delivery of the Prospectus for registration with the ROC.

In accordance with the Companies Act, 2013 and the SEBI (ICDR) Regulations, 2018, SVJK and Associates, Chartered Accountant have provided their written consent to act as Peer Review Auditor to the company dated July 04<sup>th</sup>, 2024, and inclusion of Statement of Tax Benefits dated July 15<sup>th</sup>, 2024 in this Draft Prospectus.

Further, such consents and reports have not been withdrawn up to the time of delivery of this Draft Prospectus.

## **EXPERT OPINION**

Except for report and certificates from Peer Review Auditors on financial matter and Legal advisor to the company on Legal matters, we have not obtained any other expert opinions.

## **PREVIOUS PUBLIC OR RIGHT ISSUE**



Except as stated in the chapter titled “*Capital Structure*” beginning on page no. 40 of this Draft Prospectus, our Company has not issued any equity shares in last three years.

#### UNDERWRITING COMMISSION, BROKERAGE AND SELLING COMMISSION

We have not made any previous public issues. Therefore, no sum has been paid or is payable as commission or brokerage for subscribing to or procuring for, or agreeing to procure subscription for any of the Equity Shares of the Company since its inception.

#### CAPITAL ISSUE DURING THE LAST THREE YEARS

Except as stated in the chapter titled “*Capital Structure*” beginning on page no. 40 of this Draft Prospectus, our Company has not issued any equity shares in last three years.

#### PRICE INFORMATION AND THE TRACK RECORD OF THE PAST ISSUES HANDLED BY THE LEAD MANAGER

For details regarding the price information and track record of the past issue handled by Swastika Investmart Limited, as specified in the circular reference CIR/CFD/DIL/7/2015 dated October 30<sup>th</sup>, 2015, issued by SEBI, please refer Annexure “A” to this Draft Prospectus and the website of Lead Manager at [www.swastika.co.in](http://www.swastika.co.in).

Track Record of the public issues managed by Lead manager as specified in Circular reference CIR/MIRSD/1/2012 dated January 10<sup>th</sup>, 2012 issued by the SEBI; please see the website of Lead manager i.e. [www.swastika.co.in](http://www.swastika.co.in).

#### ANNEXURE – A

**TABLE 1**

S. No.	Issue Name	Issue Size (₹ in Cr.)	Issue Price (₹)	Listing Date	Opening Price on Listing Date (₹)	+/- % Change in Closing Price, (+/- % Change in Closing Benchmark) 30 <sup>th</sup> Calendar Days from Listing	+/- % Change in Closing Price, (+/- % Change in Closing Benchmark) 90 <sup>th</sup> Calendar Days from Listing	+/- % Change in Closing Price, (+/- % Change in Closing Benchmark) 180 <sup>th</sup> Calendar Days from Listing
1.	Sonu Infratech Limited	8.64	36.00	May 17 <sup>th</sup> , 2022	37.50	-63.15* (-5.53)**	-6.67* (+8.85)**	+1.33* (+12.73)**
2.	Cyber Media Research and Services Limited	14.04	180.00	October 10 <sup>th</sup> , 2022	245.25	-18.45* (+5.31)**	-18.45* (+4.99)**	-28.43* (+2.22)**
3.	Infinium Pharmachem Limited	25.25	135.00	April 17 <sup>th</sup> , 2023	141.50	+89.61* (+2.68)**	+88.69* (+10.49)**	+80.25* (+11.44)**
4.	Service Care Limited	20.68	67.00	July 26 <sup>th</sup> , 2023	70.50	-15.04* (-2.59)**	-18.44* (-3.32)**	-10.57* (+9.32)**
5.	Saroja Pharma Industries India Limited	9.11	84.00	September 13 <sup>th</sup> , 2023	65.00	-8.46* (-1.59)**	-12.31* (+4.17)**	-36.00* (+11.27)**
6.	Shree Marutinan dan Tubes Limited	14.30	143.00	January 19 <sup>th</sup> , 2024	200.00	+103.45* (+1.43)**	+25.55* (+1.12)**	+5.00* (+13.48)**



S. No.	Issue Name	Issue Size (₹ in Cr.)	Issue Price (₹)	Listing Date	Opening Price on Listing Date (₹)	+/- % Change in Closing Price, (+/- % Change in Closing Benchmark) 30 <sup>th</sup> Calendar Days from Listing	+/- % Change in Closing Price, (+/- % Change in Closing Benchmark) 90 <sup>th</sup> Calendar Days from Listing	+/- % Change in Closing Price, (+/- % Change in Closing Benchmark) 180 <sup>th</sup> Calendar Days from Listing
7.	Sai Swami Metals and Alloys Limited	15.00	60.00	May 08 <sup>th</sup> , 2024	114.00	-55.26* (+4.39)**	-55.26* (6.98)**	-
8.	TBI Corn Limited	44.94	94.00	June 07 <sup>th</sup> , 2024	198.00	+82.70* (+4.42)**	-	-
9.	Bulkcorp International Limited	20.78	105.00	August 06 <sup>th</sup> , 2024	130.00	-	-	-

**Note:**

\*The Base price to calculate +/- % Change in Closing Price, 30<sup>th</sup> / 90<sup>th</sup>/180<sup>th</sup> Calendar Days from Listing is the “Opening Price” at the Date of Listing.

\*\*The Base price to calculate +/- % Change in Closing Benchmark, 30<sup>th</sup> /90<sup>th</sup>/180<sup>th</sup> Calendar Days from Listing is the “Closing Price” at the Date of Listing.

\*\*\*All the above IPOs mentioned are on SME platform of BSE SME or NSE Emerge only.

**SUMMARY STATEMENT OF DISCLOSURE**

**TABLE 2**

Financial Year	Total No. of IPOs	Total Funds Raised (Rs. in Cr.)	Nos. of IPO trading at discount as on 30 <sup>th</sup> calendar day from listing date			Nos. of IPO trading at premium as on 30 <sup>th</sup> calendar day from listing date			Nos. of IPO trading at discount as on 180 <sup>th</sup> calendar day from listing date			Nos. of IPO trading at premium as on 180 <sup>th</sup> calendar day from listing date		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
2022-23	2	22.69	1	-	1	-	-	-	-	1	-	-	-	1
2023-24	4	69.34	-	-	2	2	-	-	-	1	1	1	-	1
2024-25	3	80.72	1	-	-	1	-	-	-	-	-	-	-	-

**PROMIS VIS-À-VIS PERFORMANCE**

Since, neither our Company nor our Promoters’ Group Companies/Entities have made any previous rights or public issues during last five years, Promise vis-a-vis Performance is not applicable.

**STOCK MARKET DATA FOR OUR EQUITY SHARES**

This being an Initial Public Offering of the Equity Shares of our Company, the Equity Shares are not listed on any Stock Exchange.

**MECHANISM FOR REDRESSAL OF INVESTOR GRIEVANCES**

The Registrar Agreement provides for the retention of records with the Registrar to the Issue for a period of at least eight years from the date of listing and commencement of trading of the Equity Shares on the Stock Exchanges, subject to agreement with our Company for storage of such records for longer period, to enable the investors to approach the Registrar to the Issue for redressal of their grievances.

In terms of SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/22 dated February 15<sup>th</sup>, 2018, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16<sup>th</sup>, 2021, as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2<sup>nd</sup>, 2021 and subject to applicable law, any ASBA Bidder whose Bid





has not been considered for Allotment, due to failure on the part of any SCSB, shall have the option to seek redressal of the same by the concerned SCSB within 3 (three) months of the date of listing of the Equity Shares. SCSBs are required to resolve these complaints within 15 (Fifteen) days, failing which the concerned SCSB would have to pay interest at the rate of 15% (Fifteen) per annum for any delay beyond this period of 15 (Fifteen) days. Further, the investors shall be compensated by the SCSBs at the rate higher of ₹100 (Hundred) per day or 15% (Fifteen) per annum of the application amount in the events of delayed or withdrawal of applications, blocking of multiple amounts for the same UPI application, blocking of more amount than the application amount, delayed unblocking of amounts for non-allotted/partially allotted applications for the stipulated period. In an event there is a delay in redressal of the investor grievance in relation to unblocking of amounts, the Lead Managers shall compensate the investors at the rate higher of ₹100 (Hundred) per day or 15% (Fifteen) per annum of the application amount.

All grievances relating to the Issue may be addressed to the Registrar to the Issue, giving full details such as name, address of the applicant, application number, number of Equity Shares applied for, amount paid on application and the bank branch or collection center where the application was submitted.

All grievances relating to the ASBA process may be addressed to the Registrar to the Issue with a copy to the relevant SCSB or the member of the Syndicate (in Specified Cities) or the Sponsor Bank, as the case may be, where the Application Form was submitted by the ASBA Bidder or through UPI Mechanism, giving full details such as name, address of the applicant, application number, UPI Id, number of Equity Shares applied for, amount blocked on application and designated branch or the collection center of the SCSBs or the member of the Syndicate (in Specified Cities), as the case may be, where the Application Form was submitted by the ASBA Bidder or Sponsor Bank.

Our Company has obtained authentication on the SCORES in terms of SEBI circular no. CIR/OIAE/1/2013 dated April 17<sup>th</sup>, 2013 and comply with the SEBI circular (CIR/OIAE/1/2014/CIR/OIAE/1/2013) dated December 18<sup>th</sup>, 2014 in relation to redressal of investor grievances through SCORES. Our Company has not received any complaints as on the date of this Draft Prospectus - **Notes for Compliance.**

#### **DISPOSAL OF INVESTOR GRIEVANCES BY OUR COMPANY**

Our Company estimates that the average time required by our Company or the Registrar to the Issue or the SCSB (in case of ASBA Bidders) or Sponsor Bank (in case of UPI Mechanism) or for redressal of routine investor grievances including through SEBI Complaint Redress System (SCORES) shall be 10 Working Days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

Our Company has constituted Stakeholders Relationship Committee comprising of Mr. Bhavik Jamanbhai Gadhiya - Chairperson, Mr. Anand Jitendrabhai Chovatiya – Member and Mrs. Sheetal Anand Chovatiya – Member.

Our Company has appointed Ms. Ritu Garg as the Company Secretary and Compliance Officer who may be contacted in case of any pre-Issue or post-Issue related problems at the following address:

Ms. Ritu Garg;  
C/o. Jivial Industries Limited;  
Address: Shade No. A1/5, Road C, Beside Daynamic Forge, AJI GIDC, Rajkot Aji Ind Estate, Rajkot, Gujarat, India, 360003;  
Telephone No.: +91 9252634090;  
Website: [www.jivialrailings.com](http://www.jivialrailings.com)  
E-Mail: [cs@jivialrailings.com](mailto:cs@jivialrailings.com);

Till date of this Draft Prospectus, our Company has not received any investor complaint and no complaints is pending for resolution.

#### **PUBLIC ISSUE EXPENSES**

The total expenses of the Issue are estimated to be approximately ₹ 85.00 Lakhs. The expenses of this include, among others, underwriting and management fees, printing and distribution expenses, advertisement expenses, legal fees and listing fees. The estimated Issue expenses are as follows:

Expenses	Expenses (₹ in Lakh)	Expenses (% of total Issue expenses)	Expenses (% of Gross Issue Proceeds)
Lead Manger Fees including Underwriting Commission and Other intermediaries Fee.	[•]	[•]	[•]





Expenses	Expenses (₹ in Lakh)	Expenses (% of total Issue expenses)	Expenses (% of Gross Issue Proceeds)
Fees Payable Advertising, Marketing Expenses and Printing Expenses.	[•]	[•]	[•]
Fees Payable to Regulators including Stock Exchanges.	[•]	[•]	[•]
<b>Total Estimated Issue Expenses</b>	[•]	<b>100.00</b>	[•]

Notes:

- Up to August 02<sup>nd</sup>, 2024, Our Company has deployed / incurred expense of ₹ 10.00 Lakhs towards Issue Expenses and custodian connectivity charges out of internal accruals duly certified by Auditor M/s. S V J K & Associates, Chartered Accountants vide its certificate dated 02<sup>nd</sup> August, 2024 bearing UDIN: 24151324BKESIU4636.

#### **FEES PAYABLE TO LEAD MANAGER TO THE ISSUE**

The total fees payable to the Lead Manager will be as per the Engagement Letter, a copy of which is available for inspection at the Registered Office of our Company.

#### **FEES PAYABLE TO THE REGISTRAR TO THE ISSUE**

The fees payable to the Registrar to the Issue, for processing of application, data entry, printing of refund order, preparation of refund data on magnetic tape, printing of bulk mailing register will be as per the Agreement between the Company and the Registrar to the Issue.

The Registrar to the Issue will be reimbursed for all out-of-pocket expenses including cost of stationery, postage, communication expenses etc. Adequate funds will be provided to the Registrar to the Issue to enable it to send refund orders or Allotment advice by registered post/speed post or email.

#### **FEES PAYABLE TO OTHERS**

The total fees payable to the Sponsor Bank, Legal Advisor, Statutory Auditor, Peer Review Auditor, Market Maker and Advertiser, etc. will be as per the terms of their respective engagement letters.

#### **COMMISSION PAYABLE TO SCSBS**

- Selling commission payable to the members of the CDPs, RTA and SCSBs, on the portion for RIIs and NIIs, would be as follows:  
 Portion for RIIs 0.01% ^ (exclusive of GST);  
 Portion for NIIs 0.01% ^ (exclusive of GST);  
 ^Percentage of the amounts received against the Equity Shares Allotted (i.e. the product of the number of Equity Shares Allotted and the Issue Price).
- The Members of RTAs and CDPs will be entitled to application charges of ₹ 10/- (plus applicable GST) per valid ASBA Form. The terminal from which the application has been uploaded will be taken into account in order to determine the total application charges payable to the relevant RTA/CDP.
- Registered Brokers, will be entitled to a commission of ₹ 10/- (plus GST) per Application Form, on valid Applications, which are eligible for allotment, procured from RIIs and NIIs and submitted to the SCSB for processing. The terminal from which the application has been uploaded will be taken into account in order to determine the total processing, fees payable to the relevant Registered Broker.
- SCSBs would be entitled to a processing fee of ₹ 10/- (plus GST) for processing the Application Forms procured by the members of the Registered Brokers, RTAs or the CDPs and submitted to SCSBs.
- Issuer banks for UPI Mechanism as registered with SEBI would be entitled to a processing fee of ₹ 10/- (plus GST) for processing the Application Forms procured by the members of the Registered Brokers, RTAs or the CDPs and submitted to them.
- 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 02<sup>nd</sup>, 2021 read with SEBI Circular No: SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021.

#### **PREVIOUS ISSUES OF EQUITY SHARES OTHERWISE THAN FOR CASH**

Except as stated in the chapter titled “Capital Structure” beginning on page no. 40 of this Draft Prospectus, our Company has not issued any Equity Shares for consideration otherwise than for cash.

#### **LISTED VENTURES OF PROMOTER**



There are no listed ventures of our Company as on date of filing of this Draft Prospectus.

## OUTSTANDING DEBENTURES OR BONDS AND REDEEMABLE PREFERENCE SHARES AND OTHER INSTRUMENTS

There are no outstanding debentures or bonds or redeemable preference shares and other instruments issued by the Company as on the date of this Draft Prospectus.

## CHANGES IN AUDITORS

Except as stated below, there has been no Change in the Auditors of our Company during the last five years:

Name of Auditor	Appointment/Resignation	Date of Appointment / Resignation	Reason
<b>N N KAPURIYA &amp; CO., Chartered Accountants;</b> <b>Address:</b> Office No. 818, R K Prime, Near Nana Mava Circle, 150 Feet Ring Road, Rajkot - 360005; <b>Phone:</b> +91 -9016811316; <b>Email:</b> canikulkapuriya@gmail.com; <b>Contact Person:</b> CA Nikulkumar Naranbhai Kapuriya; <b>Membership No:</b> 197509; <b>F.R.N.:</b> 153371W.	Appointment <sup>(1)</sup>	01 <sup>st</sup> July, 2021	Appointed as the Statutory Auditor of the company until the conclusion of the Next Annual General Meeting.
<b>N N KAPURIYA &amp; CO., Chartered Accountants;</b> <b>Address:</b> 818, R K Prime, Near Nana Mava Circle, 150 Feet Ring Road, Rajkot - 360005; <b>Phone:</b> +91 -9016811316; <b>Email:</b> canikulkapuriya@gmail.com; <b>Contact Person:</b> CA Nikulkumar Naranbhai Kapuriya; <b>Membership No:</b> 197509; <b>F.R.N.:</b> 153371W;	Appointment	22 <sup>nd</sup> November, 2022	Appointed as the Statutory Auditor of the company to hold office from Financial year 2022-23 to 2026-27.
<b>N N KAPURIYA &amp; CO., Chartered Accountants;</b> <b>Address:</b> 818, R K Prime, Near Nana Mava Circle, 150 Feet Ring Road, Rajkot - 360005; <b>Phone:</b> +91 -9016811316; <b>Email:</b> canikulkapuriya@gmail.com; <b>Contact Person:</b> CA Nikulkumar Naranbhai Kapuriya; <b>Membership No:</b> 197509; <b>F.R.N.:</b> 127246W;	Resignation	25 <sup>th</sup> August, 2023	Due to Pre-Occupation in other assignments.
<b>B M Vasoya &amp; Associates, Chartered Accountants;</b> <b>Address:</b> South 701, Twin Star, 150 Feet Ring Road, Nr. Nana Mava Circle, Rajkot - 360005; <b>Email:</b> bmvasoya@gmail.com; <b>Contact Person:</b> CA Bhavesh Mavjibhai Vasoya; <b>Membership No:</b> 123097; <b>F.R.N.:</b> 127246W;	Appointment	29 <sup>th</sup> September, 2023	Casual vacancy due to resignation of the Auditor. Appointed as the Statutory Auditor of the company w.e.f. 01 <sup>st</sup> April, 2023 till 31 <sup>st</sup> March, 2028 until the conclusion of the AGM to be in the year 2028.
<b>B M Vasoya &amp; Associates, Chartered Accountants;</b> <b>Address:</b> South 701, Twin Star, 150 Feet Ring Road, Nr. Nana Mava Circle, Rajkot - 360005	Resignation	30 <sup>th</sup> March, 2024	Due to current commitments and ongoing obligations in other professional assignments.



<b>Email:</b> bmvasoya@gmail.com; <b>Contact Person:</b> CA Bhavesh Mavjibhai Vasoya; <b>Membership No:</b> 123097; <b>F.R.N.:</b> 127246W;			
<b>JNCY &amp; ASSOCIATE, Chartered Accountants;</b> <b>Address:</b> 310, Iscon Mall, Opp. Imperial Heights, 150ft. Ring Road, Rajkot - 360005; <b>Phone:</b> +91, 8866743700; <b>Email:</b> <a href="mailto:jncy.rajkot@gmail.com">jncy.rajkot@gmail.com</a> ; <b>Contact Person:</b> CA Yogeshkumar P. Sangani; <b>Membership No:</b> 154852; <b>F.R.N.:</b> 136545W; <b>Website:</b> <a href="http://www.jncy.in">www.jncy.in</a> ; <b>Peer Review No.:</b> 015744.	Appointment	15 <sup>th</sup> April, 2024	Casual vacancy due to resignation of the Auditor. Appointed up to the ensuing Annual General Meeting.

**Note:**

1. No form filed for the appointment of the first auditor of the company.

**CAPITALIZATION OF RESERVES OR PROFITS DURING LAST 5 (FIVE) YEARS**

Our Company has not capitalized Reserves or Profits during last five years.

**REVALUATION OF ASSETS DURING THE LAST 5 (FIVE) YEARS**

Our Company has not revalued its assets during last 5 (five) years.

*[The remainder of this page has intentionally been left blank]*



## SECTION XIII – ISSUE RELATED INFORMATION

### TERMS OF THE ISSUE

The Equity Shares being issued are subject to the provisions of the Companies Act, 2013, SEBI (ICDR) Regulations, 2018 including amendments thereof, our Memorandum and Articles of Association, the terms of this Draft Prospectus, the Draft Prospectus, the Application Form, the Revision Form, the Confirmation of Allocation Note and other terms and conditions as may be incorporated in the allotment advices and other documents/certificates that may be executed in respect of this Issue. The Equity Shares shall also be subject to laws as applicable, guidelines, notifications and regulations relating to the issue of capital and listing and trading of securities issued from time to time by SEBI, the Government of India, the Stock Exchange, the RBI, ROC and/or other authorities, as in force on the date of the Issue and to the extent applicable.

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 (except Anchor Investors) applying in a public Issue shall use only Application Supported by Blocked Amount (ASBA) process for application providing details of the bank account which will be blocked by the Self Certified Syndicate Banks (SCSBs) for the same. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018, Retail Individual Investors applying in public Issue may use either Application Supported by Blocked Amount (ASBA) facility for making application or also can use UPI as a payment mechanism with Application Supported by Blocked Amount for making application.

Further vide the said circular, Registrar to the Issue and Depository Participants have also been authorized to collect the Application forms. Investor may visit the official website of the concerned stock exchange for any information on operationalization of this facility of form collection by Registrar to the Issue and DPs as and when the same is made available.

### AUTHORITY FOR THE ISSUE

The present Public Issue of 13,69,200 Equity Shares which have been authorized by a resolution of the Board of Directors of our Company at their meeting held on June 06<sup>th</sup>, 2024 and was approved by the Shareholders of the Company by passing Special Resolution at the Extra-Ordinary General Meeting held on July 01<sup>st</sup>, 2024 in accordance with the provisions of Section 62 (1) (c) of the Companies Act, 2013.

### RANKING OF EQUITY SHARES

The Equity Shares being issued shall be subject to the provisions of the Companies Act, 2013, our Memorandum and Articles of Association and shall rank pari-passu in all respects with the existing Equity Shares including in respect of the rights to receive dividends and other corporate benefits, if any, declared by us after the date of Allotment. For further details, please see the chapter titled “*Description of Equity Shares and Terms of the Articles of Association*” beginning on page no. 214 of this Draft Prospectus.

### 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 and approved by the Shareholders at their discretion and will depend on a number of factors, including but not limited to earnings, capital requirements and overall financial condition of our Company. We shall pay dividend, if declared, to our Shareholders as per the provisions of the Companies Act and our Articles of Association. Further Interim Dividend (if any, declared) will be approved by the Board of Directors.

### FACE VALUE AND ISSUE PRICE

The face value of the Equity Shares is ₹10/- each and the Issue Price is ₹95/- per Equity Share.

The Issue Price is determined by our Company in consultation with the Lead Manager and is justified under the chapter titled “*Basis for Issue Price*” beginning on page no. 68 of this Draft Prospectus.

At any given point of time there shall be only one denomination for the Equity Shares.

### COMPLIANCE WITH SEBI (ICDR) REGULATIONS

Our Company shall comply with all requirements of the SEBI (ICDR) Regulations, 2018. Our Company shall comply with all disclosure and accounting norms as specified by SEBI from time to time.

### RIGHTS OF THE EQUITY SHAREHOLDERS



Subject to applicable laws, rules, regulations and guidelines and the Articles of Association, the Equity shareholders shall have the following rights:

- Right to receive dividend, if declared;
- Right to receive Annual Reports and notices to members;
- Right to attend general meetings and exercise voting rights, unless prohibited by law;
- Right to vote on a poll either in person or by proxy;
- Right to receive offer for rights shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation subject to any statutory and preferential claim being satisfied;
- Right of free transferability subject to applicable law, including any RBI rules and regulations; and
- Such other rights, as may be available to a shareholder of a listed public limited company under the Companies Act, 2013, the terms of the SEBI Listing Regulations, and the Memorandum and Articles of Association of our Company.

For a detailed description of the provisions of the Articles of Association relating to voting rights, dividend, forfeiture and lien and/or consolidation/splitting, please refer to the chapter titled “*Description of Equity Shares and Terms of The Articles of Association*” beginning on page no. 214 of this Draft Prospectus.

#### **ALLOTMENT ONLY IN DEMATERIALISED FORM**

In terms of Section 29 of Companies Act, 2013, the Equity Shares shall be allotted only in dematerialised form. As per the SEBI Regulations, the trading of the Equity Shares shall only be in dematerialised form for all investors.

The trading of the Equity Shares will happen in the minimum contract size of 1,200 Equity Shares and the same may be modified by Emerge Platform of NSE (“NSE”) 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 1,200 Equity Share subject to a minimum allotment of 1,200 Equity Shares to the successful applicants in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012.

#### **MINIMUM NUMBER OF ALLOTTEES**

The minimum number of allottees in 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 the SCSBs or Sponsor Bank shall be unblocked within 2 (Two) Working Days of closure of issue.

#### **JOINT HOLDERS**

Where two or more persons are registered as the holders of any Equity Shares, they will be deemed to hold such Equity Shares as joint-holders with benefits of survivorship.

#### **NOMINATION FACILITY TO INVESTOR**

In accordance with Section 72 (1) & 72 (2) of the Companies Act, 2013, the sole or first applicant, along with other joint applicants, may nominate up to three persons, vide Multiple Nominations facility made available by CDSL and NSDL, to whom, in the event of the death of sole applicant or in case of joint applicant, death of all the applicants, as the case may be, the Equity Shares allotted, if any, shall vest in respect of Percentage assigned to each nominee at the time of nomination. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall in accordance with Section 72 (3) of the Companies Act, 2013, be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in accordance to Section 72 (4) of the Companies Act, 2013, any person to become entitled to Equity Share(s) in the event of his or her death during the minority. A nomination interest shall stand rescinded upon a sale of equity share(s) by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at the Registered Office or Corporate Office of our Company or to the Registrar and Transfer Agents of our Company.

In accordance with Articles of Association of the Company, any Person who becomes a nominee by virtue of Section 72 of the Companies Act, 2013, shall upon the production of such evidence as may be required by the Board, elect either:

- (a) to register himself or herself as the holder of the Equity Shares; or
- (b) to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, the Board of Directors may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of ninety days, the Board of Directors may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the Equity



Shares, until the requirements of the notice have been complied with.

Since the allotment of Equity Shares is in dematerialized form, there is no need to make a separate nomination with us. Nominations registered with the respective depository participant of the applicant would prevail. If the investors require changing the nomination, they are requested to inform their respective depository participant.

#### PERIOD OF OPERATION OF SUBSCRIPTION LIST OF PUBLIC ISSUE

ISSUE OPENS ON		•	ISSUE CLOSES ON		•
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An indicative timetable in respect of the Issue is set out below:

Event	Indicative Date
Issue Closing Date	•
Finalization of Basis of Allotment with NSE	•
Initiation of refunds /unblocking of funds from ASBA Account	•
Credit of Equity Shares to demat accounts of Allottees	•
Commencement of trading of the Equity Shares on BSE	•

The above time table is indicative and does not constitute any obligation on our Company. Whilst our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on NSE is taken within 3 (Three) Working Days from the Issue Closing Date, the timetable may change due to various factors, such as extension of the Issue Period by our Company or any delays in receiving the final listing and trading approval from the Stock Exchange. The Commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchange and in accordance with the applicable laws.

Applications and any revision to the same shall be accepted only between 10.00 a.m. and 5.00 p.m. (IST) during the Issue Period. On the Issue Closing Date, the Applications and any revision to the same shall be accepted between 10.00 a.m. and 5.00 p.m. (IST) or such extended time as permitted by the Stock Exchanges, in case of Applications by Retail Individual Applicants after taking into account the total number of Applications received up to the closure of timings and reported by the Lead Manager to the Stock Exchange. It is clarified that Applications not uploaded on the electronic system would be rejected. Applications will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holiday).

Due to limitation of time available for uploading the Applications on the Issue Closing Date, the Applicants are advised to submit their Applications one day prior to the Issue Closing Date and, in any case, not later than 5.00 p.m. (IST) on the Issue Closing Date. All times mentioned in this Draft Prospectus are Indian Standard Times. Applicants are cautioned that in the event a large number of Applications are received on the Issue Closing Date, as is typically experienced in public issue, some applications may not get uploaded due to lack of sufficient time. Such Applications that are not uploaded will not be considered for allocation under the Issue. Neither our Company nor the Lead Manager is liable for any failure in uploading the Applications due to faults in any software/hardware system or otherwise.

In case of any discrepancy in the data entered in the electronic book vis-à-vis the data contained in the Bid cum Application Form, for a particular Bidder, the Registrar to the Issue shall ask for rectified data.

#### MINIMUM SUBSCRIPTION

This Issue is not restricted to any minimum subscription level. This Issue is 100% underwritten.

The issuer does not receive the minimum subscription of hundred per cent. of the offer through offer document on the date of closure of the issue or devolvement of Underwriters, if any, within 60 (Sixty) days from the date of closure of the issue or withdrawal of applications, or after technical rejections, or if the listing or trading permission is not obtained from the stock exchanges for the securities so Issued under the offer document, the issuer shall forthwith refund the entire subscription amount received. If there is a delay beyond 15 (Fifteen) days after the issuer becomes liable to pay the amount, the issuer and every director of the issuer who are officers in default, shall pay interest at the rate of fifteen per cent per annum.

The minimum number of allottees in this Issue shall be 50 shareholders. In case the minimum number of prospective allottees is less than 50, no allotment will be made pursuant to this Issue and the monies blocked by the SCSBs shall be unblocked within 2 (Two) Working Days of closure of issue.

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.

#### **NO RESERVATION FOR ELIGIBLE NRIS, FIIS REGISTERED WITH SEBI, VCFS REGISTERED WITH SEBI AND QFIS**

It is to be understood that there is no reservation for Eligible NRIs or FIIs registered with SEBI or VCFs or QFIs. Such Eligible NRIs, QFIs, FIIs registered with SEBI will be treated on the same basis with other categories for the purpose of Allocation.

#### **AS PER THE EXTANT POLICY OF THE GOVERNMENT OF INDIA, OCBS CANNOT PARTICIPATE IN THIS ISSUE**

The current provisions of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, provides a general permission for the NRIs, FIIs and foreign venture capital investors registered with SEBI to invest in shares of Indian companies by way of subscription in an IPO. However, such investments would be subject to other investment restrictions under the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, RBI and/or SEBI regulations as may be applicable to such investors.

The Allotment of the Equity Shares to Non-Residents shall be subject to the conditions, if any, as may be prescribed by the Government of India/RBI while granting such approvals.

*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 Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated hereinabove. Our Company and the Lead Manager are not liable to inform the investors of any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of this Draft 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 1,200 shares in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012 and the same may be modified by Emerge Platform of NSE from time to time by giving prior notice to investors at large.

However, the market maker shall buy the entire shareholding of a shareholder in one lot, where value of such shareholding is less than the minimum contract size allowed for trading on the Emerge Platform of NSE.

#### **RESTRICTIONS, IF ANY ON TRANSFER AND TRANSMISSION OF EQUITY SHARES**

Except for lock-in of the pre-Issue Equity Shares and Minimum Promoters' Contribution in the Issue as detailed in the chapter "Capital Structure" beginning on page no. 40 of this Draft Prospectus and except as provided in the Articles of Association, there are no restrictions on transfers of Equity Shares. There are no restrictions on transmission of shares and on their consolidation / splitting except as provided in the Articles of Association. For details please refer to the chapter titled "Description of Equity Shares and Terms of The Articles of Association" beginning on page no. 214 of this Draft Prospectus.

#### **OPTION TO RECEIVE EQUITY SHARES IN DEMATERIALIZED FORM**

Investors should note that Allotment of Equity Shares to all successful Applicants will only be in the dematerialized form in compliance of the Companies Act, 2013.

Furnishing the details depository account is mandatory and applications without depository account shall be treated as incomplete and rejected.

The Equity Shares on Allotment shall be traded only in the dematerialized segment of the Stock Exchanges.

Applicants will not have the option of getting Allotment of the Equity Shares in physical form. Allottees shall have the option to re-materialize the Equity Shares, if they so desire, as per the provision of the Companies Act and the Depositories Act.

#### **MIGRATION TO MAIN BOARD**

In accordance with the NSE Circular dated March 10, 2014, which is further revised vide circular no. NSE/SME/37551 dated April 18, 2018, NSE/SME/47077 dated January 21, 2021 and NSE/SME/56427 dated April 20, 2023, our Company will have to be mandatorily listed and traded on the SME Platform of the NSE for a period of 3 (Three) years from the date





of listing and only after that it can migrate to the Main Board of the NSE as per the guidelines specified by SEBI and as per the procedures laid down under Chapter IX of the SEBI (ICDR) Regulations.

As per the provisions of the Chapter IX of the SEBI (ICDR) Regulation, 2018, our Company may migrate to the main board of NSE from the SME Exchange on a later date subject to the following:

- The paid-up equity capital of the company shall not be less than ₹10 crores and the capitalisation of the company's equity shall not be less than ₹25 crores\*\*  
*\*\*Explanation for this purpose, capitalisation will be the product of the price (average of the weekly high and low of the closing prices of the related shares quoted on the stock exchange for 3 months preceding the application date) and the post issue number of equity shares.*
- The 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.
- The Company should have been listed on SME platform of the Exchange for at least 3 years.
- The Company has not referred to the Board of Industrial & Financial Reconstruction (BIFR) &/or No proceedings have been admitted under Insolvency and Bankruptcy Code against the issuer and Promoting companies.
- The Company has not received any winding up petition admitted by a NCLT.
- The net worth\* of the Company should be at least ₹75 crores.  
*\*Net Worth – as defined under SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018.*
- Total number of public shareholders on the last day of preceding quarter from date of application should be at least 1,000.
- The Company desirous of listing its securities on the main board of the Exchange should also satisfy the Exchange on the following:
  - a. The Company should have made disclosures for all material Litigation(s) / dispute(s) / regulatory action(s) to the stock exchanges where its shares are listed in adequate and timely manner.
  - b. Cooling period of two months from the date the security has come out of trade-to-trade category or any other surveillance action, by other exchanges where the security has been actively listed.
  - c. Redressal mechanism of Investor grievance.
  - d. PAN and DIN no. of Director(s) of the Company.
  - e. Change in Control of a Company/Utilisation of funds raised from public.

## MARKET MAKING

The shares offered through this issue are proposed to be listed on the Emerge Platform of NSE, wherein the Lead Manager to this Issue shall ensure compulsory Market Making through the registered Market Makers of the Emerge Platform of NSE for a minimum period of three years from the date of listing of shares offered through this Draft Prospectus. For further details of the agreement entered into between the Company, the Lead Manager and the Market Maker, please see "General Information" on page no. 32 of this Draft Prospectus.

## NEW FINANCIAL INSTRUMENTS

The Issuer Company is not issuing any new financial instruments through this Issue.

## PRE-ISSUE ADVERTISEMENT

Subject to Section 30 of the Companies Act, 2013 our Company shall, after registering the Prospectus with the RoC publish a pre-Issue advertisement, in the form prescribed by the SEBI (ICDR) Regulations, in one widely circulated English language national daily newspaper; one widely circulated Hindi language national daily newspaper and one regional newspaper with wide circulation where the Registered Office of our Company is situated.

## JURISDICTION

Exclusive jurisdiction for the purpose of this Issue is with the competent courts/authorities in Rajkot.



The Equity Shares have not been, and will not be, registered under the U.S. Securities Act 1933, as amended (the “Securities Act”) or any state securities laws in the United States and may not be offered or sold within the United States or to, or for the account or benefit of, “U.S. persons” (as defined in Regulation S under the Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Equity Shares will be offered and sold outside the United States in compliance with Regulation S of the Securities Act and the applicable laws of the jurisdiction where those offers and sales occur.

The Equity Shares have not been, and will not be, registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

*[The remainder of this page has intentionally been left blank]*



## ISSUE STRUCTURE

This Issue is being made in terms of Regulation 229(1) of Chapter IX of SEBI (ICDR) Regulations, 2018, as amended from time to time, whereby, an issuer whose post issue paid up capital is less than or equal to ₹10 Crores, shall issue shares to the public and propose to list the same on the Small and Medium Enterprise Exchange (“SME Exchange”, in this case being the Emerge Platform of NSE). For further details regarding the salient features and terms of such an issue, please refer chapter titled “*Terms of Issue*” and “*Issue Procedure*” on page nos. 160 and 168 respectively of this Draft Prospectus.

Initial Public issue of 13,69,200 equity shares of face value of ₹10/- each for cash at a price of ₹95/- per equity share including a share premium of ₹85/- per equity share (the “issue price”) aggregating to ₹1,300.74 Lakh (“the issue”) by our company.

The Issue comprises a reservation of upto 70,800 Equity Shares of ₹10/- each for subscription by the designated Market Maker (“the Market Maker Reservation Portion”) and Net Issue to Public of upto 12,98,400 Equity Shares of ₹10/- each (“the Net Issue”). The Issue and the Net Issue will constitute 29.26% and 27.75%, respectively of the post Issue paid up equity share capital of the Company. The Issue is being made through the Fixed Price Process.

Particulars	Net Issue to Public	Market Maker Reservation Portion
<b>Number of Equity Shares*</b>	12,98,400 Equity Shares	70,800 Equity Shares.
<b>Percentage of Issue Size available for allocation</b>	94.83% of the Issue Size; 27.75% of the Post Issue Paid up Capital.	5.17% of the Issue Size; 1.51% of the Post Issue Paid up Capital.
<b>Basis of Allotment/Allocation if respective category is oversubscribed</b>	Proportionate subject to minimum allotment of 1,200 Equity Shares and Further allotment in multiples of 1,200 Equity Shares each.  For further details please refer to the section titled “ <i>Issue Procedure – BASIS OF ALLOTMENT</i> ” on page no. 168 of this Draft Prospectus.	Firm Allotment.
<b>Mode of Application</b>	All the Applicants shall make the Application (Online or Physical) through ASBA Process Only.	Through ASBA mode Only.
<b>Minimum Application Size</b>	<b>For QIB and NII:</b> Such number of Equity Shares in multiples of 2,400 Equity Shares such that the Application Value exceeds ₹ 2,00,000.  <b>For Retail Individuals:</b> 1,200 Equity Shares	70,800 Equity Shares.
<b>Maximum Bid</b>	<b>For QIB and NII:</b> Such number of Equity Shares in multiples of 1,200 Equity Shares such that the Application Size does not exceed 12,98,400 Equity Shares subject to limit the investor has to adhere under the relevant laws and regulations applicable.  <b>For Retail Individuals:</b> 1,200 Equity Shares so that the Application Value does not exceed ₹ 2,00,000.	70,800 Equity Shares.
<b>Mode of Allotment</b>	Compulsorily in dematerialized mode.	
<b>Trading Lot</b>	1,200 Equity Shares.	1,200 Equity Shares. However the Market Maker may accept odd lots if any in the market as required under the SEBI (ICDR) Regulations, 2018.
<b>Terms of payment</b>	Entire Application Amount shall be payable at the time of submission of Application Form.	



Particulars	Net Issue to Public	Market Maker Reservation Portion
Application Lot Size	1,200 Equity Share and in multiples of 1,200 Equity Shares thereafter.	

\* Since present issue is a fixed price issue, the allocation in the net Issue to the public category in terms of Regulation 253(2) of the SEBI (ICDR) Regulations, 2018 shall be made as follows:

- i. Minimum fifty per cent to retail individual investors; and
- ii. Remaining to:

(a) individual applicants other than retail individual investors; and

(b) other investors including corporate bodies or institutions, irrespective of the number of specified securities applied for;

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

In case of joint Applications, 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.

In case of ASBA Applicants, the SCSB shall be authorized to block such funds in the bank account of the ASBA Applicant (including retail applicants applying through UPI mechanism) that are specified in the Application Form. SCSBs applying in the Issue must apply through an ASBA Account maintained with any other SCSB.

## WITHDRAWAL OF THE ISSUE

In accordance with the SEBI ICDR Regulations, our Company, in consultation with Lead Manager, reserves the right not to proceed with this Issue at any time after the Issue Opening Date, but before our Board meeting for Allotment, without assigning reasons thereof. If our Company withdraws the Issue after the Issue Closing Date, we will give reason thereof within two days by way of a public notice which shall be published in the same newspapers where the pre-Issue advertisements were published.

Further, the Stock Exchanges shall be informed promptly in this regard and the Lead Manager, through the Registrar to the Issue, shall notify the SCSBs to unblock the Bank Accounts of the ASBA Applicants within one Working Day from the date of receipt of such notification. In case our Company withdraws the Issue after the Issue Closing Date and subsequently decides to undertake a public offering of Equity Shares, our Company will file a fresh offer document with the stock exchange where the Equity Shares may be proposed to be listed.

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

## JURISDICTION

Exclusive jurisdiction for the purpose of this Issue is with the competent courts/authorities at Rajkot.

## ISSUE PROGRAMME

ISSUE OPENS ON	●
ISSUE CLOSES ON	●

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. On the Issue Closing Date applications will be accepted only between 10.00 a.m. to 4.00 p.m. (Indian Standard Time). Due to limitation of time available for uploading the application on the Issue Closing Date, Applicants are advised to submit their applications one day prior to the Issue Closing Date and, in any case, not later than 1.00 p.m. IST on the Issue Closing Date. Any time mentioned in this Draft Prospectus is IST. Applicants are cautioned that, in the event a large number of applications are received on the Issue Closing Date, as is typically experienced in public Issues, some applications may not get uploaded due to lack of sufficient time. Such applications that cannot be uploaded will not be considered for allocation under this Issue.

Applications will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holiday).



## ISSUE PROCEDURE

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 ICDR Regulations.

The General Information Documents will be updated to reflect the enactments and regulations including the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, SEBI Listing Regulations and certain notified provisions of the Companies Act, 2013, to the extent applicable to a public issue. The General Information Document will also be available on the websites of the Stock Exchange and the Lead Manager, before opening of the Issue. Please refer to the relevant provisions of the General Information Document which are applicable to the Issue, especially in relation to the process for Applications by Retail Individual Applicant through the UPI Mechanism. The investors should note that the details and process provided in the General Information Document should be read along with this section.

SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 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 02, 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 01, 2022 and October 01, 2021 respectively.

Additionally, all Applicants may refer to the General Information Document for information in relation to (i) Category of investor eligible to participate in the Issue; (ii) maximum and minimum Issue size; (iii) price discovery and allocation; (iv) Payment Instructions for ASBA Applicants; (v) Issuance of CAN and Allotment in the Issue; (vi) General instructions (limited to instructions for completing the Application Form); (vii) designated date; (viii) disposal of applications; (ix) submission of Application Form; (x) other instructions (limited to joint applications in cases of individual, multiple applications and instances when an application would be rejected on technical grounds); (xi) applicable provisions of Companies Act, 2013 relating to punishment for fictitious applications; (xii) mode of making refunds; and (xiv) interest in case of delay in Allotment or refund.

SEBI through its UPI Circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 read with its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019 and circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, has introduced an alternate payment mechanism using Unified Payments Interface (UPI) and consequent reduction in timelines for listing in a phased manner. From January 1, 2019, the UPI Mechanism for RIIs applying through Designated Intermediaries was made effective along with the existing process and existing timeline of T+6 days (“UPI Phase I”). The UPI Phase I was effective till June 30, 2019.

Subsequently, for applications by Retail Individual Investors through Designated Intermediaries, the process of physical movement of forms from Designated Intermediaries to SCSBs for blocking of funds has been discontinued and only the UPI Mechanism with existing timeline of T+6 days is applicable for a period of three months or launch of five main board public issues, whichever is later (“UPI Phase II”), with effect from July 1, 2019, by SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2019/76) dated June 28, 2019, read with circular (SEBI/HO/CFD/DIL2/CIR/P/2019/85) dated July 26, 2019. Further, as per the SEBI circular (SEBI/HO/CFD/DCR2/CIR/P/2019/133) dated November 8, 2019, the UPI Phase II had been extended until March 31, 2020. However, due to the outbreak of COVID-19 pandemic, UPI Phase II has been further extended by SEBI until further notice, by its circular (SEBI/HO/CFD/DIL2/CIR/P/2020/50) dated March 30, 2020. Thereafter, the final reduced timeline of T+3 days may be made effective using the UPI Mechanism for applications by Retail Individual Investors (“UPI Phase III”), as may be prescribed by SEBI. Accordingly, the Issue has been undertaken under UPI Phase II, till any further notice issued by SEBI. Accordingly, the Issue has been considered to be made under UPI Phase II, till any further notice issued 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. These circulars, to the extent already in force, are deemed to form part of this Draft Prospectus.

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 National Stock Exchange of India Limited (“NSE”) to act as intermediaries for submitting Application Forms are provided on [www.nseindia.com](http://www.nseindia.com). For details on their designated branches for submitting Application Forms, please see the above mentioned website of NSE.



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 Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated in this section and the General Information Document. Our Company and Lead Manager would not be able to include any amendment, modification or change in applicable law, which may occur after the date of Draft Prospectus. Applicants are advised to make their independent investigations and ensure that their Application do not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or as specified in this Draft Prospectus and the Prospectus.

Further, the Company and the LM are not liable for any adverse occurrences consequent to the implementation of the UPI Mechanism for application in this Issue.

### **Phased implementation of Unified Payments Interface**

SEBI has issued the UPI Circulars in relation to streamlining the process of public issue of inter alia, equity shares. Pursuant to the UPI Circulars, the UPI Mechanism has been introduced in a phased manner as a payment mechanism (in addition to mechanism of blocking funds in the account maintained with SCSBs under ASBA) for applications by RIBs through Designated Intermediaries with the objective to reduce the time duration from public issue closure to listing from Six Working Days to up to three Working Days. Considering the time required for making necessary changes to the systems and to ensure complete and smooth transition to the UPI payment mechanism, the UPI Circulars have introduced the UPI Mechanism in three phases in the following manner:

**Phase I:** This phase was applicable from January 1, 2019 until March 31, 2019 or floating of five main board public issues, whichever is later. Subsequently, the timeline for implementation of Phase I was extended till June 30, 2019. Under this phase, an RII had the option to submit the ASBA Form with any of the Designated Intermediary and use his/ her UPI ID for the purpose of blocking of funds. The time duration from public Issue closure to listing continued to be six working days.

**Phase II:** This phase has become applicable from July 1, 2019. SEBI vide its circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019 had extended the timeline for implementation of UPI Phase II till March 31, 2020. Further, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020 dated March 30, 2020 decided to continue Phase II of UPI with ASBA until further notice. Under this phase, submission of the ASBA Form by RIBs through Designated Intermediaries (other than SCSBs) to SCSBs for blocking of funds will be discontinued and will be replaced by the UPI Mechanism. However, the time duration from public Issue closure to listing would continue to be Six Working Days during this phase.

**Phase III:** This phase has become applicable on a voluntary basis for all issues opening on or after September 1, 2023 and on a mandatory basis for all issues opening on or after December 1, 2023, vide SEBI circular bearing number SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 09, 2023 ("T+3 Notification"). In this phase, the time duration from public issue closure to listing has been reduced to 3 (Three) Working Days. The Issue shall be undertaken pursuant to the processes and procedures as notified in the T+3 Notification as applicable, subject to any circulars, clarification or notification issued by the SEBI from time to time, including any circular, clarification or notification which may be issued by SEBI.

The Issue is being made under Phase III of the UPI (on a mandatory basis).

All SCSBs offering facility of making application in public issues shall also provide facility to make application using the UPI Mechanism. The Issuers will be required to appoint one of the SCSBs as a sponsor bank to act as a conduit between the Stock Exchanges and NPCI in order to facilitate collection of requests and / or payment instructions of the Retail Individual Applicants into the UPI Mechanism.

For further details, refer to the General Information Document available on the websites of the Stock Exchange and the Lead Manager.

### **FIXED PRICE ISSUE PROCEDURE**

In terms of Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended (the "SCRR") read with Regulation 252 of SEBI (ICDR) Regulations, 2018, the Issue is being made for at least 25% of the post-Issue paid-up Equity Share capital of our Company. The Issue is being made under Regulation 229(1) of Chapter IX of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 via Fixed Price Issue method. In terms of Regulation 253(2) of Chapter IX of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, 50% of the Net Issue to Public is being offered to the Retail Individual Applicants and the balance shall be issued to Non Retail Category i.e. QIBs and Non Institutional Applicants. However, if the aggregate demand from the Retail Individual Applicants is less than 50%, then the balance Equity Shares in that portion will be added to the non-retail portion offered to the remaining investors including QIBs and NIIs and vice-versa subject to valid Applications being received from them at or above the Issue Price.





Subject to the valid Applications being received at Issue Price, allocation to all categories in the Net Issue, shall be made on a proportionate basis, except for the Retail Portion where Allotment to each Retail Individual Applicants shall not be less than the minimum lot, subject to availability of Equity Shares in Retail Portion, and the remaining available Equity Shares, if any, shall be allotted on a proportionate basis. Under subscription, if any, in any category would be allowed to be met with spill over from any other category or a combination of categories at the discretion of our Company in consultation with the Lead Manager and the Stock Exchange. However, if the retail individual investor category is entitled to more than fifty per cent of the net Issue on a proportionate basis, the retail individual investors shall be allocated that higher percentage.

Applicants are required to submit their Applications to the Application collecting intermediaries i.e. SCSB or Registered Brokers of Stock Exchanges or Registered Registrar to the Issue and Share Transfer Agents (RTAs) or Depository Participants (DPs) registered with SEBI.

In case of QIB Applicants, the Company, in consultation with the Lead Manager, may reject Applications at the time of acceptance of Application Form provided that the reasons for such rejection shall be provided to such Applicant in writing. In case of Non-Institutional Applicants and Retail Individual Applicants, the Company would have a right to reject the Applications only on technical grounds.

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 dematerialised form. The Application Forms which do not have the details of the Applicant's depository account including DP ID, PAN and Beneficiary Account Number shall be treated as incomplete and rejected. In case DP ID, Client ID and PAN mentioned in the Application Form and entered into the electronic system of the stock exchange, do not match with the DP ID, Client ID and PAN available in the depository database, the application is liable to be rejected. Applicants will not have the option of getting allotment of the Equity Shares in physical form. The Equity Shares on allotment shall be traded only in the dematerialised segment of the Stock Exchange.

#### **Electronic registration of Applications**

- a. The Designated Intermediary registered the Bids using the online facilities of the Stock Exchanges. The Designated Intermediaries could also set up facilities for off-line electronic registration of Bids, subject to the condition that they would subsequently upload the off-line data file into the online facilities for Book Building on a regular basis before the closure of the Issue.
- b. On the Bid/Issue Closing Date, the Designated Intermediaries uploaded the Bids till such time as were permitted by the Stock Exchanges and as disclosed in this Draft Prospectus.
- c. Only Bids that are uploaded on the Stock Exchanges Platform were considered for allocation/Allotment. The Designated Intermediaries were given till 1:00 pm on the next Working Day following the Bid/Issue Closing Date to modify select fields uploaded in the Stock Exchanges' Platform during the Bid/Issue Period after which the Stock Exchange(s) sent the bid information to the Registrar to the Issue for further processing.

#### **AVAILABILITY OF DRAFT PROSPECTUS, PROSPECTUS AND APPLICATION FORMS**

The Memorandum containing the salient features of the Draft Prospectus and Prospectus together with the Application Forms, copies of the Draft Prospectus and Prospectus may be obtained from the Registered Office of our Company, from the Registered Office of the Lead Manager to the Issue, Registrar to the Issue as mentioned in the Application form. An electronic copy of the Application Form will also be available for download on the website of the Stock Exchange i.e. NSE [www.nseindia.com](http://www.nseindia.com) at least one day prior to the Issue Opening Date.

All the investors (except Retail Individual Investors) applying in a public Issue shall use only Application Supported by Blocked Amount (ASBA) facility for making payment. Further, Retail Individual Investors applying in public Issue through intermediaries shall use only UPI payment mechanism for application. The application form submitted by NIIs and QIBs must provide applicant's bank account details and authorization to block funds in the relevant space provided in the Application Form. Further, Retail Individual Investors submitting application form using UPI shall mention the UPI of his/her own Bank account in the application form in the relevant space. The Application Forms that do not contain applicant's bank account details or UPI of own Bank Account, as the case may be, are liable to be rejected. All the investors were also required to ensure that the ASBA Account had sufficient credit balance as an amount equivalent to the full Bid Amount which could have been blocked by the SCSB.

Applicants shall ensure that the Applications are made on Application Forms bearing the stamp of the Designated Intermediary, submitted at the Collection Centers only (except in case of electronic Application Forms) and the Application Forms not bearing such specified stamp are liable to be rejected. Applications made by the RIIs using third party bank account or using third party linked bank account UPI ID were liable for rejection. RIIs using UPI Mechanism, may submit their ASBA Forms, including details of their UPI IDs, with the Syndicate, Registered Brokers, RTAs or CDPs. RIIs authorising an SCSB to block the Application Amount in the ASBA Account may submit their ASBA Forms with the





SCSBs. ASBA Applicants must ensure that the ASBA Account has sufficient credit balance such that an amount equivalent to the full Application Amount can be blocked by the SCSB or the Sponsor Bank, as applicable, at the time of submitting the Application.

**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 Investors, Retail Individual Investors and Eligible NRIs applying on a non-repatriation basis	White*
Non-Residents including Eligible NRIs, FII's, FVCIs etc. applying on a repatriation Basis	Blue*

*\*excluding electronic Application Forms downloaded by the Applicants.*

In case of ASBA Forms, the relevant Designated Intermediaries shall upload the relevant Application details (including UPI ID in case of ASBA Forms under the UPI Mechanism) in the electronic applying system of the Stock Exchanges. For RIIs using UPI Mechanism, the Stock Exchanges shall share the Application details (including UPI ID) with the Sponsor Bank on a continuous basis to enable the Sponsor Bank to initiate UPI Mandate Request to RIIs for blocking of funds. For ASBA Forms (other than RIIs) Designated Intermediaries (other than SCSBs) shall submit/ deliver the ASBA Forms to the respective SCSB where the Applicants has an ASBA bank account and shall not submit it to any non-SCSB bank or any Escrow Collection Bank. Stock Exchanges shall validate the electronic Application with the records of the CDP for DP ID / Client ID and PAN, on a realtime basis and bring inconsistencies to the notice of the relevant Designated Intermediaries, for rectification and re-submission within the time specified by Stock Exchanges. Stock Exchanges shall allow modification of either DP ID / Client ID or PAN ID, bank code and location code in the Application details already uploaded.

For RIIs using UPI mechanism, the Stock Exchanges shall share the Application details (including UPI ID) with Sponsor Bank on a continuous basis to enable the Sponsor Bank to initiate UPI Mandate Request to RIIs for blocking of funds. The Sponsor Bank shall initiate request for blocking of funds through NPCI to RIIs, who shall accept the UPI Mandate Request for blocking of funds on their respective mobile applications associated with UPI ID linked bank account. The NPCI shall maintain an audit trail for every Application entered in the Stock Exchange bidding platform, and the liability to compensate RIIs (using the UPI Mechanism) in case of failed transactions shall be with the concerned entity (i.e. the Sponsor Bank, NPCI or the Banker to an Issue) at whose end the lifecycle of the transaction has come to a halt. The NPCI shall share the audit trail of all disputed transactions/ investor complaints to the Sponsor Banks and the Bankers to an Issue. The Lead Manager shall also be required to obtain the audit trail from the Sponsor Banks and the Banker to the Issue for analysing the same and fixing liability. For ensuring timely information to investors, SCSBs shall send SMS alerts as specified in 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.

The Sponsor Bank will undertake a reconciliation of Application responses received from Stock Exchanges and sent to NPCI and will also ensure that all the responses received from NPCI are sent to the Stock Exchanges platform with detailed error code and description, if any. Further, the Sponsor Bank will undertake reconciliation of all Application requests and responses throughout their lifecycle on daily basis and share reports with the LM in the format and within the timelines as specified under the UPI Circulars. Sponsor Bank and Issuer banks shall download UPI settlement files and raw data files from the NPCI portal after every settlement cycle and do a three way reconciliation with Banks UPI switch data, CBS data and UPI raw data. NPCI is to coordinate with Issuer banks and Sponsor Banks on a continuous basis.

## **SUBMISSION AND ACCEPTANCE OF APPLICATION FORMS**

Applicants shall only use the specified Application Form for the purpose of making an application in terms of the Draft Prospectus. The Application Form shall contain information about the Applicant and the price and the number of Equity Shares that the Applicants wish to apply for. Application Forms downloaded and printed from the websites of the Stock Exchange shall bear a system generated unique application number. Applicants are required to ensure that the ASBA Account or UPI linked Bank Account has sufficient credit balance as an amount equivalent to the full Application Amount can be blocked by the SCSB or Sponsor Bank at the time of submitting the Application.

**Applicants are required to submit their applications only through any of the following Application Collecting Intermediaries:**

- An SCSB, with whom the bank account to be blocked, is maintained;
- A syndicate member (or sub-syndicate member);
- A stock broker registered with a recognised stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity) ("broker");
- A depository participant ("DP") (Whose name is mentioned on the website of the stock exchange as eligible for this activity);



- v. 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).

Retail investors submitting application with any of the entities at (ii) to (v) above (hereinafter referred as “Intermediaries”), shall enter their UPI ID in the application form.

The aforesaid intermediaries shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the application form, in physical or electronic mode, respectively.

Designated Intermediaries (other than SCSBs) after accepting application form submitted by NIIs and QIBs shall capture and upload the relevant details in the electronic bidding system of stock exchange(s) and shall submit/deliver the Application Forms to respective SCSBs where the applicants has a bank account and shall not submit it to any non-SCSB Bank.

For applications submitted to Designated 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. Further, Intermediaries shall retain physical application forms submitted by retail individual investors with UPI as a payment mechanism, for a period of six months and thereafter forward the same to the issuer/ Registrar to the Issue. However, in case of Electronic forms, “printouts” of such applications need not be retained or sent to the issuer. Intermediaries shall, at all times, maintain the electronic records relating to such forms for a minimum period of three years.

SCSB, after accepting the form, shall capture and upload the relevant details in the electronic bidding system as specified by the stock exchange(s) and blocked funds available in the bank account specified in the form, to the extent of the application money specified.

It is clarified that Retail Individual Investors may continue to submit physical ASBA Forms with SCSBs without using the UPI Mechanism.

**The upload of the details in the electronic bidding system of stock exchange will be done by:**

<b>For Applications submitted by investors to SCSB:</b>	After accepting the form submitted by RIIs (without using UPI for payment), NIIs and QIBs, 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.
<b>For applications submitted by investors (other than Retail Individual Investors) to intermediaries other than SCSBs without use of UPI for payment:</b>	After accepting the application form, respective intermediary shall capture and upload the relevant details in the electronic bidding system of stock exchange. Post uploading, they shall forward a schedule as per prescribed format along with the application forms to designated branches of the respective SCSBs for blocking of funds within one day of closure of Issue.
<b>For applications submitted by investors to intermediaries other than SCSBs with use of UPI for payment</b>	<p>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(s).</p> <p>Stock Exchange shall share application details including the UPI ID with Sponsor Bank on a continuous basis through API integration, to enable Sponsor Bank to initiate mandate request on investors for blocking of funds.</p> <p>Sponsor Bank shall initiate request for blocking of funds through NPCI to investor. Investor shall accept mandate request for blocking of funds, on his / her mobile application, associated with UPI ID linked bank account.</p>

Stock exchange(s) shall validate the electronic application details with depository’s records for DP ID/Client ID and PAN Combination, on a real time basis through API Integration and bring the inconsistencies to the notice of intermediaries concerned, for rectification and re-submission within the time specified by stock exchange.

Stock exchange(s) shall allow modification of selected fields viz. DP ID/Client ID or Pan ID (Either DP ID/Client ID or Pan ID can be modified but not BOTH), Bank code and Location code, in the application details already uploaded.

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 Draft Prospectus, without prior or subsequent notice of such changes to the Applicants.

## WHO CAN APPLY?

As per the existing RBI regulations, OCBs are not eligible to participate in this Issue. The RBI has however clarified in its circular, A.P. (DIR Series) Circular No. 44, dated December 8, 2003 that OCBs which are incorporated and are not under the adverse notice of the RBI are permitted to undertake fresh investments as incorporated non-resident entities in terms of Regulation 5(1) of RBI Notification No.20/2000-RB dated May 3, 2000 under FDI Scheme with the prior approval of Government if the investment is through Government Route and with the prior approval of RBI if the investment is through Automatic Route on case to case basis. OCBs may invest in this Issue provided it obtains a prior approval from the RBI or prior approval from Government, as the case may be. On submission of such approval along with the Application Form, the OCB shall be eligible to be considered for share allocation.

Each Applicant should check whether it is eligible to apply under applicable law. Furthermore, certain categories of Applicants, such as NRIs, FPIs and FVCIs may not be allowed to apply in the Issue or to hold Equity Shares, in excess of certain limits specified under applicable law. Applicants are requested to refer to the Draft Prospectus for more details.

### Subject to the above, an illustrative list of Applicants is as follows:

- a) Indian nationals resident in India who are not incompetent to contract under the Indian Contract Act, 1872, as amended, in single or as a joint application and minors having valid demat account as per Demographic Details provided by the Depositories. Furthermore, based on the information provided by the Depositories, our Company shall have the right to accept the Applications belonging to an account for the benefit of minor (under guardianship);
- b) Hindu Undivided Families or HUFs, in the individual name of the Karta. The 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;
- c) Companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in the Equity Shares under their respective constitutional and charter documents;
- d) QIBs;
- e) Mutual Funds registered with SEBI;
- f) 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;
- g) 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);
- h) FIIs and sub-accounts of FIIs registered with SEBI, other than a sub-account which is a foreign corporate or a foreign individual under the QIB Portion;
- i) Limited Liability Partnerships (LLPs) registered in India and authorized to invest in equity shares;
- j) Sub-accounts of FIIs registered with SEBI, which are foreign corporate or foreign individuals only under the Non- Institutional applicant's category;
- k) Venture Capital Funds and Alternative Investment Fund (I) registered with SEBI; State Industrial Development Corporations;
- l) Foreign Venture Capital Investors registered with the SEBI;
- m) 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;
- n) Scientific and/or Industrial Research Organizations authorized to invest in equity shares;
- o) Insurance Companies registered with Insurance Regulatory and Development Authority, India;
- p) Provident Funds with minimum corpus of ₹ 25 Crores and who are authorized under their constitution to hold and invest in equity shares;
- q) Pension Funds with minimum corpus of ₹ 25 Crores and who are authorized under their constitution to hold and invest in equity shares;
- r) 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;
- s) Insurance funds set up and managed by army, navy or air force of the Union of India;
- t) Multilateral and bilateral development financial institution;
- u) Eligible QFIs;
- v) Insurance funds set up and managed by army, navy or air force of the Union of India;
- w) Insurance funds set up and managed by the Department of Posts, India;
- x) Any other person eligible to applying in this Issue, under the laws, rules, regulations, guidelines and policies applicable to them.

### Applications not to be made by:



1. Minors (except under guardianship)
2. Partnership firms or their nominees
3. Foreign Nationals (except NRIs)
4. Overseas Corporate Bodies

*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.*

#### **PARTICIPATION BY ASSOCIATES/AFFILIATES OF LEAD MANAGER**

The Lead Manager and the Syndicate Members, if any, shall not be allowed to purchase in this Issue in any manner, except towards fulfilling their underwriting obligations. However, the associates and affiliates of the Lead Manager and the Syndicate Members, if any, may subscribe the Equity Shares in the Issue, in the Non-Institutional Category where the allocation is on a proportionate basis and such subscription may be on their own account or on behalf of their clients. All categories of investors, including associates or affiliates of Lead Manager and syndicate members, shall be treated equally for the purpose of allocation to be made on a proportionate basis.

Neither (i) the Lead Manager or any associates of the Lead Manager, except Mutual Funds sponsored by entities which are associates of the Lead Manager or insurance companies promoted by entities which are associate of Lead Manager or AIFs sponsored by the entities which are associate of the Lead Manager or FPIs (other than individuals, corporate bodies and family offices), sponsored by the entities which are associates of the Lead Manager nor; (ii) any “person related to the Promoters and members of the Promoter Group” shall apply in the Issue under the Anchor Investor Portion.

For the purposes of this section, a QIB who has any of the following rights shall be deemed to be a “person related to the Promoters and members of the Promoter Group”: (a) rights under a shareholders’ agreement or voting agreement entered into with the Promoter and members of the Promoter Group; (b) veto rights; or (c) right to appoint any nominee director on our Board.

Promoters and Promoter Group and any persons related to our Promoters and Promoters Group cannot participate in the Issue.

#### **APPLICATION BY INDIAN PUBLIC INCLUDING ELIGIBLE NRIs APPLYING ON NON-REPATRIATION**

Application must be made only in the names of individuals, limited companies or statutory corporations / institutions and not in the names of minors (other than minor having valid depository accounts as per demographic details provided by the depository), foreign nationals, 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 (HUF), partnership firms or their nominees. In case of HUFs, application shall be made by the Karta of the HUF.

Eligible NRIs applying on a non-repatriation basis may make payments by inward remittance in foreign exchange through normal banking channels or by debits to NRE / FCNR accounts as well as NRO accounts.

An applicant in the Net Public Category cannot make an application for that number of Equity Shares exceeding the number of Equity Shares Issued to the public.

#### **APPLICATION BY MUTUAL FUNDS**

**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 Company.

Provided that the limit of 10% shall not be applicable for investments in index funds or sector or industry specific funds.

- No mutual fund under all its schemes should own more than 10% of any Company’s paid up share capital carrying voting rights.

The Applications made by the asset management companies or custodians of Mutual Funds shall specifically state the names of the concerned schemes for which the Applications are made.

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 accept or reject any Application in whole or in part,



in either case, without assigning any reason thereof.

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.

#### **APPLICATIONS BY ELIGIBLE NRIs ON REPATRIATION BASIS**

ELIGIBLE NRIs APPLYING ON A REPATRIATION BASIS ARE ADVISED TO USE THE APPLICATION FORM MEANT FOR NON-RESIDENTS (BLUE IN COLOUR).

Under the Foreign Exchange Management Act, 1999 (FEMA) general permission is granted to companies vide notification no. FEMA/20/2000 RB dated 03/05/2000 to issue securities to NRI's subject to the terms and conditions stipulated therein.

Companies are required to file declaration in the prescribed form to the concerned Regional Office of RBI within 30 days from the date of issue of shares for allotment to NRI's on repatriation basis.

NRIs may obtain copies of Application Form from the offices of the Lead Manager and the Designated Intermediaries. Eligible NRI Applicants making application 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) or ASBA Accounts.

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 Application Amount, at the time of the submission of the Application Form.

Allotment of Equity Shares to Non Resident 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 the 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 Transfer of Equity Shares in the issue to eligible NRI's, FII's, Foreign Venture Capital Investors registered with SEBI and multilateral and bilateral development financial institutions.

#### **APPLICATIONS BY ELIGIBLE FIIs INCLUDING FII's ON REPATRIATION BASIS**

FIIs INCLUDING FII's WHO WISH TO PARTICIPATE IN THE ISSUE ARE ADVISED TO USE THE APPLICATION FORM FOR NON- RESIDENTS (BLUE IN COLOUR).

**As per the current regulations, the following restrictions are applicable for investments by FIIs:**

1. Foreign portfolio investor shall invest only in the following securities, namely- (a) Securities in the primary and secondary markets including shares, debentures and warrants of companies, listed or to be listed on a recognized stock exchange in India; (b) Units of schemes floated by domestic mutual funds, whether listed on a recognized stock exchange or not; (c) Units of schemes floated by a collective investment scheme; (d) Derivatives traded on a recognized stock exchange; (e) Treasury bills and dated government securities; (f) Commercial papers issued by an Indian company; (g) Rupee denominated credit enhanced bonds; (h) Security receipts issued by asset reconstruction companies; (i) Perpetual debt instruments and debt capital instruments, as specified by the Reserve Bank of India from time to time; (j) Listed and unlisted non-convertible debentures/bonds issued by an Indian company in the infrastructure sector, where 'infrastructure' is defined in terms of the extant External Commercial Borrowings (ECB) guidelines; (k) Non-convertible debentures or bonds issued by Non-Banking Financial Companies categorized as 'Infrastructure Finance Companies' (IFCs) by the Reserve Bank of India; (l) Rupee denominated bonds or units issued by infrastructure debt funds; (m) Indian depository receipts; and (n) Such other instruments specified by the Board from time to time.
2. Where a foreign institutional investor or a sub account, prior to commencement of FEMA Act, holds equity shares in a company whose shares are not listed on any recognized stock exchange, and continues to hold such shares after initial public Issuing and listing thereof, such shares shall be subject to lock-in for the same period, if any, as is applicable to shares held by a foreign direct investor placed in similar position, under the policy of the Government of India relating to foreign direct investment for the time being in force.
3. In respect of investments in the secondary market, the following additional conditions shall apply:





- (a). A foreign portfolio investor shall transact in the securities in India only on the basis of taking and giving delivery of securities purchased or sold;
- (b). Nothing contained in clause (a) shall apply to:
  - i. Any transactions in derivatives on a recognized stock exchange;
  - ii. Short selling transactions in accordance with the framework specified by the Board;
  - iii. Any transaction in securities pursuant to an agreement entered into with the merchant banker in the process of market making or subscribing to unsubscribed portion of the issue in accordance with Chapter IX of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
  - iv. Any other transaction specified by the Board.
- (c). No transaction on the stock exchange shall be carried forward;
- (d). The transaction of business in securities by a foreign portfolio investor shall be only through stock brokers registered by the Board;

**Provided nothing contained in this clause shall apply to:**

- i. Transactions in Government securities and such other securities falling under the purview of the Reserve Bank of India which shall be carried out in the manner specified by the Reserve Bank of India;
  - ii. Sale of securities in response to a letter of Issue sent by an acquirer in accordance with the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - iii. Sale of securities in response to an Issue made by any promoter or acquirer in accordance with the Securities and Exchange Board of India (Delisting of Equity shares) Regulations, 2009;
  - iv. Sale of securities, in accordance with the Securities and Exchange Board of India (Buy-back of securities) Regulations, 2018;
  - v. Divestment of securities in response to an Issue by Indian Companies in accordance with Operative Guidelines for Disinvestment of Shares by Indian Companies in the overseas market through issue of American Depository Receipts or Global Depository Receipts as notified by the Government of India and directions issued by Reserve Bank of India from time to time;
  - vi. Any Application for, or acquisition of, securities in response to an Issue for disinvestment of shares made by the Central Government or any State Government;
  - vii. Any transaction in securities pursuant to an agreement entered into with merchant banker in the process of market making or subscribing to unsubscribed portion of the issue in accordance with Chapter IX of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
  - viii. Any other transaction specified by the Board.
- (e). A foreign portfolio investor shall hold, deliver or cause to be delivered securities only in dematerialized form:

Provided that any shares held in non-dematerialized form, before the commencement of FEMA Act, can be held in non-dematerialized form, if such shares cannot be dematerialized.

Unless otherwise approved by the Board, securities shall be registered in the name of the foreign portfolio investor as abeneficial owner for the purposes of the Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018.

- 4. The purchase of equity shares of each company by a single foreign portfolio investor or an investor group shall be below ten percent of the total issued capital of the company.
- 5. The investment by the foreign portfolio investor shall also be subject to such other conditions and restrictions as may be specified by the Government of India from time to time.
- 6. In cases where the Government of India enters into agreements or treaties with other Sovereign Governments and where such agreements or treaties specifically recognize certain entities to be distinct and separate, the Board may, during the validity of such agreements or treaties, recognize them as such, subject to conditions as may be specified by it.
- 7. A foreign portfolio investor may lend or borrow securities in accordance with the framework specified by the Board in this regard.
- 8. No foreign portfolio investor shall issue, subscribe to or otherwise deal in offshore derivative instruments, directly or indirectly, unless the following conditions are satisfied:



- (a). Such offshore derivative instruments are issued only to persons who are regulated by an appropriate foreign regulatory authority;
- (b). Such offshore derivative instruments are issued after compliance with 'know your client' norms:

Provided that those unregulated broad based funds, which are classified as Category II foreign portfolio investor by virtue of their investment manager being appropriately regulated shall not issue, subscribe or otherwise deal in offshore derivatives instruments directly or indirectly:

Provided further that no Category III foreign portfolio investor shall issue, subscribe to or otherwise deal in offshore derivatives instruments directly or indirectly.

- 9. A foreign portfolio investor shall ensure that further issue or transfer of any offshore derivative instruments issued by or on behalf of it is made only to persons who are regulated by an appropriate foreign regulatory authority.
- 10. Foreign portfolio investors shall fully disclose to the Board any information concerning the terms of and parties to off-shore derivative instruments such as participatory notes, equity linked notes or any other such instruments, by whatever names they are called, entered into by it relating to any securities listed or proposed to be listed in any stock exchange in India, as and when and in such form as the Board may specify.
- 11. Any offshore derivative instruments issued under the Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995 before commencement of SEBI (Foreign Portfolio Investors) Regulations, 2014 shall be deemed to have been issued under the corresponding provisions of SEBI (Foreign Portfolio Investors) Regulations, 2014.
- 12. A FII or its subaccount which holds a valid certificate of registration shall, subject to payment of conversion fees, be eligible to continue to buy, sell or otherwise deal in securities till the expiry of its registration as a foreign institutional investor or sub-account, or until he obtains a certificate of registration as foreign portfolio investor, whichever is earlier.
- 13. A qualified foreign investor may continue to buy, sell or otherwise deal in securities subject to the provisions of the SEBI(Foreign Portfolio Investors) Regulations, 2014, for a period of one year from the date of commencement of the aforesaid regulations, or until it obtains a certificate of registration as foreign portfolio investor, whichever is earlier.
- 14. The purchase of equity shares of each company by a single foreign portfolio investor or an investor group shall be below 10% of the total issued capital of the company.
- 15. The issue of Equity Shares to a single FII should not exceed 10% of our post Issue Paid up Capital of the Company. In respect of an FII investing in Equity Shares of our Company on behalf of its sub accounts, the investment on behalf of each sub account shall not exceed 10% of our total issued capital or 5% of our total issued capital in case such sub account is a foreign corporate or an individual.
- 16. In accordance with the foreign investment limits, the aggregate FII holding in our Company cannot exceed 24% of our total issued capital. However, this limit can be increased to the permitted sectoral cap/statutory limit, as applicable to our Company after obtaining approval of its board of Directors followed by the special resolution to that effect by its shareholders in their General Meeting. As on the date of filing the Draft Prospectus, no such resolution has been recommended to the shareholders of the Company for adoption.
- 17. Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of regulation 15A(1) of the Securities Exchange Board of India (Foreign Institutional Investors) Regulations 1995, as amended, an FII may issue, deal or hold, off shore derivative instruments such as participatory notes, equity linked notes or any other similar instruments against underlying securities listed or proposed to be listed in any stock exchange in India only in favour of those entities which are regulated by any relevant regulatory authorities in the countries of their incorporation or establishment subject to compliance of "Know Your Client" requirements. An FII shall also ensure that no further downstream issue or transfer of any instrument referred to hereinabove is made to any person other than a regulated entity.
- 18. In case of FII's in NRI/FII Portion, number of Equity Shares applied shall not exceed issue size.

#### **APPLICATION BY SEBI REGISTERED ALTERNATIVE INVESTMENT FUND (AIF), VENTURE CAPITAL FUNDS AND FOREIGN VENTURE CAPITAL INVESTORS**

The SEBI (Venture Capital Funds) Regulations, 1996 and the SEBI (Foreign Venture Capital Investor) Regulations, 2000





prescribe investment restrictions on venture capital funds and foreign venture capital investors registered with SEBI. Further, the SEBI, AIF Regulations prescribes, among others, the investment restrictions on AIFs.

The holding by any individual venture capital fund registered with SEBI in one Company should not exceed 25% of the corpus of the venture capital fund; a Foreign Venture Capital Investor can invest its entire funds committed for investments into India in one Company. Further, Venture Capital Funds and Foreign Venture Capital investor can invest only up to 33.33% of the funds available for investment by way of subscription to an Initial Public Issue.

The SEBI (Alternative Investment funds) Regulations, 2012 prescribes investment restrictions for various categories of AIF's.

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 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 Regulations shall continue to be regulated by the VCF 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 Lead Manager will not be responsible for loss, if any, incurred by the Applicants on account of conversion of foreign currency.

There is no reservation for Eligible NRIs, FPIs and FVCIs and all such Applicants will be treated on the same basis with other categories for the purpose of allocation.

All non-resident investors should note that refunds, dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and commission.

#### **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 which, the Company reserves the right to reject any application, without assigning any reason thereof.

#### **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:

- (a) 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;
- (b) The entire group of the investee Company: not more than 15% of the respective fund in case of a life insurer or 15% of investment assets in case of a general insurer or reinsurer or 15% of the investment assets in all companies belonging to the group, whichever is lower; and
- (c) the industry sector in which the investee company 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 Issue shall comply with all applicable regulations, guidelines and circulars issued by IRDAI from time to time.

#### **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 in consultation with the LM, reserve 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 (the “Banking Regulation Act”), and 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 bank’s 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 or the additional acquisition is through restructuring of debt/corporate debt restructuring/strategic debt restructuring, or to protect the bank’s interest on loans/investments made to a company. The bank is required to submit a time-bound action plan for disposal of such shares within a specified period to the RBI. A banking company would require a prior approval of the RBI to make investment in excess of 30% of the paid-up share capital of the investee company, investment in a subsidiary and a financial services company that is not a subsidiary (with certain exceptions prescribed), and investment in a non- financial services company in excess of 10% of such investee company’s paid-up share capital as stated in the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, as amended. Applications by banking companies should not exceed the investment limits prescribed for them under the applicable laws.

#### **APPLICATIONS BY PROVIDENT FUNDS / PENSION FUNDS**

In case of applications made by provident funds with minimum corpus of ₹ 25 Crore (subject to applicable law) and pension funds with minimum corpus of ₹ 25 Crore, 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.

#### **APPLICATIONS BY SCSBS**

SCSBs participating in the Issue are required to comply with the terms of the SEBI circulars dated September 13, 2012 and January 2, 2013 issued by SEBI. 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 UNDER POWER OF ATTORNEY**

In case of applications made pursuant to a power of attorney by limited companies, corporate bodies, registered societies, FPI’s, Mutual Funds, insurance companies and provident funds with minimum corpus of ₹ 25 Crores (subject to applicable law) and pension funds with a minimum corpus of ₹ 25 Crores, 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, FPIs 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 ₹ 25 Crores (subject to applicable law) and pension funds with a minimum corpus of ₹ 25 Crores, 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.
- d.) With respect to Applications made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008,



must be attached to the Application Form.

The 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 the Company and the lead manager may deem fit.

The Company, in its absolute discretion, reserves the right to permit the holder of the power of attorney to request the Registrar to the Issue that, for the purpose of printing particulars on the refund order and mailing of the Allotment Advice / CANs / letters notifying the unblocking of the bank accounts of ASBA applicants, the Demographic Details given on the 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 Lead Manager are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of the Draft 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.*

*The Applicants should note that in case the PAN, the DP ID and Client ID mentioned in the Application Form and entered into the electronic system of the Stock Exchanges does not match with the PAN, DP ID and Client ID available in the database of Depositories, the Application Form is liable to be rejected.*

## **INDICATIVE PROCESS FLOW FOR APPLICATIONS IN PUBLIC ISSUE**

### **ASBA PROCESS**

In accordance with the SEBI circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the Applicants have to compulsorily apply through the ASBA Process. Our Company and the Lead Manager are not liable for any amendments, modifications, or changes in applicable laws or regulations, which may occur after the date of the Draft 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.

Lists of banks that have been notified by SEBI to act as SCSB (Self Certified Syndicate Banks) for the ASBA Process are provided on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>. For details on designated branches of SCSB collecting the Application Form, please refer the below mentioned SEBI link.

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 Lead Manager.

ASBA Applicants are required to submit their Applications, either in physical or electronic mode. In case of application in physical mode, the ASBA Applicant shall submit the ASBA Application Form at the Designated Branch of the SCSB or Registered Brokers or Registered RTA's or DPs registered with SEBI. In case of application in electronic form, the ASBA Applicant shall submit the 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.

## **CHANNELS OF SUBMISSION OF APPLICATION FORMS**

From July 1<sup>st</sup>, 2019 in Phase II, RIIs shall use only Channel I, Channel II and Channel IV (as described below) for making applications in a public issue:



Category of Investor	Channel I	Channel II	Channel III	Channel IV
Retail Individual Investor (RII)	Investor may submit the Application Form with ASBA as the sole mechanism for making payment either physically (at the branch of the SCSB) or online.	Investor may submit the Application Form online using the facility of linked online trading, demat and bank account (3-in-1 type accounts) provided by Registered Brokers.	Not Applicable	RIIs may submit the Application Form with any of the Designated Intermediaries and use his / her UPI ID for the purpose of blocking of funds.
Non – Institutional Investor (NII) including Qualified Institutional Buyer (QIB)	For such applications the existing process of uploading the Application and blocking of funds in the RIIs account by the SCSB would continue.		Investor may submit the Application Form with any of the Designated Intermediaries, along with details of his / her ASBA Account for blocking of funds.  For such applications the Designated Intermediary will upload the Application in the stock exchange bidding platform and forward the application form to Designated Branch of the concerned SCSB for blocking of funds.	Not Applicable

Upon receipt of the Application Form, submitted whether in physical or electronic mode, the Designated Branch of the SCSB shall verify if sufficient funds equal to the Application Amount are available in the ASBA Account, as mentioned in the Application Form, prior to uploading such Applications with the Stock Exchange.

If sufficient funds are not available in the ASBA Account, the Designated Branch of the SCSB shall reject such Applications and shall not upload such Applications with the Stock Exchange.

If sufficient funds are available in the ASBA Account, the SCSB shall block an amount equivalent to the Application Amount mentioned in the Application Form and will enter each Application into the electronic bidding system as a separate Application and generate a TRS for each price and demand option. The TRS shall be furnished to the ASBA Applicant on request.

The Application Amount shall remain blocked in the aforesaid ASBA Account until finalisation of the Basis of Allotment and consequent transfer of the Application Amount against the Allotted Equity Shares to the Public Issue Account, or until withdrawal/failure of the Issue or until withdrawal/rejection of the Application Form, as the case may be.

Once the Basis of Allotment is finalized, the Registrar to the Issue shall send an appropriate request to the SCSB for unblocking the relevant ASBA Accounts and for transferring the amount allocable to the successful Applicants to the Public Issue Account. In case of withdrawal/failure of the Issue, the blocked amount shall be unblocked on receipt of such information from the Registrar to the Issue.

#### PROCESS FLOW FOR APPLICATIONS IN PUBLIC ISSUE SUBMITTED BY RETAIL INDIVIDUAL INVESTOR

In addition to application to be submitted to SCSB, with whom the bank account to be blocked, is maintained, a RII would also have the option to submit application form with any of the intermediary and use his / her bank account linked UPI ID for the purpose of blocking of funds with effect from January 01, 2019.

**The detailed process in this regard is as detailed hereunder:**

#### Application and validation process



- (a). submission of the application with the intermediary, the RII would be required to have / create a UPI ID, with a maximum length of 45 characters including the handle (Example: InvestorID@bankname).
- (b). RII will fill in the Application details in the application form along with his/ her bank account linked UPI ID and submit the application with any of the intermediary.
- (c). The intermediary upon receipt of form will upload the Application details along with UPI ID in the stock exchange bidding platform.
- (d). Once the Application has been entered in the bidding platform, the exchange will undertake validation of the PAN and Demat Account details of RII with the depository.
- (e). Depository will validate the aforesaid Application details on a real time basis and send response to stock exchange which would be shared by stock exchange with intermediary through its platform, for corrections, if any.
- (f). SMS from exchange to RII for applying: Once the Application details are uploaded on the stock exchange platform, the stock exchange shall send an SMS to the RII regarding submission of his / her application, daily at the end of day basis, during bidding period. For the last day of applying, the SMS may be sent out the next working day.

### **The Block Process**

- (a). Post undertaking validation with depository, the stock exchange will, on a continuous basis, electronically share the Application details along with RIIs UPI ID, with the Sponsor Bank appointed by the issuer.
- (b). The Sponsor Bank will initiate a mandate request on the RII i.e. request the RII to authorize blocking of funds equivalent to application amount and subsequent debit of funds in case of allotment. For all pending UPI Mandate Requests, the Sponsor Bank will initiate requests for blocking of funds in the ASBA Accounts of relevant investors with a confirmation cut-off time of 12:00 pm on the first Working Day after the Bid/Issue Closing Date (“**Cut-Off Time**”). Accordingly, RIIs using the UPI Mechanism need to accept UPI Mandate Requests for blocking off funds prior to the Cut-Off Time and all pending UPI Mandate Requests after the Cut-Off Time will lapse.
- (c). The request raised by the Sponsor Bank, would be electronically received by the RII as a SMS / intimation on his / her mobile no. / Mobile app, associated with UPI ID linked bank account.
- (d). The RII would be able to view the amount to be blocked as per his / her Application in such intimation. The RII would also be able to view an attachment wherein the IPO Application details submitted by RII will be visible. After reviewing the details properly, RII would be required to proceed to authorize the mandate. Such mandate raised by sponsor bank would be a one-time mandate for each application in the IPO.
- (e). Upon successful validation of block request by the RII, as above, the said information would be electronically received by the RIIs’ bank, where the funds, equivalent to application amount, would get blocked in RIIs account. Intimation regarding confirmation of such block of funds in RIIs account would also be received by the RII.
- (f). The information containing status of block request (e.g. – accepted / decline / pending) would also be shared with the Sponsor Bank, which in turn would be shared with stock exchange. The block request status would also be displayed on stock exchange platform for information of the intermediary.
- (g). The information received from Sponsor Bank, would be shared by stock exchange with RTA in the form of a file for the purpose of reconciliation.
- (h). RIIs would continue to have the option to modify or withdraw the Application till the closure of the Issue period. For each such modification of Application, RII will submit a revised Application and shall receive a mandate request from sponsor bank to be validated as per the process indicated above.

Post closure of the Issue, the stock exchange will share the Application details with the Registrar along with the final file received from the Sponsor Bank containing status of blocked funds or otherwise, along with the ASBA Account details with respect to applications made by RIIs using UPI ID.

### **NUMBER OF APPLICATIONS PER BANK ACCOUNT**

An investor making application using any of channels under UPI Payments Mechanism, shall use only his / her own bank account or only his / her own bank account linked UPI ID to make an application in public issues. Applications made using third party bank account or using third party linked bank account UPI ID are liable for rejection. Sponsor Bank shall





provide the investors UPI linked bank account details to RTA for purpose of reconciliation. RTA shall undertake technical rejection of all applications to reject applications made using third party bank account.

## **HOW TO APPLY?**

In accordance with the SEBI circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the Applicants has to compulsorily apply through the ASBA Process. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018, Retail Individual Investors applying in public Issue may use either Application Supported by Blocked Amount (ASBA) facility for making application or also can use UPI as a payment mechanism with Application Supported by Blocked Amount for making application.

## **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.

Applicants must specify the Bank Account number, or the UPI ID, as applicable, in the Application Form. The Application Form submitted by applicant and which is accompanied by cash, demand draft, cheque, money order, postal order or any mode of payment other than blocked amounts in the ASBA Account, may not be accepted. 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 Applicants shall neither withdraw nor lower the size of their applications at any stage. In the event of withdrawal or rejection of the Application Form or for unsuccessful Application Forms, the Registrar to the Issue shall give instructions to the SCSBs to unblock the application money in the relevant bank account within one day of receipt of such instruction. The Application Amount shall remain blocked in the ASBA Account until finalisation 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 (except Anchor Investors) applying in a public Issue shall use only Application Supported by Blocked Amount (ASBA) process for application providing details of the bank account which will be blocked by the Self Certified Syndicate Banks (SCSBs) for the same. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018 and all related circulars issued thereafter, Retail Individual Investors applying in public Issue may use either Application Supported by Blocked Amount (ASBA) facility for making application or also can use UPI as a payment mechanism with Application Supported by Blocked Amount for making application.

On the Designated Date, the SCSBs shall transfer the amounts allocable to the ASBA Applicants from the respective ASBA Account, in terms of the SEBI Regulations, into the ASBA Public Issue Account. The balance amount, if any against the said Application in the ASBA Accounts shall then be unblocked by the SCSBs on the basis of the instructions issued in this regard by the Registrar to the Issue.

In case of applications made by using any of channels under UPI Payments Mechanism, post closure of the Issue, the stock exchange will share the Application details with the Registrar along with the final file received from the Sponsor Bank containing status of blocked funds or otherwise, along with the ASBA Account details with respect to applications made by RIIs using UPI ID.

The RTA, based on information of Applications and blocking received from stock exchange, would undertake reconciliation of the Applications data and block confirmation corresponding to the Applications by all investor category applications (withand without the use of UPI) and prepare the basis of allotment.

Upon approval of basis of allotment, RTA will share the debit file with Sponsor bank (through Stock exchange) and SCSBs, as applicable, for credit of funds in the public issue account and unblocking of excess funds in the RIIs account. The Sponsor bank based on the mandate approved by the RII at the time of blocking of funds, will raise the debit / collect request from RIIs bank account, whereupon the funds will be transferred from RIIs account to public issue account and remaining funds, if any, will be unblocked without any manual intervention by RII or his / her bank.

Upon confirmation of receipt of funds in the public issue account, shares would be credited to the RII's account. RII will benotified for full/partial/no allotment. For partial allotment the remaining funds would be unblocked. For no allotment, mandate would be revoked and application amount would be unblocked for the RII.

## **UNBLOCKING OF ASBA ACCOUNT**



On the basis of instructions from the Registrar to the Issue, the SCSBs shall transfer the requisite amount against each successful ASBA Applicant to the ASBA Public Issue Account as per section 40(3) of the Companies Act, 2013 and shall unblock excess amount, if any in the ASBA Account.

In case of applications made by using any of channels under UPI Payments Mechanism, Registrar to the Issue will share the debit file with Sponsor bank (through Stock exchange) and SCSBs, as applicable, for credit of funds in the public issue account and unblocking of excess funds in the RIIs account. The Sponsor bank based on the mandate approved by the RII at the time of blocking of funds, will raise the debit / collect request from RIIs bank account, whereupon the funds will be transferred from RIIs account to public issue account and remaining funds, if any, will be unblocked without any manual intervention by RII or his / her bank.

However, the Application Amount may be unblocked in the ASBA Account or Bank Account link in UPI Mechanism 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 or Application made through UPI Mechanism, as the case may be.

#### **MAXIMUM AND MINIMUM APPLICATION SIZE**

The applications in this Issue, being a fixed price issue, will be categorized into two:

##### **1. For Retail Individual Applicants**

The Application must be for a minimum of 1,600 Equity Shares so as to ensure that the Application amount payable by the Applicant does not exceed ₹ 2,00,000.

##### **2. For Other Applicants (Non Institutional Applicants and QIBs):**

The Application must be for a minimum of 3,200 Equity Shares so as to ensure that the Application Amount exceeds ₹ 2,00,000 and in multiples of 1,600 Equity Shares thereafter.

A person shall not make an application in the net Issue category for a number of specified securities that exceeds the total number of securities offered to the public. Further, the maximum application by non-institutional investors shall not exceed total number of specified securities offered in the issue less total number of specified securities offered in the issue to qualified institutional buyers.

Further, the maximum Application by a QIB investor should not exceed the investment limits prescribed for them by applicable laws. Under existing SEBI Regulations, a QIB Applicant cannot withdraw its Application after the Issue Closing Date and is required to pay 100% QIB Margin upon submission of Application.

In case of revision in Applications, the Non-Institutional Applicants, who are individuals, have to ensure that the Application Amount is greater than ₹ 2,00,000 for being considered for allocation in the Non-Institutional Portion.

Applicants are advised to ensure that any single Application form does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in the Draft Prospectus.

#### **OPTION TO RECEIVE EQUITY SHARES IN DEMATERIALIZED FORM**

Furnishing the details of depository account is mandatory and applications without depository account shall be treated as incomplete and rejected.

Investors should note that Allotment of Equity Shares to all successful Applicants will only be in the dematerialized form in compliance of the Companies Act, 2013.

The Equity Shares on Allotment shall be traded only in the dematerialized segment of the Stock Exchanges.

Applicants will not have the option of getting Allotment of the Equity Shares in physical form. Allottees shall have the option to re-materialize the Equity Shares, if they so desire, as per the provision of the Companies Act and the Depositories Act.

#### **INFORMATION FOR THE APPLICANTS**

- a.) The Company will file the Draft Prospectus with the RoC at least 3 (three) working days before the Issue Opening





Date.

- b.) The Lead Manager will circulate copies of the Draft Prospectus along with the Application Form to potential investors.
- c.) Any investor, being eligible to invest in the Equity Shares Issued, who would like to obtain the Draft Prospectus and/or the Application Form can obtain the same from the Company's Registered Office or from the Registered Office of the Lead Manager.
- d.) Applicants who are interested in subscribing to the Equity Shares should approach the Lead Manager or their authorized agent(s) to register their Applications.
- e.) Applications made in the name of Minors and/or their nominees shall not be accepted.

#### PRE-ISSUE ADVERTISEMENT

As provided in Section 30 of the Companies Act, 2013 and 264(2) of the SEBI (ICDR) Regulations, 2018, the Company shall, after registering the Draft Prospectus with the RoC, publish a pre-Issue advertisement, in the form prescribed by the SEBI Regulations, in one widely circulated English national daily newspaper; one widely circulated Hindi national daily newspaper and one widely circulated Regional newspaper.

#### SIGNING OF UNDERWRITING AGREEMENT

The issue is 100% Underwritten. Our Company has entered into an Underwriting Agreement with the Swastika Investmart Limited on July 30<sup>th</sup>, 2024.

#### FILING OF THE DRAFT PROSPECTUS WITH THE ROC

The Company will file a copy of the Draft Prospectus with the RoC in terms of Section 26 of Companies Act, 2013.

#### INFORMATION FOR THE APPLICANTS

- a) **Designated Date and Allotment of Equity Shares Designated Date:** On the Designated date, the SCSBs or Sponsor Bank shall transfers the funds represented by allocations of the Equity Shares into Public Issue Account with the Bankers to the Issue.
- b) **Issuance of Allotment Advice:** Upon approval of the Basis of Allotment by the designated stock exchange, the Registrar shall upload it on its website. On the basis of approved basis of allotment, the Issuer shall make necessary corporate action to facilitate the allotment and credit of equity shares. Applicants are advised to instruct their Depository Participants to accept the Equity Shares that may be allotted to them pursuant to the issue.
- c) Pursuant to confirmation of such corporate actions, the Registrar 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.
- d) Issuer will make the allotment of the equity shares and initiate corporate action for credit of shares to the successful applicants Depository Account within 2 (Two) Working Days of the Issue Closing date. The Issuer also ensures the credit of shares to the successful Applicants Depository Account is completed within two 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 or Sponsor Bank 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 2 (Two) 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 Section 56 of the Companies Act, 2013 or other applicable provisions, if any.

#### INTEREST AND REFUNDS COMPLETION OF FORMALITIES FOR LISTING & COMMENCEMENT OF TRADING

The Company shall use best efforts to ensure that all steps for completion of the necessary formalities for listing and commencement of trading at SME Platform of BSE where the Equity Shares are proposed to be listed are taken within 3



(Three) working Days from Issue Closing Date. Giving of Instructions for refund by unblocking of amount via ASBA not later than 2 (Two) Working Days of the Issue Closing Date, would be ensured. If such money is not repaid within prescribed time from the date our Company becomes liable to repay it, then our Company and every officer in default shall, on and from expiry of prescribed time, be liable to repay such application money, with interest as prescribed under SEBI (ICDR) Regulations, the Companies Act, 2013 and applicable law. Further, in accordance with Section 40 of the Companies Act, 2013, the Company and each officer in default may be punishable with fine and/or imprisonment in such a case.

#### **GROUND FOR REFUND: NON RECEIPT OF LISTING PERMISSION**

An Issuer makes an Application to the Stock Exchange(s) for permission to deal in/list and for an official quotation of the Equity Shares. All the Stock Exchanges from where such permission is sought are disclosed in Draft Prospectus. The designated Stock Exchange may be as disclosed in the Draft Prospectus with which the Basis of Allotment may be finalised. If the permission to deal in and official quotation of the Equity Shares are not granted by any of the Stock Exchange(s), the Issuer may forthwith repay, without interest, all money received from the Applicants in pursuance of the Draft Prospectus.

In case, our Company fails to obtain listing or trading permission from the stock exchanges where the specified securities were to be listed, our Company shall refund through verifiable means the entire monies received within four days of receipt of intimation from stock exchanges rejecting the application for listing of specified securities. The Lead Manager and Registrar to the Issue shall intimate Public Issue bank/Bankers to the Issue and Public Issue Bank/Bankers to the Issue shall transfer the funds from Public Issue account to Refund Account as per the written instruction from lead Manager and the Registrar for further payment to the beneficiary Applicants.

If any such money is not repaid within 4 (Four) Days after the issuer becomes liable to repay it the issuer and every director of the company who is an officer in default shall, on and from the expiry of the fourth day, be jointly and severally liable to repay that money with interest at the rate of fifteen per cent. per annum.

#### **MINIMUM SUBSCRIPTION**

This Issue is not restricted to any minimum subscription level. This Issue is 100% underwritten. As per section 39 of the Companies Act, 2013.

If the “Stated Minimum Amount” has not been subscribed and the sum payable on application is not received within a period of thirty days from the date of issue of the Draft Prospectus, or such other period as may be specified by the Securities and Exchange Board, the amount received under sub-section (1) shall be returned within such time and manner as may be prescribed under that section. If the Issuer does not received the subscription of 100% of the Issue through this Draft Prospectus including devolvement of underwriters within Sixty Days from the date of closure of the Issue, the Issuer shall forthwith refund the entire subscription amount received. If there is a delay beyond 2 (Two) Working Days after the Issuer become liable to pay the amount, the Issuer shall pay interest prescribed under section 39 of the Companies Act, 2013.

#### **MINIMUM NUMBER OF ALLOTTEES**

The Issuer may ensure that the number of proposed Allottees to whom Equity Shares may be allotted shall not be less than 50 (Fifty), failing which the entire application monies may be refunded forthwith.

#### **MODE OF REFUND**

Within 2 (Two) Working Days of the Issue Closing Date, the Registrar to the Issue may give instructions to SCSBs or in case of Applications by RIIs applying through the UPI mechanism to the Sponsor Bank, to revoke the mandate and for unblocking the amount in ASBA Accounts of unsuccessful Applicants and also for any excess amount blocked on Applications.

The Registrar to the Issue may instruct the controlling branch of the SCSB to unblock the funds in the relevant ASBA Account for any withdrawn, rejected or unsuccessful ASBA Applications or in the event of withdrawal or failure of the Issue.

#### **LETTERS OF ALLOTMENT OR REFUND ORDERS OR INSTRUCTIONS TO THE SCSBS**

The Registrar to the Issue shall give instructions for credit to the beneficiary account with depository participants within 2 (Two) Working Days from the Issue Closing Date. The Registrar shall instruct the Sponsor Bank or relevant SCSBs to, on the receipt of such instructions from the Registrar, revoke the mandate and for unblocking the amount in ASBA Accounts to the extent of the Application Amount specified in the Application Form or the relevant part thereof, for withdrawn, rejected or unsuccessful or partially successful ASBA Applications within 2 (Two) Working Days of the Issue Closing



Date.

## INTEREST IN CASE OF DELAY IN ALLOTMENT OR REFUND

The issuer shall allot securities Issued to the public shall be made within the period prescribed by the Board. The issuer shall also pay interest at the rate of fifteen per cent. per annum if the allotment letters or refund orders have not been dispatched to the applicants or if, in a case where the refund or portion thereof is made in electronic manner, the refund instructions have not been given to the clearing system in the disclosed manner within 2 (Two) days from the date of the closure of the issue. However applications received after the closure of issue in fulfilment of underwriting obligations to meet the minimum subscription requirement, shall not be entitled for the said interest.

1. **Issuance of Allotment Advice:** Upon approval of the Basis of Allotment by the Designated Stock Exchange, the Lead Manager or the Registrar to the Issue shall send to the Bankers to the Issue a list of their Applicants who have been allocated/Allotted Equity Shares in this Issue.
2. Pursuant to confirmation of corporate actions with respect to Allotment of Equity Shares, the Registrar to the Issue will dispatch Allotment Advice to the Applicants who have been Allotted Equity Shares in the Issue.
3. Approval of the Basis of Allotment by the Designated Stock Exchange. As described above shall be deemed a valid, binding and irrevocable contract for the Applicant.

## GENERAL INSTRUCTIONS

### Do's:

- Check if you are eligible to apply as per the terms of the Draft Prospectus and under applicable law, rules, regulations, guidelines and approvals;
- Read all the instructions carefully and complete the Application Form in the prescribed form;
- Ensure that the details about the PAN, DP ID and Client ID, UPI ID are correct and the Applicants depository account is active, as Allotment of the Equity Shares will be in the dematerialized form only;
- Ensure that your Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the Bidding Centre;
- 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 Applicants in case of joint Applications, is included in the Application Forms;
- QIBs, Non-Institutional Applicants and the Retail Applicants should submit their Applications through the ASBA process only. However, pursuant to SEBI circular dated November 01, 2018, RII may submit their Application 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 Applications, the Application Form should contain only the name of the First Applicants 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 Application;
- Ensure that you have funds equal to the Application 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 Applications to the same Designated Intermediary, through whom the original Application was placed and obtain a revised acknowledgment;
- Except for Applications (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) Applications 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 Applicants should mention their PAN allotted under the IT Act. The exemption for the Central or the State Government and officials appointed by the courts and for 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 Application under power of attorney or by limited companies, corporates, trust etc, relevant documents are submitted;
- Ensure that Application submitted by any person outside India should be in compliance with applicable foreign and Indian laws;
- Applicants 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 Applications 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 Applicants within the time prescribed as per the Application Form and the Draft 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 Issue;
- 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 Application Amount mentioned in the Application Form at the time of submission of the Application;
- Ensure that you receive an acknowledgement from the concerned Designated Intermediary, for the submission of your Application Form; and
- The Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

#### **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 Amount in cash, by money order, cheques or demand drafts or by postal order or by stock invest;
- Do not send Application Forms by post; instead submit the same to the Designated Intermediary only;
- Do not submit the Application Forms to any non-SCSB bank or our Company;
- Do not make Application on an Application Form that does not have the stamp of the relevant Designated Intermediary;
- Do not make Application at Cut-off Price (for Applications by QIBs and Non-Institutional Applicants);
- Do not instruct your respective Banks to release the funds blocked in the ASBA Account under the ASBA process;
- Do not make Application for Application Amount exceeding ₹ 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 Net Issue Size and / or investment limit or maximum number of the Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations or under the terms of the Draft Prospectus;
- Do not submit the General Index Register number instead of the PAN;
- Do not submit the Application without ensuring that funds equivalent to the entire Application Amount are blocked in the relevant ASBA Account;
- Do not submit Application on plain paper or on incomplete or illegible Application Forms or on Application Forms in a colour prescribed for another category of Applicants;
- Do not submit Application in case you are not eligible to acquire Equity Shares under applicable law or your relevant constitutional documents or otherwise;
- Do not make Application if you are not competent to contract under the Indian Contract Act, 1872 (other than minors having valid depository accounts as per Demographic Details provided by the depository);
- Do not submit Application by using details of the third party's bank account or UPI ID which is linked with bank account of the third party. Kindly note that Applications made using third party bank account or using third party linked bank account UPI ID are liable for rejection.

#### **INSTRUCTIONS FOR COMPLETING THE APPLICATION FORM**

The Applications should be submitted on the prescribed Application Form and in BLOCK LETTERS in ENGLISH only in accordance with the instructions contained herein and in the Application Form. Applications not so made are liable to be rejected. Application forms submitted to the SCSBs should bear the stamp of respective intermediaries to whom the application form submitted. Application form submitted directly to the SCSBs should bear the stamp of the SCSBs and/or the Designated Branch. Application forms submitted by Applicants whose beneficiary account is inactive shall be rejected. SEBI, vide Circular No. CIR/CFD/14/2012 dated October 4, 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's Centre is available on the websites of NSE i.e. [www.nseindia.com](http://www.nseindia.com).

Applicants may note that forms not filled completely or correctly as per instructions provided in this Draft Prospectus, the General Information Document which shall be made available on the website of the Stock Exchange, the Issuer and the LM, are liable to be rejected. Instructions to fill each field of the Application Form can be found on the reverse side of the Application Form. Specific instructions for filling various fields of the Resident Application Form and Non-Resident Application Form and samples are provided below:

#### **INSTRUCTION FOR FILLING THE APPLICATION FORM**





COMMON APPLICATION FORM	<b>XYZ LIMITED - INITIAL PUBLIC ISSUE - R</b> Registered Office: Tel. No.:      Fax No.:      Email:      Website: Contact Person:      CIN:				FOR RESIDENT INDIANS, INCLUDING RESIDENT QIB, NON INSTITUTIONAL INVESTORS, RETAIL INDIVIDUAL INVESTORS AND ELIGIBLE NRIs APPLYING ON A NON-REPATRIATION BASIS

<b>LOGO</b>	TO, THE BOARD OF DIRECTORS XYZ LIMITED	<b>FIXED PRICE SME ISSUE</b> ISIN : XXXXXXXX	Application Form No.
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SYNDICATE MEMBER'S STAMP & CODE BROKER/SCSB/CDP/RTA STAMP & CODE	1. NAME & CONTACT DETAILS OF SOLE/FIRST APPLICANT Mr. / Ms. _____ Address: _____ Email: _____ Tel. No (with STD code) / Mobile: _____
SUB-BROKER'S / SUB-AGENT'S STAMP & CODE SCSB BRANCH STAMP & CODE	2. PAN OF SOLE/FIRST APPLICANT
BANK BRANCH SERIAL NO. SCSB SERIAL NO.	

3. INVESTOR'S DEPOSITORY ACCOUNT DETAILS <input type="checkbox"/> NSDL <input type="checkbox"/> CDSL	6. INVESTOR STATUS <input type="checkbox"/> Individual(s) - IND <input type="checkbox"/> Non-Resident Indians (Non-Repatriation Basis) - NRI <input type="checkbox"/> Hindu Undivided Family* - HUF <input type="checkbox"/> Bodies Corporate - CO <input type="checkbox"/> Banks & Financial Institutions - FI <input type="checkbox"/> Mutual Funds - MF <input type="checkbox"/> National Investment Funds - NIF <input type="checkbox"/> Insurance Funds - IF <input type="checkbox"/> Insurance Companies - IC <input type="checkbox"/> Venture Capital Funds - VCF <input type="checkbox"/> Alternative Investment Funds - AIF <input type="checkbox"/> Others (Please Specify) - OTH
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For NSDL enter 8 Digit DP ID followed by 8 Digit Client ID / For CDSL enter 16 Digit Client ID.

4. APPLICATION DETAILS (Only Retail Individual Investor can apply at "Cut-Off") No. of Equity Shares of ₹ 10/- each applied at the Issue Price i.e. at ₹ [x]/- per share <input type="checkbox"/> "Cut-Off" Price (In Figures) _____ (In Words) _____ <b>ALLOTMENT WILL BE IN DEMAT MODE ONLY<sup>3</sup></b>	5. CATEGORY <input type="checkbox"/> Retail Individual <input type="checkbox"/> Non-Institutional <input type="checkbox"/> QIB
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<sup>1</sup> Please note that applications must be made in minimum of [x] shares and further multiples of [x] shares accordingly.  
<sup>2</sup> Please note that the equity shares on allotment will be allotted only in the dematerialized mode on the SME Platform of BSE.  
<sup>3</sup> HUF should apply only through Karta (Application by HUF would be treated as per with individual)

7. PAYMENT DETAILS Amount Blocked (₹ in Figures) _____ (₹ in words) _____ ASBA Bank A/c No. _____ Bank Name & Branch _____ OR UPI Id _____ (Maximum 45 characters)	PAYMENT OPTION : Full Payment
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I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY), HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS APPLICATION FORM AND THE ATTACHED ABRIDGED PROSPECTUS AND THE GENERAL INFORMATION DOCUMENT FOR INVESTING IN THE PUBLIC ISSUE ("GID") AND HEREBY AGREE AND CONFIRM THE "INVESTOR UNDERTAKING" AS GIVEN OVERLEAF. I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ THE INSTRUCTIONS FOR FILLING UP THE APPLICATION FORM GIVEN OVERLEAF.

8 A. SIGNATURE OF SOLE / FIRST APPLICANT Date: _____, 2019	8 B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(s) (AS PER BANK RECORDS) I/We authorize the SCSB to do all acts as are necessary to make the Application in the issue 1) _____ 2) _____ 3) _____	SYNDICATE MEMBER / REGISTERED BROKER / SCSB / DP / RTA STAMP (Acknowledging upload of Application in Stock Exchange System)
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TEAR HERE

<b>LOGO</b>	<b>XYZ LIMITED</b> <b>INITIAL PUBLIC ISSUE - R</b>	Acknowledgement Slip for SYNDICATE MEMBER / REGISTERED BROKER / SCSB / DP / RTA	Application Form No.
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DPID / CLID: _____ Amount Blocked (₹ in figures) _____ ASBA Bank & Branch _____ ASBA Bank A/c No./UPI Id: _____ Received from Mr./Ms. _____ Telephone / Mobile: _____ Email: _____	PAN of Sole/First Applicant: _____ Stamp & Signature of SCSB Branch
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TEAR HERE

<b>XYZ LIMITED - INITIAL PUBLIC ISSUE - R</b>	In Figures: _____ In Words: _____ No. of Equity Shares: _____ Amount Blocked (₹) _____ ASBA Bank A/c No. / UPI Id: _____ Bank & Branch: _____	Stamp & Signature of SYNDICATE MEMBER / REGISTERED BROKER / SCSB / DP / RTA Name of Sole / First Applicant: _____ Acknowledgement Slip for Applicant Application Form No.
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Important Note: Application made using third party UPI Id or ASBA Bank A/c are liable to be rejected.

XYZ LIMITED 1

<b>COMMON APPLICATION FORM</b>	<h2 style="margin: 0;">XYZ LIMITED - INITIAL PUBLIC ISSUE - NR</h2> <p style="font-size: small; margin: 0;">Registered Office: Tel. No.: Fax No.: Email: Website: Contact Person: CIN:</p>	<b>FOR ELIGIBLE NRI, FIIs/FPIs, FVCI ETC., APPLYING ON A REPATRIATION BASIS</b>
<div style="border: 1px solid black; padding: 5px; width: 100px; margin: 0 auto;">LOGO</div>	<b>TO,</b> <b>THE BOARD OF DIRECTORS</b> <b>XYZ LIMITED</b>	<div style="border: 1px solid black; padding: 5px; width: 150px; margin: 0 auto;"> <b>FIXED PRICE SME ISSUE</b>  <b>ISIN : XXXXXXXX</b> </div>
<b>Application Form No.</b> <span style="border: 1px solid black; display: inline-block; width: 100px; height: 20px;"></span>		
<b>1. SYNDICATE MEMBER'S STAMP &amp; CODE</b>  <b>2. SUB-BROKER'S / SUB-AGENT'S STAMP &amp; CODE</b>  <b>3. BANK BRANCH SERIAL NO.</b>	<b>4. BROKER/SCSB/CDP/RTA STAMP &amp; CODE</b>  <b>5. SCSB BRANCH STAMP &amp; CODE</b>  <b>6. SCSB SERIAL NO.</b>	<b>1. NAME &amp; CONTACT DETAILS OF SOLE/FIRST APPLICANT</b> Mr. / Ms. <span style="border: 1px solid black; display: inline-block; width: 100px; height: 20px;"></span> Address <span style="border: 1px solid black; display: inline-block; width: 150px; height: 20px;"></span> Email <span style="border: 1px solid black; display: inline-block; width: 100px; height: 20px;"></span> Tel. No (with STD code) / Mobile <span style="border: 1px solid black; display: inline-block; width: 100px; height: 20px;"></span> <b>2. PAN OF SOLE/FIRST APPLICANT</b> <span style="border: 1px solid black; display: inline-block; width: 100px; height: 20px;"></span>
<b>3. INVESTOR'S DEPOSITORY ACCOUNT DETAILS</b> <input type="checkbox"/> NSDL <input type="checkbox"/> CDSL		<b>6. INVESTOR STATUS</b> <input type="checkbox"/> Non-Resident Indian - NRI (Repatriation basis) <input type="checkbox"/> Foreign Institutional Investor - FII/ <input type="checkbox"/> Foreign Portfolio Investor - FPI <input type="checkbox"/> Foreign Venture Capital Investor - FVCI <input type="checkbox"/> FII Sub Account Corporate / Individual - FIISA <input type="checkbox"/> Others - OTH (please specify)
For NSDL enter 8 Digit DP ID followed by 8 Digit Client ID / For CDSL enter 16 Digit Client ID.		
<b>4. APPLICATION DETAILS (Only Retail Individual Investor can apply at "Cut-Off")</b> No. of Equity Shares of ₹ 10/- each applied at the Issue Price i.e. at ₹ [•]/- per share <input type="checkbox"/> "Cut-Off" Price (In Figures) <span style="border: 1px solid black; display: inline-block; width: 50px; height: 20px;"></span> (In Words) <span style="border: 1px solid black; display: inline-block; width: 50px; height: 20px;"></span> <b>ALLOTMENT WILL BE IN DEMAT MODE ONLY<sup>2</sup></b>		<b>5. CATEGORY</b> <input type="checkbox"/> Retail Individual <input type="checkbox"/> Non-Institutional <input type="checkbox"/> QIB
<small><sup>1</sup> Please note that applications must be made in minimum of [•] shares and further multiples of [•] shares accordingly.  <sup>2</sup> Please note that the equity shares on allotment will be allotted only in the dematerialized mode on the SME Platform of BSE.</small>		
<b>7. PAYMENT DETAILS</b> <b>PAYMENT OPTION : Full Payment</b>		
Amount Blocked (₹ in Figures) <span style="border: 1px solid black; display: inline-block; width: 100px; height: 20px;"></span> (₹ in words) <span style="border: 1px solid black; display: inline-block; width: 100px; height: 20px;"></span> ASBA Bank A/c No. <span style="border: 1px solid black; display: inline-block; width: 100px; height: 20px;"></span> Bank Name & Branch <span style="border: 1px solid black; display: inline-block; width: 100px; height: 20px;"></span> OR UPI Id <span style="border: 1px solid black; display: inline-block; width: 100px; height: 20px;"></span> <small>(Maximum 45 characters)</small>		
I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS APPLICATION FORM AND THE ATTACHED ABRIDGED PROSPECTUS AND THE GENERAL INFORMATION DOCUMENT FOR INVESTING IN THE PUBLIC ISSUE ("GID") AND HEREBY AGREE AND CONFIRM THE "INVESTOR UNDERTAKING" AS GIVEN OVERLEAF. I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ THE INSTRUCTIONS FOR FILLING UP THE APPLICATION FORM GIVEN OVERLEAF.		
<b>8 A. SIGNATURE OF SOLE / FIRST APPLICANT</b>  Date: ..... 2019	<b>8 B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(s) (AS PER BANK RECORDS)</b> I/We authorize the SCSB to do all acts as are necessary to make the Application in the issue: 1) <span style="border: 1px solid black; display: inline-block; width: 100px; height: 20px;"></span> 2) <span style="border: 1px solid black; display: inline-block; width: 100px; height: 20px;"></span> 3) <span style="border: 1px solid black; display: inline-block; width: 100px; height: 20px;"></span>	<b>SYNDICATE MEMBER / REGISTERED BROKER / SCSB / DP / RTA STAMP (Acknowledging upload of Application in Stock Exchange System)</b> <span style="border: 1px solid black; display: inline-block; width: 100px; height: 40px;"></span>
TEAR HERE		
<div style="border: 1px solid black; padding: 5px; width: 100px; margin: 0 auto;">LOGO</div>	<b>XYZ LIMITED</b> <b>INITIAL PUBLIC ISSUE - NR</b>	<div style="border: 1px solid black; padding: 5px; width: 150px; margin: 0 auto;"> <b>Acknowledgement Slip for SYNDICATE MEMBER / REGISTERED BROKER / SCSB / DP / RTA</b> </div>
<b>Application Form No.</b> <span style="border: 1px solid black; display: inline-block; width: 100px; height: 20px;"></span>		
DPID / CLID <span style="border: 1px solid black; display: inline-block; width: 100px; height: 20px;"></span> PAN of Sole/First Applicant <span style="border: 1px solid black; display: inline-block; width: 100px; height: 20px;"></span>		
Amount Blocked (₹ in figures) <span style="border: 1px solid black; display: inline-block; width: 100px; height: 20px;"></span> ASBA Bank & Branch <span style="border: 1px solid black; display: inline-block; width: 100px; height: 20px;"></span> ASBA Bank A/c No./UPI Id <span style="border: 1px solid black; display: inline-block; width: 100px; height: 20px;"></span> Received from Mr./Ms. <span style="border: 1px solid black; display: inline-block; width: 100px; height: 20px;"></span> Telephone / Mobile <span style="border: 1px solid black; display: inline-block; width: 100px; height: 20px;"></span> Email <span style="border: 1px solid black; display: inline-block; width: 100px; height: 20px;"></span>		Stamp & Signature of SCSB Branch <span style="border: 1px solid black; display: inline-block; width: 100px; height: 40px;"></span>
TEAR HERE		
<b>XYZ LIMITED - INITIAL PUBLIC ISSUE - NR</b>	In Figures <span style="border: 1px solid black; display: inline-block; width: 50px; height: 20px;"></span> In Words <span style="border: 1px solid black; display: inline-block; width: 50px; height: 20px;"></span> No. of Equity Shares <span style="border: 1px solid black; display: inline-block; width: 50px; height: 20px;"></span> Amount Blocked (₹) <span style="border: 1px solid black; display: inline-block; width: 50px; height: 20px;"></span> ASBA Bank A/c No. / UPI Id: <span style="border: 1px solid black; display: inline-block; width: 100px; height: 20px;"></span> Bank & Branch: <span style="border: 1px solid black; display: inline-block; width: 100px; height: 20px;"></span>	Name of Sole / First Applicant <span style="border: 1px solid black; display: inline-block; width: 100px; height: 20px;"></span> <b>Acknowledgement Slip for Applicant</b> Application Form No. <span style="border: 1px solid black; display: inline-block; width: 100px; height: 20px;"></span>
Important Note: Application made using third party UPI Id or ASBA Bank A/c are liable to be rejected.		
<b>XYZ LIMITED</b>		





## 1. FIELD NUMBER 1: NAME AND CONTACT DETAILS OF THE SOLE/ FIRST APPLICANT:

Applicants should ensure that the name provided in this field is exactly the same as the name in which the Depository Account is held.

- a.) **Mandatory Fields:** Applicants should note that the name and address fields are compulsory and e-mail and/or telephone number/ mobile number fields are optional. Applicants should note that the contact details mentioned in the Application Form may be used to dispatch communications (letters notifying the unblocking of the bank accounts of Applicants) in case the communication sent to the address available with the Depositories are returned undelivered or are not available. The contact details provided in the Application Form may be used by the Issuer, the members of the Syndicate the Registered Broker and the Registrar to the Issue only for correspondence(s) related to an Issue and for no other purposes.
- b.) **Joint Applicants:** In the case of Joint Applicants, the Application should be made in the name of the Applicant whose name appears first in the Depository account. The name so entered should be the same as it appears in the Depository records. The signature of only such first Applicant would be required in the Application Form and such first Applicant would be deemed to have signed on behalf of the joint holders. All payments may be made out in favour of the Applicant whose name appears in the Application Form or the Revision Form and all communications may be addressed to such Applicant and may be dispatched to his or her address as per the Demographic Details received from the Depositories.

## 2. FIELD NUMBER 2: PAN NUMBER OF SOLE /FIRST APPLICANT:

- a) PAN (of the sole/ first Applicant) provided in the Application Form should be exactly the same as the PAN of the person(s) in whose name the relevant beneficiary account is held as per the Depositories' records.
- b) PAN is the sole identification number for participants transacting in the securities market irrespective of the amount of transaction except for Application on behalf of the Central or State Government, Application by officials appointed by the courts and Application by Applicant residing in Sikkim ("PAN Exempted Applicant"). Consequently, all Applicants, other than the PAN Exempted Applicant, are required to disclose their PAN in the Application Form, irrespective of the Application Amount. An Application Form without PAN, except in case of Exempted Applicants, is liable to be rejected. Application by the Applicant who's PAN is not available as per the Demographic Details available in their Depository records, are liable to be rejected.
- c) The exemption for the PAN Exempted Applicant 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.
- d) Application Forms which provide the General Index Register Number instead of PAN may be rejected.
- e) Applications by Applicant whose demat accounts have been "suspended for credit" are liable to be rejected pursuant to the circular issued by SEBI on July 29, 2010, bearing number CIR/MRD/DP/22/2010. Such accounts are classified as "Inactive demat accounts" and Demographic Details are not provided by depositories.

## 3. FIELD NUMBER 3: APPLICANT'S DEPOSITORY ACCOUNT DETAILS

- a) Applicants should ensure that DP ID and the Client ID are correctly filled in the Application Form. The DP ID and Client ID provided in the Application Form should match with the DP ID and Client ID available in the Depository database, otherwise, the Application Form is liable to be rejected.
- b) Applicants should ensure that the beneficiary account provided in the Application Form is active.
- c) Applicants should note that on the basis of DP ID and Client ID as provided in the Application Form, the Applicants may be deemed to have authorized the Depositories to provide to the Registrar to the Issue, any requested Demographic Details of the Applicants as available on the records of the depositories. These Demographic Details may be used, among other things, for sending allocation advice and for other correspondence(s) related to an Issue.
- d) Applicants are, advised to update any changes to their Demographic Details as available in the records of the Depository Participant to ensure accuracy of records. Any delay resulting from failure to update the Demographic Details would be the Applicants' sole risk.

## 4. FIELD NUMBER 4: APPLICATION OPTIONS

- a) Since, this is the Fixed Price Issue and the Price has already been disclosed in the Draft Prospectus, the Applicants



should make application at the Issue Price only. For the purpose of this Issue, the Price has been Determined as ₹95/- per equity shares (including premium of ₹85/- per equity share).

- b) **Cut-Off Price:** Retail Individual Investors or Employees or Retail Individual Shareholders can make application at the Cut-off Price indicating their agreement to apply for and purchase the Equity Shares at the Issue Price as determined in terms of Draft Prospectus. Making Application at the Cut-off Price is prohibited for QIBs and NIIs and such Applications from QIBs and NIIs may be rejected.
- c) **Minimum Application Value and Application Lot:** For Application made by Retail Individual Investors, minimum application of 1,600 Equity Shares to ensure that the minimum Application value is not exceeding ₹2,00,000 and not less than ₹1,00,000. For Application made by QIBs and Non - Institutional Investors, minimum application of 3,200 Equity Shares and in multiples of 1,600 Equity Shares thereafter to ensure that the minimum Application value is exceeding ₹2,00,000.
- d) **Allotment:** The Allotment of specified securities to each RII shall not be less than the minimum application Lot, subject to availability of shares in the RII category, and the remaining available shares, if any, shall be Allotted on a proportionate basis. Also, in case if the RII category is entitled to more than the allocated equity shares on proportionate basis, the RII category shall be allotted that higher percentage.

#### **Maximum and Minimum Application Size**

- e) The Applicants may apply for the desired number of Equity Shares in multiple of 1,600 equity shares at Issue Price. Applications by Retail Individual Investors and Retail Individual Shareholders must be for 1,600 equity shares, so as to ensure that the Application Amount, payable by the Applicants does not exceed ₹ 2,00,000.

In case the Application Amount exceeds ₹2,00,000 due to revision of the Application or any other reason, the Application may be considered for allocation under the Non-Institutional Category or if it is at the Cut-off Price, then such Application may be rejected.

For NRIs, Application Amount of up to ₹2,00,000 may be considered under the Retail Category for the purposes of allocation and Application Amount exceeding ₹2,00,000 may be considered under the Non-Institutional Category for the purposes of allocation.

- f) Application by QIBs and NIIs must be for 3,200 equity shares such that the Application Amount exceeds ₹ 2,00,000 and in multiples of 1,600 Equity Shares thereafter, as may be disclosed in the Application Form and the Draft Prospectus, or as advertised by the Issuer, as the case may be. Non - Institutional Investors and QIBs are not allowed to make application at Cut off Price.
- g) RII may revise or withdraw their application until Issue Closing Date. QIBs and NII's cannot withdraw or lower their Application (in terms of quantity of Equity Shares or the Application Amount) at any stage after making application and are required to pay the Application Amount upon submission of the Application.
- h) In case the Application Amount reduces to ₹ 2,00,000 or less due to a revision of the Price, Application by the Non - Institutional Investors who are eligible for allocation in the Retail Category would be considered for allocation under the Retail Category.
- i) An Application cannot be submitted for more than the net issue size.
- j) The maximum application by any applicant including QIB applicant should not exceed the investment limits prescribed for them under the applicable laws.

#### **Multiple Applications**

- k) Applicant should submit only one Application Form. Submission of a second Application Form to either the same or to another member of the Syndicate, SCSB or Registered Broker and duplicate copies of Application Forms bearing the same application number shall be treated as multiple Applications and are liable to be rejected.
- l) Applicants are requested to note the following procedures that may be followed by the Registrar to the Issue to detect multiple Applications:
  - i. All Applications may be checked for common PAN as per the records of the Depository. For Applicants other than Mutual Funds and FII sub-accounts, Applications bearing the same PAN may be treated as multiple Application by Applicants and may be rejected.



- ii. For Application from Mutual Funds and FII sub-accounts, submitted under the same PAN, as well as Application on behalf of the PAN Exempted Applicants, the Application Forms may be checked for common DP ID and Client ID. Such Applications which have the same DP ID and Client ID may be treated as multiple applications and are liable to be rejected.

m) **The following Applications may not be treated as multiple Applications:**

- i. Applications by Reserved Categories making application in their respective Reservation Portion as well as application made by them in the Issue portion in public category.
- ii. Separate Applications by Mutual Funds in respect of more than one scheme of the Mutual Fund provided that the Applications clearly indicate the scheme for which the Application has been made.
- iii. Applications by Mutual Funds, and sub-accounts of FIIs (or FIIs and its sub-accounts) submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs.

## **5. FIELD NUMBER 5: CATEGORY OF APPLICANTS**

- a) The categories of Applicants are identified as per the SEBI (ICDR) Regulations, 2018 for the purpose of Applications, allocation and allotment in the Issue are RIIs, NIIs and QIBs.
- b) An Issuer can make reservation for certain categories of Applicants as permitted under the SEBI (ICDR) Regulations, 2018. For details of any reservations made in the Issue, Applicants may refer to the Draft Prospectus.
- c) The SEBI (ICDR) Regulations, 2018, specify the allocation or allotment that may be made to various categories of Application in an issue depending upon compliance with the eligibility conditions. Details pertaining to allocation are disclosed on reverse side of the Revision Form.
- d) For Issue specific details in relation to allocation, Applicants may refer to the Draft Prospectus.

## **6. FIELD NUMBER 6: INVESTOR STATUS**

- a) Each Applicants should check whether it is eligible to apply under applicable law and ensure that any prospective allotment to it in the Issue follows the investment restrictions under applicable law.
- b) Certain categories of Applicants, such as NRIs, FPIs and FVCIs may not be allowed to apply in the Issue or hold Equity Shares exceeding certain limits specified under applicable law. Applicants are requested to refer to the Draft Prospectus for more details.
- c) Applicants should check whether they are eligible to apply on non-repatriation basis or repatriation basis and should accordingly provide the investor status. Details regarding investor status are different in the Resident Application Form and Non-Resident Application Form.
- d) Applicants should ensure that their investor status is updated in the Depository records.

## **7. FIELD NUMBER 7: PAYMENT DETAILS**

- a) Applicants are required to enter either the ASBA Bank account details or the UPI ID in this field. In case the Applicants doesn't provide any of the ASBA Bank account details or the UPI ID then the application would be rejected. For application submitted to Designated Intermediaries (other than SCSBs), Applicants providing both the ASBA Bank account details as well as the UPI ID, the UPI ID will be considered for processing of the application.
- b) The full Application Amount shall be blocked based on the authorization provided in the Application Form.
- c) RIIs who make application at Cut-off price shall be blocked on the Cap Price.
- d) All Applicants (other than Anchor Investors) can participate in the Issue only through the ASBA mechanism.
- e) RIIs submitting their applications through Designated Intermediaries can participate in the Issue through the UPI mechanism, through their UPI ID linked with their bank account.
- f) Application Amount cannot be paid in cash, cheque, and demand draft, through money order or through postal order.

**Please see below a graphical illustrative process of the investor receiving and approving the UPI mandate request:**



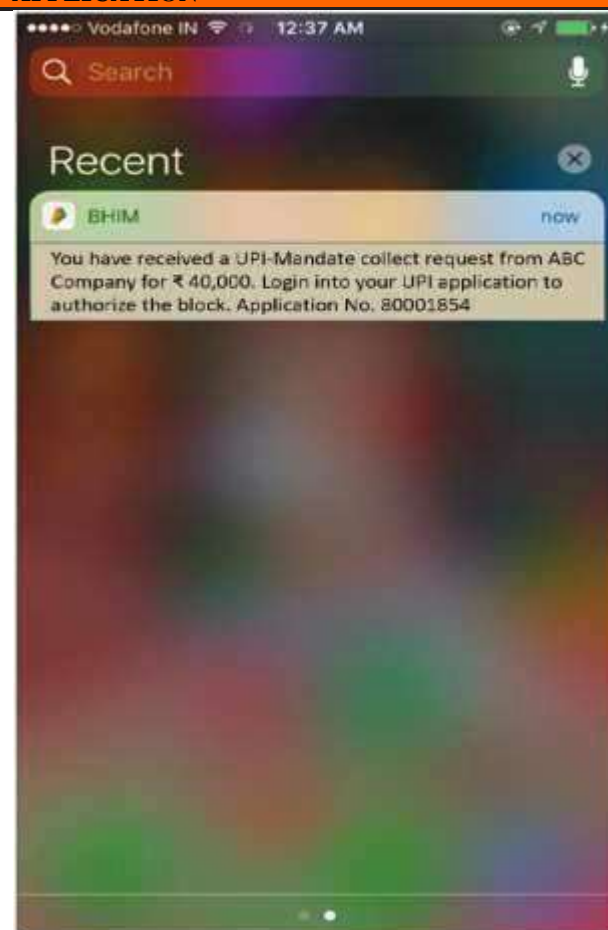
## ILLUSTRATIVE SMS



## BLOCK REQUEST SMS TO INVESTOR



## BLOCK REQUEST INTIMATION THROUGH UPI APPLICATION



## BLOCK REQUEST SMS TO INVESTOR



## SAMPLE OF IPO DETAILS IN ATTACHMENT

## POST VERIFICATION OF DETAILS ABOVE



Secure https://

1 Enter Details

**Investor Details**

Investor Name	OP ID	Client ID
NBDL	IN000512	14671468

Beneficiary No	Pin Code	Investor's Name
-	AAHPT501P	Srinivas Sankar

**PGO Details**

Company Name	PG Symbol	PG Unit
PG	SUPREMEENG	40000

First Price	Maximum Price	Minimum Price
10.00	₹ 32.00	₹ 27.00

Call Option	PG Start Date	PG End Date
₹ 32.00	20 July 2018	27 July 2018

Discount Amount	Discount Category
NA	-

Vodafone IN 3G 5:43 PM

← **Create Mandate**

TO

**ABC Company**

xyzipo@bank **Verified Merchant**

Mandate Amount

**₹ 40000.00**

The Amount entered will be blocked immediately & debited from payer account as per your Mandate inputs

Frequency

**ONETIME**

Validity

**31 Start Date** **>** **31 End Date**

**20 JULY 2018** **27 JULY 2018**

Users account will be debited within validity period.

REMARKS

Application no 80001834

Click here to view the attachment

**PROCEED**

#### PRE-CONFIRMATION PAGE

Vodafone IN 3G 3:48 PM

Please check the below details as the amount will be **blocked** for the validity period and will be debited as per the mandate inputs. In case of non-execution of the Mandate, the amount will be unblocked.

**Mandate Details**

To

**ABC Company**

xyzipo@bank

AMOUNT

**₹ 0000.00**

FREQUENCY

**ONETIME**

VALIDITY

**20 JULY 2018 to 27 JULY 2018**

REMARKS

Application no 80001854

**CANCEL** **CONFIRM**

#### ENTERING OF UPI PIN

Vodafone IN 3G 1:39 AM

**CANCEL**

**STATE BANK OF INDIA** **UPI**

**ABC Company** **₹ 40000**

**ENTER UPI PIN**

— — — —

1	2	3
4	5	6
7	8	9
✕	0	SUBMIT

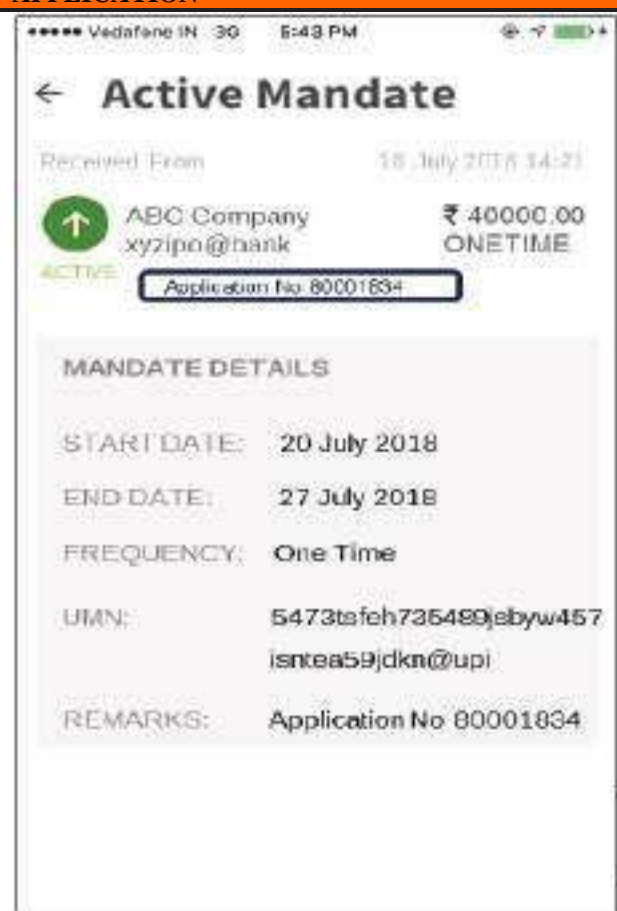




## CONFIRMATION PAGE



## APPROVED MANDATES VISIBLE IN UPI APPLICATION



## BLOCK CONFIRMATION SMS TO INVESTOR



## BLOCK CONFIRMATION APPLICATION INTIMATION







- a) QIB and NII Applicants may submit the Application Form either:
- iii. to SCSB in physical or electronic mode through the internet banking facility Issued by an SCSB authorizing blocking of funds that are available in the ASBA account specified in the Application Form, or
  - iv. in physical mode to any Designated Intermediary.
- b) Applicants must specify the Bank Account number, or the UPI ID, as applicable, in the Application Form. The Application Form submitted by Applicants and which is accompanied by cash, demand draft, cheque, money order, postal order or any mode of payment other than blocked amounts in the ASBA Account, may not be accepted.
- c) Applicants should note that application made using third party UPI ID or ASBA Bank account are liable to be rejected.
- d) Applicants shall note that for the purpose of blocking funds under ASBA facility clearly demarcated funds shall be available in the ASBA Account.
- e) Applicants 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 Centers, the RTA at the Designated CRTA Locations or CDP at the Designated CDP Locations.
- f) Applicants making application through Designated Intermediaries other than a SCSB, should note that ASBA Forms submitted to such Designated Intermediary may not be accepted, if the SCSB where the ASBA Account, as specified in the Application Form, is maintained has not named at least one branch at that location for such Designated Intermediary, to deposit ASBA Forms.
- g) Applicants making application directly through the SCSBs should ensure that the Application Form is submitted to a Designated Branch of a SCSB where the ASBA Account is maintained.
- h) Upon receipt of the Application Form, the Designated Branch of the SCSB may verify if sufficient funds equal to the Application Amount are available in the ASBA Account, as mentioned in the Application Form.
- i) If sufficient funds are available in the ASBA Account, the SCSB may block an amount equivalent to the Application Amount mentioned in the Application Form and for application directly submitted to SCSB by investor, may enter each application details into the electronic bidding system as a separate application.
- j) If sufficient funds are not available in the ASBA Account, the Designated Branch of the SCSB may not upload such Application on the Stock Exchange platform and such Applications are liable to be rejected.
- k) Upon submission of a completed Application Form each Applicants (not being a RII who has opted for the UPI payment mechanism and provided a UPI ID with the Application Form) may be deemed to have agreed to block the entire Application Amount and authorized the Designated Branch of the SCSB to block the Application Amount specified in the Application Form in the ASBA Account maintained with the SCSBs. For details regarding blocking of Application Amount for RIIs who have provided a UPI ID with the Application Form, please refer to graphical illustrative process of the investor receiving and approving the UPI mandate request provided in clause (a).
- l) The Application Amount may remain blocked in the aforesaid ASBA Account until finalization of the Basis of Allotment and consequent transfer of the Application Amount against the Allotted Equity Shares to the Public Issue Account, or until withdrawal or failure of the Issue, or until withdrawal or rejection of the Application, as the case may be.
- m) SCSBs making application in the Issue must apply through an Account maintained with any other SCSB; else their Applications are liable to be rejected.

## **8. FIELD NUMBER 8: UNBLOCKING OF ASBA ACCOUNT**

- a) Once the Basis of Allotment is approved by the Designated Stock Exchange, the Registrar to the Issue may provide the following details to the controlling branches of each SCSB or the Sponsor Bank, as the case may be, along with instructions to unblock the relevant ASBA Accounts and for successful applications transfer the requisite money to the Public Issue Account designated for this purpose, within the specified timelines: (i) the number of Equity Shares to be Allotted against each Application, (ii) the amount to be transferred from the relevant ASBA Account to the Public Issue Account, for each Application, (iii) the date by which funds referred to in (ii) above may be transferred



to the Public Issue Account, (iv) the amount to be unblocked, if any in case of partial allotments and (v) details of rejected ASBA Application, if any, along with reasons for rejection and details of withdrawn or unsuccessful Application, if any, to enable the SCSBs or the Sponsor Bank, as the case may be, to unblock the respective ASBA Accounts.

- b) On the basis of instructions from the Registrar to the Issue, the SCSBs or the Sponsor Bank, as the case may be, may transfer the requisite amount against each successful Applicants to the Public Issue Account and may unblock the excess amount, if any, in the ASBA Account.
- c) In the event of withdrawal or rejection of the Application Form and for unsuccessful Applications, the Registrar to the Issue may give instructions to the SCSB or to the Sponsor Bank to revoke the mandate and, as the case may be, to unblock the Application Amount in the Relevant Account within 2 (Two) Working Days of the Issue Closing Date.

#### **Additional Payment Instructions for RIIs applying through Designated Intermediaries using the UPI mechanism**

- d) Before submission of the application form with the Designated Intermediary, an RII shall download the mobile app for UPI and create a UPI ID (xyz@bankname) of not more than 45 characters with its bank and link it to his/ her bank account where the funds equivalent to the application amount is available.
- e) RIIs shall ensure that the bank, with which it has its bank account, where the funds equivalent to the application amount is available for blocking has been notified as Issuer Banks for UPI. A list of such banks is available at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40>.
- f) RIIs shall mention his / her UPI ID along with the application details in the Application Form in capital letters and submit the Application Form to any of the Designated Intermediaries.
- g) The Designated Intermediary upon receipt of the Application Form will upload the application details along with UPI ID in the stock exchange bidding platform.
- h) Once the application has been entered into the Stock Exchange bidding platform, the stock exchange will validate the PAN and Demat Account details of the RII with the Depository. The Depository will validate the aforesaid details on a real time basis and send a response to the stock exchange which will be shared by the stock exchange with the Designated Intermediary through its bidding platform, for corrections, if any.
- i) Once the application details have been validated by the Depository, the stock exchange will, on a continuous basis, electronically share the application details along with the UPI ID of the concerned RII with the Sponsor Bank appointed by the Issuer.
- j) The Sponsor Bank will validate the UPI ID of the RII before initiating the Mandate request.
- k) The Sponsor Bank after validating the UPI ID will initiate a UPI Mandate Request for valid UPI ID on the RII which will be electronically received by the RII as an SMS / intimation on his / her mobile number / mobile app associated with the UPI ID linked account. The RII shall ensure that the details of the application are correct by opening the attachment in the UPI Mandate Request and then proceed to authorise the UPI Mandate Request using his/her UPI PIN. Upon the authorization of the mandate using his/her UPI PIN, an RII may be deemed to have verified the attachment containing the application details of the RII in the UPI Mandate Request and have agreed to block the entire application Amount and authorized the Sponsor Bank to block the application Amount mentioned in the Application Form and Subsequent debit in case of allotment.
- l) Upon successful validation of the block request by the RII, the said information would be electronically received by the RII's bank, where the funds, equivalent to the application amount would get blocked in the ASBA Account of the RII. Intimation regarding confirmation of such blocking of funds in the ASBA Account of the RII would also be received by the RII. Information on the block status request would be shared with the Sponsor Bank which in turn would share it with the stock exchange which in turn would share it with the Registrar in the form of a file for the purpose of reconciliation and display it on the stock exchange bidding platform for the information of the Designated Intermediary.
- m) RIIs may continue to modify or withdraw the application till the closure of the Issue Period. For each modification of the application, the RII will submit a revised application and will receive a new UPI Mandate Request from the Sponsor Bank to be validated as per the process indicated above.



- n) RIIs to check the correctness of the details on the mandate received before approving the Mandate Request.
- o) Post closure of the Issue, the stock exchange will share the application details with the Registrar along with the final file received from the Sponsor Bank containing status of blocked funds or otherwise, along with the ASBA Account details with respect to applications made by RIIs using UPI ID.

**Discount: NOT APPLICABLE Additional Payment Instruction for NRIs**

The Non-Resident Indians who intend to block funds through Non-Resident Ordinary (NRO) accounts shall use the form meant for Resident Indians (non-repatriation basis). In the case of applications by NRIs applying on a repatriation basis, payment shall not be accepted out of NRO Account.

**9. FIELD NUMBER 9: SIGNATURES AND OTHER AUTHORISATIONS**

- a) Only the First Applicant is required to sign the Application Form. Applicants should ensure that signatures are in one of the languages specified in the Eighth Schedule to the Constitution of India.
- b) In relation to the Applications, signature has to be correctly affixed in the authorization / undertaking box in the Application Form, or an authorisation has to be provided to the SCSB via the electronic mode, for blocking funds in the ASBA Account equivalent to the application amount mentioned in the Application Form.
- c) Applicants must note that Application Form without signature of Applicants and /or ASBA Account holder is liable to be rejected.

**10. FIELD NUMBER 10: ACKNOWLEDGEMENT AND FUTURE COMMUNICATION**

- a) Applicant should ensure that they receive the acknowledgment duly signed and stamped by Application Collecting Intermediary or SCSB, as applicable, for submission of the Application Form.
- b) **All communications in connection with Application made in the Issue should be addressed as under:**
  - i. In case of queries related to Allotment, non-receipt of Allotment Advice, credit of allotted equity shares, the Applicant should contact the Registrar to the Issue.
  - ii. In case of ASBA Application submitted to the Designated Branches of the SCSBs, the Applicant should contact the relevant Designated Branch of the SCSB.
  - iii. Applicants may contact the Company Secretary and Compliance Officer or Lead Manager in case of any other complaints in relation to the Issue.
  - iv. In case of queries relating to uploading of Application by a Syndicate Member, the Applicant should contact the relevant Syndicate Member.
  - v. In case of queries relating to uploading of Application by a Registered Broker, the Applicant should contact the relevant Registered Broker.
  - vi. In case of Application submitted to the RTA, the Applicant should contact the relevant RTA.
  - vii. In case of Application submitted to the DP, the Applicant should contact the relevant DP.
  - viii. In case of queries relating to uploading of Application through the UPI Mechanism, the Applicant should contact the Sponsor Bank;
- c) **The following details (as applicable) should be quoted while making any queries:**
  - i. Full name of the sole or First Applicant, Application Form number, Applicants' DP ID, Client ID, PAN, number of Equity Shares applied for, amount paid on Application.
  - ii. Name and address of the Designated Intermediary, where the Application was submitted; or
  - iii. Applications, ASBA Account number or the UPI ID (for RIIs who make the payment of Application Amount



through the UPI mechanism) linked to the ASBA Account where the Application Amount was blocked in which the amount equivalent to the Application Amount was blocked.

iv. For further details, Applicants may refer to the Draft Prospectus and the Application Form.

## **B. INSTRUCTIONS FOR FILLING THE REVISION FORM**

- a) During the Issue Period, any Applicants (other than QIBs and NIIs, who can only revise their Application amount upwards) who has registered his or her interest in the Equity Shares for a particular number of shares is free to revise number of shares applied using revision forms available separately.
- b) RII may revise / withdraw their Application till closure of the Issue period.
- c) Revisions can be made only in the desired number of Equity Shares by using the Revision Form.
- d) The Applicant can make this revision any number of times during the Issue Period. However, for any revision(s) in the Application, the Applicants will have to use the services of the SCSB through which such Applicant had made the original Application. It is clarified that RIIs whose original Application is made using the UPI mechanism, can make revision(s) to their Application using the UPI mechanism only, whereby each time the Sponsor Bank will initiate a new UPI Mandate Request. Applicants are advised to retain copies of the blank Revision Form and the Application(s) must be made only in such Revision Form or copies thereof.

**A sample Revision form is reproduced below:**



<b>COMMON APPLICATION REVISION FORM</b>	<b>XYZ LIMITED - INITIAL PUBLIC ISSUE - R</b> Registered Office: Tel. No.:      Fax No.:      Email:      Website: Contact Person:      CIN:	FOR RESIDENT INDIANS, INCLUDING RESIDENT QIBs, NON INSTITUTIONAL INVESTORS, RETAIL INDIVIDUAL INVESTORS AND ELIGIBLE NRI, APPLYING ON A NON-REPATRIATION BASIS
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<b>LOGO</b>	TO, THE BOARD OF DIRECTORS XYZ LIMITED	<b>FIXED PRICE SME ISSUE</b> ISIN : XXXXXXXX	Application Form No.
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<b>SYNDICATE MEMBER'S STAMP &amp; CODE</b>  <b>SUB-BROKER'S / SUB-AGENT'S STAMP &amp; CODE</b>  <b>BANK BRANCH SERIAL NO.</b>	<b>BROKER/SCSB/DP/RTA STAMP &amp; CODE</b>  <b>SCSB BRANCH STAMP &amp; CODE</b>  <b>SCSB SERIAL NO.</b>	<b>1. NAME &amp; CONTACT DETAILS OF SOLE/FIRST APPLICANT</b> Mr. / Ms. Address Tel. No. (with STD code) / Mobile <b>2. PAN OF SOLE/FIRST APPLICANT</b> <b>3. INVESTOR'S DEPOSITORY ACCOUNT DETAILS</b> NSDL    CDSL <small>For NSDL, enter 8 digit DP ID followed by 8 digit Client ID / For CDSL, enter 16 digit Client ID</small>
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PLEASE CHANGE MY APPLICATION <span style="float: right;"><input type="checkbox"/> PHYSICAL</span>				
<b>Options</b>	<b>No. of Equity Shares Application</b> (Application must be in multiples of [•] Equity Share) (In Figures)	<b>Price per Equity Share (₹) [•]</b> (In Figures)		
		Issue Price	Discount, if any	Net Price
Option 1	ORIGINAL APPLICATION	ORIGINAL APPLICATION		"Cut-off" (Please tick)
(OR) Option 2				
(OR) Option 3				

<b>5. TO (Revised Application) (Only Retail Individual Investor can apply at "Cut-Off")</b>				
<b>Options</b>	<b>No. of Equity Shares Application</b> (Application must be in multiples of [•] Equity Share) (In Figures)	<b>Price per Equity Share (₹) [•]</b> (In Figures)		
		Issue Price	Discount, if any	Net Price
Option 1	REVISED APPLICATION	REVISED APPLICATION		"Cut-off" (Please tick)
(OR) Option 2				
(OR) Option 3				

<b>6. PAYMENT DETAILS</b>	<b>PAYMENT OPTION : Full Payment</b>
Additional Amount Blocked (₹ in Figures)	(₹ in words)
ASBA Bank A/c No.	
Bank Name & Branch	
OR	
UPI Id	
<small>(Maximum 45 characters)</small>	

I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY), HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS REVISION FORM AND THE ATTACHED ABBRIDGED PROSPECTUS AND THE GENERAL INFORMATION DOCUMENT FOR INVESTING IN THE PUBLIC ISSUE ("GID") AND HEREBY AGREE AND CONFIRM THE "INVESTOR UNDERTAKING" AS GIVEN OVERLEAF. I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ THE INSTRUCTIONS FOR FILLING UP THE REVISION FORM GIVEN OVERLEAF.

<b>7A. SIGNATURE OF SOLE / FIRST APPLICANT</b>  Date: _____, 2019:	<b>7B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S) (AS PER BANK RECORDS)</b> <small>I/We authorize the SCSB to do all acts as are necessary to make the Application in the issue</small> 1) _____ 2) _____ 3) _____	<b>SYNDICATE MEMBER / REGISTERED BROKER / SCSB / DP / RTA STAMP</b> (Acknowledging upload of Application in Stock Exchange System)
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TEAR HERE

<b>LOGO</b>	<b>XYZ LIMITED</b> <b>REVISION FORM - INITIAL PUBLIC ISSUE - R</b>	Acknowledgment Slip for SYNDICATE MEMBER / REGISTERED BROKER / SCSB / DP / RTA	Application Form No.
DPID / CLID	PAN		
Additional Amount Blocked (₹ in figures)	ASBA Bank & Branch	Stamp & Signature of SCSB Branch	
ASBA Bank A/c No / UPI Id			
Received from Mr./Ms.			
Telephone / Mobile	Email		

TEAR HERE

<b>XYZ LIMITED REVISION FORM - INITIAL PUBLIC ISSUE - R</b>	Option 1    Option 2    Option 3	Stamp & Signature of SYNDICATE MEMBER / REGISTERED BROKER / SCSB / DP / RTA	<b>Name of Sole / First Applicant</b>  <b>Acknowledgment Slip for Applicant</b>  Application Form No.
No. of Equity Shares			
Issue Price			
Additional Amount Blocked (₹)			
ASBA Bank A/c No. / UPI Id			
Bank & Branch			

Important Note: Application made using third party UPI Id or ASBA Bank A/c are liable to be rejected.





<b>COMMON APPLICATION REVISION FORM</b>	<b>XYZ LIMITED - INITIAL PUBLIC ISSUE - NR</b> <small>Registered Office:      Tel. No.:      Fax No.:      Email:      Website:      CIN:</small>	<b>FOR ELIGIBLE NRIs, FIIs/FPIs, FVCI, ETC., APPLYING ON A REPATRIATION BASIS</b>
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<b>LOGO</b>	<b>TO,</b> <b>THE BOARD OF DIRECTORS</b> <b>XYZ LIMITED</b>	<b>FIXED PRICE SME ISSUE</b> <b>ISIN : XXXXXXXX</b>	<b>Application</b> <b>Form No.</b>
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<b>SYNDICATE MEMBER'S STAMP &amp; CODE</b>	<b>BROKER/SCSB/CDP/RTA STAMP &amp; CODE</b>	<b>1. NAME &amp; CONTACT DETAILS OF SOLE/FIRST APPLICANT</b>
		Mr. / Ms. <span style="border-bottom: 1px solid black; display: inline-block; width: 150px;"></span> Address <span style="border-bottom: 1px solid black; display: inline-block; width: 150px;"></span> Tel. No. (with STD code) / Mobile <span style="border-bottom: 1px solid black; display: inline-block; width: 150px;"></span>
<b>SUB-BROKER'S / SUB-AGENT'S STAMP &amp; CODE</b>	<b>SCSB BRANCH STAMP &amp; CODE</b>	<b>2. PAN OF SOLE/FIRST APPLICANT</b>
		<span style="border-bottom: 1px solid black; display: inline-block; width: 150px;"></span>
<b>BANK BRANCH SERIAL NO.</b>	<b>SCSB SERIAL NO.</b>	<b>3. INVESTOR'S DEPOSITORY ACCOUNT DETAILS</b> NSDL <input type="checkbox"/> CDSL <input type="checkbox"/>
		For NSDL enter 8 digit DP ID followed by 8 digit Client ID / For CDSL enter 16 digit Client ID

PLEASE CHANGE MY APPLICATION <span style="float: right;"><input type="checkbox"/> PHYSICAL</span>				
<b>4. FROM (as per last Application or Revision)</b>	<b>No. of Equity Shares Application</b> (Application must be in multiples of [x] Equity Share) (In Figures)	<b>Price per Equity Share (₹) [x]</b> (In Figures)		
<b>Options</b>		<b>Issue Price</b>	<b>Discount, if any</b>	<b>Net Price</b>
Option 1	ORIGINAL APPLICATION	ORIGINAL APPLICATION		
(OR) Option 2				
(OR) Option 3				

<b>5. TO (Revised Application) (Only Retail Individual Investor can apply at "Cut-Off")</b>				
<b>Options</b>	<b>No. of Equity Shares Application</b> (Application must be in multiples of [x] Equity Share) (In Figures)	<b>Price per Equity Share (₹) [x]</b> (In Figures)		
		<b>Issue Price</b>	<b>Discount, if any</b>	<b>Net Price</b>
Option 1	REVISED APPLICATION	REVISED APPLICATION		
(OR) Option 2				
(OR) Option 3				

<b>6. PAYMENT DETAILS</b>	<b>PAYMENT OPTION : Full Payment</b>
Additional Amount Blocked (₹ in Figures) <span style="border-bottom: 1px solid black; display: inline-block; width: 150px;"></span>	(₹ in words) <span style="border-bottom: 1px solid black; display: inline-block; width: 150px;"></span>
ASBA Bank A/c No. <span style="border-bottom: 1px solid black; display: inline-block; width: 150px;"></span>	
Bank Name & Branch <span style="border-bottom: 1px solid black; display: inline-block; width: 150px;"></span>	
OR	
UPI Id <span style="border-bottom: 1px solid black; display: inline-block; width: 150px;"></span>	
<small>(Maximum: 45 characters)</small>	

I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY), HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS REVISION FORM AND THE ATTACHED ABBRIDGED PROSPECTUS AND THE GENERAL INFORMATION DOCUMENT FOR INVESTING IN THE PUBLIC ISSUE ("GID") AND HEREBY AGREE AND CONFIRM THE "INVESTOR UNDERTAKING" AS GIVEN OVERLEAF. I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ THE INSTRUCTIONS FOR FILLING UP THE REVISION FORM GIVEN OVERLEAF.

<b>7A. SIGNATURE OF SOLE / FIRST APPLICANT</b>	<b>7B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(s) (AS PER BANK RECORDS)</b>	<b>SYNDICATE MEMBER / REGISTERED BROKER / SCSB / DP / RTA STAMP</b> (Acknowledging upload of Application in Stock Exchange System)
Date: <span style="border-bottom: 1px solid black; display: inline-block; width: 150px;"></span> 2019.	I/We authorize the SCSB to do all acts so are necessary to make the Application in the issue	
	1) <span style="border-bottom: 1px solid black; display: inline-block; width: 150px;"></span>	
	2) <span style="border-bottom: 1px solid black; display: inline-block; width: 150px;"></span>	
	3) <span style="border-bottom: 1px solid black; display: inline-block; width: 150px;"></span>	

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<b>LOGO</b>	<b>XYZ LIMITED</b> <b>REVISION FORM - INITIAL PUBLIC ISSUE - NR</b>	<b>Acknowledgment Slip for</b> <b>SYNDICATE MEMBER / REGISTERED</b> <b>BROKER / SCSB / DP / RTA</b>	<b>Application</b> <b>Form No.</b>
DPID / CLID <span style="border-bottom: 1px solid black; display: inline-block; width: 150px;"></span>	PAN <span style="border-bottom: 1px solid black; display: inline-block; width: 150px;"></span>		
Additional Amount Blocked (₹ in figures) <span style="border-bottom: 1px solid black; display: inline-block; width: 150px;"></span>	ASBA Bank & Branch <span style="border-bottom: 1px solid black; display: inline-block; width: 150px;"></span>	<b>Stamp &amp; Signature of SCSB Branch</b> <div style="border: 1px solid black; height: 100px; width: 100%;"></div>	
ASBA Bank A/c No./UPI Id <span style="border-bottom: 1px solid black; display: inline-block; width: 150px;"></span>			
Received from Mr/Ms <span style="border-bottom: 1px solid black; display: inline-block; width: 150px;"></span>			
Telephone / Mobile <span style="border-bottom: 1px solid black; display: inline-block; width: 150px;"></span>	Email <span style="border-bottom: 1px solid black; display: inline-block; width: 150px;"></span>		

-----TEAR HERE-----

<b>XYZ LIMITED REVISION FORM - INITIAL PUBLIC ISSUE - NR</b>	<b>No. of Equity Shares</b>	<b>Option 1</b>	<b>Option 2</b>	<b>Option 3</b>	<b>Stamp &amp; Signature of SYNDICATE MEMBER / REGISTERED BROKER / SCSB / DP / RTA</b>	<b>Name of Sole / First Applicant</b>
	Issue Price					
	Additional Amount Blocked (₹)					
	ASBA Bank A/c No. / UPI Id					
	Bank & Branch					
	<b>Acknowledgment Slip for Applicant</b>					
	<b>Application</b> <b>Form No.</b>					

Important Note: Application made using third party UPI Id or ASBA Bank A/c are liable to be rejected.





#### **11. FIELDS 1, 2 AND 3: NAME AND CONTACT DETAILS OF SOLE/FIRST APPLICANT, PAN OF SOLE/FIRST APPLICANT & DEPOSITORY ACCOUNT DETAILS OF THE APPLICANT**

Applicants should refer to instructions contained in paragraphs 1, 2 and 3 above under the heading “Instructions for Filling the Application Form”.

#### **12. FIELDS 4 AND 5: APPLICATION OPTIONS REVISION ‘FROM’ AND ‘TO’**

- a) Apart from mentioning the revised number of shares in the Revision Form, the Applicants must also mention the details of shares applied for given in his or her Application Form or earlier Revision Form. For example, if Applicant has applied for [●] equity shares in the Application Form and such applicant is changing number of shares applied for in the Revision Form, the applicant must fill the details of [●] equity shares, in the Revision Form. The members of the Syndicate, the Registered Brokers and the Designated Branches of the SCSBs may not accept incomplete or inaccurate Revision Form.
- b) In case of revision, applicants’ options should be provided by applicants in the same order as provided in the Application Form.
- c) In case of revision of Applicants by Retail Individual Investors and Retail Individual Shareholders, such Applicants should ensure that the Application Amount, Subsequent to revision, does not exceed ₹ 2,00,000. In case the Application Amount exceeds ₹ 2,00,000 due to revision of the Application or for any other reason, the Application may be considered, subject to eligibility, for allocation under the Non-Institutional Category or if it is at the Cut-off Price, then such Application may be rejected. The Cut-off Price option is given only to the Retail Individual Investors and Retail Individual Shareholders indicating their agreement to apply for and purchase the Equity Shares at the Issue Price.
- d) In case the total amount (i.e., original Application Amount plus additional payment) exceeds ₹ 2,00,000, the Application will be considered for allocation under the Non-Institutional Category in terms of the Draft Prospectus. If, however, the RII does not either revise the Application or make additional payment and the Issue Price is higher than the price disclosed in the Draft Prospectus, the number of Equity Shares applied for shall be adjusted downwards for the purpose of allocation, such that no additional payment would be required from the RII and the RII is deemed to have approved such revised application at Cut-off Price.
- e) In case of a downward revision in the Price, RIIs who have applied at the Cut-off Price could either revise their application or the excess amount paid at the time of application may be unblocked in case of applicants.

#### **13. PAYMENT DETAILS**

- a) All Applicants are required to make payment of the full Application Amount along with the Application Revision Form.
- b) Applicant may Issue instructions to block the revised amount based on the revised Price in the ASBA Account of the UPI Linked Bank Account, to the same Designated Intermediary through whom such applicant had placed the original application to enable the relevant SCSB to block the additional Application Amount, if any.
- c) In case the total amount (i.e., original Application Amount plus additional payment) exceeds ₹ 2,00,000, the Application may be considered for allocation under the Non-Institutional Category in terms of the Draft Prospectus. If, however, the Applicant does not either revise the application or make additional payment and the Price is higher than Issue price disclosed in the Draft Prospectus prior to the revision, the number of Equity Shares applied for may be adjusted downwards for the purpose of Allotment, such that additional amount is required blocked and the applicant is deemed to have approved such revised application at the Cut-off Price.
- d) In case of a downward revision in the Price, RIIs and Retail Individual Shareholders, who have applied at the Cut-off Price, could either revise their application or the excess amount paid at the time of application may be unblocked.

#### **14. FIELD NUMBER 7: SIGNATURES AND ACKNOWLEDGEMENTS**

Applicants may refer to instructions contained at paragraphs 9 above under the heading “Instructions for Filling the Application Form” for this purpose.



## **APPLICANT'S DEPOSITORY ACCOUNT AND BANK DETAILS**

*Please note that, providing bank account details or UPI ID in the space provided in the Application Form is mandatory and applications that do not contain such details are liable to be rejected.*

*Please note that, furnishing the details of depository account is mandatory and applications without depository account shall be treated as incomplete and rejected.*

Applicants should note that on the basis of name of the Applicants, Depository Participant's name, Depository Participant Identification number and Beneficiary Account Number provided by them in the Application Form, the Registrar to the Issue will obtain from the Depository the demographic details including address, Applicants bank account details, MICR code, occupation (hereinafter referred to as 'Demographic Details') or UPI ID (in case of Retail Individual Investors). These Bank Account or UPI ID details would be used for giving refunds to the Applicants. Hence, Applicants are advised to immediately update their Bank Account details as appearing on the records of the depository participant. Please note that failure to do so could result in delays in dispatch/ credit of refunds to Applicants at the Applicants' sole risk and neither the Lead Manager nor the Registrar to the Issue or the Escrow Collection Banks or the SCSB nor the Company shall have any responsibility and undertake any liability for the same. Hence, Applicants should carefully fill in their Depository Account details in the Application Form. These Demographic Details would be used for all correspondence with the Applicants including mailing of the CANs / Allocation Advice and printing of Bank particulars on the refund orders or for refunds through electronic transfer of funds, as applicable. The Demographic Details given by Applicants in the Application Form would not be used for any other purpose by the Registrar to the Issue. By signing the Application Form, the Applicant would be deemed to have authorized the depositories to provide, upon request, to the Registrar to the Issue, the required Demographic Details as available on its records.

## **PAYMENT BY STOCK INVEST**

In terms of the Reserve Bank of India Circular No. DBOD No. FSC BC 42/ 24.47.00/ 2003-04 dated November 5, 2003; the option to use the stock invest instrument in lieu of cheques or bank drafts for payment of Application money has been withdrawn. Hence, payment through stock invest would not be accepted in this Issue.

## **OTHER INSTRUCTIONS**

### **JOINT 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). 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 (1<sup>st</sup> 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 (Twenty) valid applications having a common address, such shares will be kept in abeyance, post allotment and released on confirmation of “know your client” norms by the depositories. The Company reserves the right to reject, in its absolute discretion, all or any multiple Applications in any or all categories.

After submitting an ASBA Application or Application through UPI Mechanism either in physical or electronic mode, an 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.

An investor making application using any of channels under UPI Payments Mechanism, shall use only his / her own bank account or only his / her own bank account linked UPI ID to make an application in public issues. Applications made using third party bank account or using third party linked bank account UPI ID are liable for rejection. Sponsor Bank shall provide the investors UPI linked bank account details to RTA for purpose of reconciliation. RTA shall undertake technical rejection of all applications to reject applications made using third party bank account.

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 Lead Manager reserves the right to reject, in its absolute discretion, all or any multiple applications in any or all categories. In this regard, the procedure which would be followed by the Registrar to the Issue to detect multiple applications is given below:

1. All Applications will be checked for common PAN. For Applicants other than Mutual Funds and FII sub-accounts, 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 2, 2007. Each of the Applicants should mention his/her PAN allotted under the Income Tax Act, 1961. Applications without the PAN will be considered incomplete and are liable to be rejected. It is to be specifically noted that Applicants should not submit the General Index Registration (“GIR”) number instead of the PAN, as the Application is liable to be rejected on this ground.

Our Company/ Registrar to the Issue/ Lead Manager can, however, accept the Application(s) in which PAN is wrongly entered into by ASBA SCSB's in the ASBA system, without any fault on the part of Applicant.

#### **RIGHT TO REJECT APPLICATIONS**

In case of QIB Applicants, the Company in consultation with the Lead Manager may reject Applications provided that the reasons for rejecting the same shall be provided to such Applicant in writing. In case of Non Institutional Applicants, Retail Individual Applicants who applied, the Company has a right to reject Applications based on technical grounds.

#### **GROUND FOR REJECTIONS**

**Applicants are advised to note that Applications are liable to be rejected inter alia on the following technical grounds:**

- Amount paid does not tally with the amount payable for the highest value of Equity Shares applied for;
- In case of partnership firms, Equity Shares may be registered in the names of the individual partners and not firm as such shall be entitled to apply;
- Application by persons not competent to contract under the Indian Contract Act, 1872 including minors, insane persons;
- PAN not mentioned in the Application Form;
- GIR number furnished instead of PAN;
- Applications for lower number of Equity Shares than specified for that category of investors;



- Applications at a price other than the Fixed Price of the Issue;
- Applications for number of Equity Shares which are not in multiples of 1,600;
- Category not ticked;
- Multiple Applications as defined in the Draft Prospectus;
- In case of Application under power of attorney or by limited companies, corporate, trust etc., where relevant documents are not submitted;
- Applications accompanied by Stock invest/ money order/ postal order/ cash;
- Signature of sole Applicant is missing;
- Application Forms are not delivered by the Applicant within the time prescribed as per the Application Forms, Issue Opening Date advertisement and the Draft Prospectus and as per the instructions in the Draft Prospectus and the Application Forms;
- In case no corresponding record is available with the Depositories that matches three parameters namely, names of the Applicants (including the order of names of joint holders), the Depository Participant's identity (DP ID) and the beneficiary's account number;
- Applications for amounts greater than the maximum permissible amounts prescribed by the regulations;
- Applications by OCBs;
- Applications by US persons other than in reliance on Regulations for "qualified institutional buyers" as defined in Rule 144A under the Securities Act;
- Applications not duly signed;
- Applications by any persons outside India if not in compliance with applicable foreign and Indian laws;
- Applications by any person that do not comply with the securities laws of their respective jurisdictions are liable to be rejected;
- Applications by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority;
- Applications by persons who are not eligible to acquire Equity Shares of the Company in terms of all applicable laws, rules, regulations, guidelines, and approvals;
- Applications or revisions thereof by QIB Applicants, Non Institutional Applicants where the Application Amount is in excess of ₹2,00,000, received after 3.00 pm on the Issue Closing Date;
- Applications not containing the details of Bank Account, UPI ID and/or Depositories Account;
- Inadequate funds in the bank account to block the Application Amount specified in the Application Form/Application Form at the time of blocking such Application Amount in the bank account;
- Where no confirmation is received from SCSB for blocking of funds;
- Applications by Applicants not submitted through ASBA process;
- Applications not uploaded on the terminals of the Stock Exchanges;
- Applications by SCSBs wherein a separate account in its own name held with any other SCSB is not mentioned as the ASBA Account in the Application Form;
- ASBA Account number or UPI ID not mentioned or incorrectly mentioned in the Application Form;
- Submission of Application Form(s) using third party ASBA Bank Account;
- Submission of more than one Application Form per UPI ID by RIIs applying through Designated Intermediaries;
- In case of Applications by RIIs (applying through the UPI mechanism), the UPI ID mentioned in the Application Form is linked to a third party bank account;
- The UPI Mandate is not approved by Retail Individual Investor; and
- The original Application is made using the UPI mechanism and revision(s) to the Application is made using ASBA either physically or online through the SCSB, and *vice versa*.

#### **ISSUANCE OF A CONFIRMATION OF ALLOCATION NOTE ("CAN") AND ALLOTMENT IN THE ISSUE**

1. Upon approval of the basis of allotment by the Designated Stock Exchange, the Lead Manager or Registrar to the Issue shall send to the SCSBs a list of their Applicants who have been allocated Equity Shares in the Issue.
2. The Registrar will then dispatch a CAN to their Applicants who have been allocated Equity Shares in the Issue. The dispatch of a CAN shall be deemed a valid, binding and irrevocable contract for the Applicant.

#### **DESIGNATED DATE AND ALLOTMENT**

Our Company will ensure that the Allotment and credit to the successful Applicants' depository account will be completed within 2 (Two) Working Days, or such period as may be prescribed by SEBI, of the Issue Closing Date or such other period as may be prescribed.

- a) Equity Shares will be issued and Allotment shall be made only in the dematerialised form to the Allottees.
- b) Allottees will have the option to re-materialise the Equity Shares so allotted as per the provisions of the Companies Act, 2013 and the Depositories Act.



## ALLOTMENT PROCEDURE AND BASIS OF ALLOTMENT

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 Prospectus. 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:**

- On T Day, RTA to validate the electronic bid details with the depository records and also reconcile the final certificates received from the Sponsor Bank for UPI process and the SCSBs for ASBA and Syndicate ASBA process with the electronic bid details;
- RTA identifies cases with mismatch of account number as per bid file / Final Certificate and as per applicant's bank account linked to depository demat account and seek clarification from SCSB to identify the applications with third party account for rejection.
- Third party confirmation of applications to be completed by SCSBs on T+1 day.
- RTA prepares the list of final rejections and circulate the rejections list with LM(s)/ Company for their review/ comments.
- Post rejection, the RTA submits the basis of allotment with the Designated Stock Exchange (DSE).
- The Designated Stock Exchange (DSE), post verification approves the basis and generates drawal of lots wherever applicable, through a random number generation software.
- The RTA uploads the drawal numbers in their system and generates the final list of allottees as per process mentioned below:

### **Process for generating list of allottees:**

- Instruction is given by RTA in their Software System to reverse category wise all the application numbers in the ascending order and generate the bucket /batch as per the allotment ratio. For example, if the application number is 78654321 then system reverses it to 12345687 and if the ratio of allottees to applicants in a category is 2:7 then the system will create lots of 7. If the drawal of lots provided by Designated Stock Exchange (DSE) is 3 and 5 then the system will pick every 3rd and 5th application in each of the lot of the category and these applications will be allotted the shares in that category.
- In categories where there is proportionate allotment, the Registrar will prepare the proportionate working based on the oversubscription times.
- In categories where there is undersubscription, the Registrar will do full allotment for all valid applications.
- On the basis of the above, the 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.

## EQUITY SHARES IN DEMATERIALIZED FORM WITH NSDL OR CDSL

To enable all shareholders of the Company to have their shareholding in electronic form, the Company had signed the following tripartite agreements with the Depositories and the Registrar and Share Transfer Agent:

- a tripartite agreement dated May 08<sup>th</sup>, 2024 with NSDL, our Company and Registrar to the Issue;
- a tripartite agreement dated April 18<sup>th</sup>, 2024 with CDSL, our Company and Registrar to the Issue.

**The Company's shares bear an ISIN: INE0V3T01017.**

- An applicant applying for Equity Shares in demat form must have at least one beneficiary account with the Depository Participants of either NSDL or CDSL prior to making the application.
- 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.
- Equity Shares allotted to a successful applicant will be credited in electronic form directly to the Applicant's beneficiary account (with the Depository Participant).
- 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 their Depository Participant.





- g) It may be noted that Equity Shares in electronic form can be traded only on the stock exchanges having electronic connectivity with NSDL and CDSL. The Stock Exchange platform where our Equity Shares are proposed to be listed has electronic connectivity with CDSL and NSDL.
- h) The trading of the Equity Shares of our Company would be only in dematerialized form.

## COMMUNICATIONS

All future communications in connection with Applications made in this Issue should be addressed to the Registrar to the Issue quoting the full name of the sole or First Applicant, Application Form number, Applicants Depository Account Details, number of Equity Shares applied for, date of Application form, name and address of the Banker to the Issue where the Application was submitted and a copy of the acknowledgement slip.

Investors can contact the Compliance Officer or the Registrar to the Issue in case of any pre Issue or post Issue related problems such as non-receipt of letters of allotment, credit of allotted shares in the respective beneficiary accounts, etc. at below mentioned addresses:

<p>To, Ms. Ritu Garg; C/o. Jivial Industries Limited; Address: Shade No. A1/5, Road C, Beside Daynamic Forge, AJI GIDC, Rajkot Aji Ind Estate, Rajkot, Rajkot, Gujarat, India, 360003; <b>Telephone No.:</b> +91 9252634090; <b>Website:</b> www.jivialrailings.com <b>E-Mail:</b> cs@jivialrailings.com.</p>	<p>To, Mr. Babu Rapheal C; <b>SEBI Registration Number:</b> INR000001385; <b>Address:</b> Office No. S6-2 6<sup>th</sup> Floor, Pinnacle Business Park, Next to Ahura Center, Mahakali Caves Road, Andheri East, Mumbai – 400093; <b>Tel. Number:</b> +91 – 22626 38200; <b>Email Id:</b> ipo@bigshareonline.com; <b>Investors Grievance Id:</b> investor@bigshareonline.com; <b>Website:</b> www.bigshareonline.com.</p>
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## DISPOSAL OF APPLICATIONS AND APPLICATION MONEY AND INTEREST IN CASE OF DELAY

The Company shall ensure the dispatch of Allotment advice, instructions 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 working day of the date of Allotment of Equity Shares.

The Company shall make 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 3 (Three) Working Days of closure of the issue.

## IMPERSONATION

Attention of the applicants is specifically drawn to the provisions of section 38(1) of the Companies Act, 2013 which is reproduced below:

Any person who: makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or

- a) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or

Otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under section 447 of Companies Act, 2013 and shall be treated as Fraud.

*Section 447 of the Companies Act, 2013, is reproduced as below:*

*Without prejudice to any liability including repayment of any debt under this Act or any other law for the time being in force, any person who is found to be guilty of fraud involving an amount of at least ten lakh rupees or one per cent. of the turnover of the company, whichever is lower shall be punishable with imprisonment for a term which shall not be less than six months but which may extend to ten years and shall also be liable to fine which shall not be less than the amount involved in the fraud, but which may extend to three times the amount involved in the fraud:*

*Provided that where the fraud in question involves public interest, the term of imprisonment shall not be less than three years.*

*Provided further that where the fraud involves an amount less than ten lakh rupees or one per cent. of the turnover of the company, whichever is lower, and does not involve public interest, any person guilty of such fraud shall be punishable*





with imprisonment for a term which may extend to five years or with fine which may extend to twenty lakh rupees or with both.

## **BASIS OF ALLOTMENT**

Allotment will be made in consultation with NSE (The Designated Stock Exchange). In the event of oversubscription, the allotment will be made on a proportionate basis in marketable lots as set forth here:

1. The total number of Shares to be allocated to each category as a whole shall be arrived at on a proportionate basis i.e. the total number of Shares applied for in that category multiplied by the inverse of the over subscription ratio (number of applicants in the category x number of Shares applied for).
2. The number of Shares to be allocated to the successful applicants will be arrived at on a proportionate basis in marketable lots (i.e. Total number of Shares applied for into the inverse of the over subscription ratio).
3. For applications where the proportionate allotment works out to less than 1,600 equity shares the allotment will be made as follows:
  - a) Each successful applicant shall be allotted 1,600 equity shares; and
  - b) The successful applicants out of the total applicants for that category shall be determined by the drawal of lots in such a manner that the total number of Shares allotted in that category is equal to the number of Shares worked out as per (2) above.
4. If the proportionate allotment to an applicant works out to a number that is not a multiple of 1,600 equity shares, the applicant would be allotted Shares by rounding off to the lower nearest multiple of 1,600 equity shares.
5. If the Shares allocated on a proportionate basis to any category is more than the Shares allotted to the applicants in that category, the balance available Shares for allocation shall be first adjusted against any category, where the allotted Shares are not sufficient for proportionate allotment to the successful applicants in that category, the balance Shares, if any, remaining after such adjustment will be added to the category comprising of applicants applying for the minimum number of Shares.
6. Since present issue is a fixed price issue, the allocation in the net Issue to the public category in terms of Regulation 253(2) of the SEBI (ICDR) (Amendment) Regulations, 2018 shall be made as follows:
  - (a). minimum fifty per cent. to retail individual investors; and (b). remaining to:
    - i) Individual applicants other than retail individual investors; and
    - ii) Other investors including corporate bodies or institutions, irrespective of the number of Equity Shares applied for.

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.

Explanation: If the retail individual investor category is entitled to more than fifty per cent of the net issue size on apportionate basis, the retail individual investors shall be allocated that higher percentage.

Please note that the Allotment to each Retail Individual Investor shall not be less than the minimum application lot, subject to availability of Equity Shares in the Retail portion. The remaining available Equity Shares, if any in Retail portion shall be allotted on a proportionate basis to Retail individual Investor in the manner in this para titled “Basis Of Allotment”.

“Retail Individual Investor” means an investor who applies for shares of value of not more than ₹ 2,00,000/-. Investors may note that in case of over subscription allotment shall be on proportionate basis and will be finalized in consultation with the Emerge Platform of NSE.

## **BASIS OF ALLOTMENT IN THE EVENT OF UNDER SUBSCRIPTION**

In the event of under subscription in the Issue, the obligations of the Underwriters shall get triggered in terms of the Underwriting Agreement. The Minimum subscription of 100% of the Issue size as specified in this Draft Prospects shall be achieved before our company proceeds to get the basis of allotment approved by the Designated Stock Exchange.

The Executive Director/Managing Director of the Emerge Platform of NSE the Designated Stock Exchange in addition to



Lead Manager and Registrar to the Public Issue shall be responsible to ensure that the basis of allotment is finalized in a fair and proper manner in accordance with the SEBI (ICDR) Regulations, 2018.

#### **NAME OF ENTITIES RESPONSIBLE FOR FINALISING THE BASIS OF ALLOTMENT IN A FAIR AND PROPER MANNER**

The authorised employees of the Designated Stock Exchange, along with the LM and the Registrar to the Issue, 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 through the Offer Document except in case of over-subscription for the purpose of rounding off to make allotment, in consultation with the Designated Stock Exchange. Further, upon over-subscription, an allotment of not more than one per cent of the Issue may be made for the purpose of making Allotment in minimum lots.

The allotment of Equity Shares to applicants other than to the Retail Individual Applicants 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 as determined and disclosed.

The allotment of Equity Shares to each Retail Individual Applicants shall not be less than the minimum Application lot, subject to the availability of shares in Retail Individual Applicants portion, and the remaining available Equity Shares, if any, shall be allotted on a proportionate basis.

#### **UNDERTAKING BY OUR COMPANY**

**Our Company undertakes the following:**

- 1) that the complaints received in respect of this Issue shall be attended to by our Company expeditiously and satisfactorily;
- 2) That all steps will be taken for the completion of the necessary formalities for listing and commencement of trading at the Stock Exchange where the Equity Shares are proposed to be listed within 3 (Three) Working Days of closure of the Issue;
- 3) that funds required for making refunds/unblocking to unsuccessful applicants as per the mode(s) disclosed shall be made available to the Registrar to the Issue by us;
- 4) that the instruction for electronic credit of Equity Shares/ refund orders/intimation about the refund to non-resident Indians shall be completed within specified time; and
- 5) that no further issue of Equity Shares shall be made till the Equity Shares offered through the Prospectus are listed or till the application monies are refunded on account of non-listing, under subscription etc.
- 6) that Company shall not have recourse to the Issue proceeds until the approval for trading of the Equity Shares from the Stock Exchange where listing is sought has been received.
- 7) Adequate arrangements shall be made to collect all Application forms.

#### **UTILIZATION OF ISSUE PROCEEDS**

**The Board of Directors certifies that:**

- 1) All monies received out of the Issue shall be credited/ transferred to a separate bank account other than the bank account referred to in sub section (3) of Section 40 of the Companies Act 2013;
- 2) Details of all monies utilized out of the Issue shall be disclosed and continue to be disclosed till any part of the issue proceeds remains unutilized under an appropriate separate head in the Company's balance sheet indicating the purpose for which such monies have been utilized;
- 3) Details of all unutilized monies out of the Issue, if any shall be disclosed under an appropriate head in the balance sheet indicating the form in which such unutilized monies have been invested;
- 4) Our Company shall comply with the requirements of section SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and pursuant to section 177 of the Company's Act, 2013 in relation to the disclosure and monitoring of the utilization of the proceeds of the Issue respectively;
- 5) Our Company shall not have recourse to utilize the Issue Proceeds until the approval for listing and trading of the Equity Shares from the Stock Exchange where listing is sought has been received.



## RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and 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 RBI and the concerned ministries/departments are responsible for granting approval for foreign investment. The Government has from time to time made policy pronouncements on foreign direct investment (“FDI”) through press notes and press releases. The Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India (earlier known as the Department of Industrial Policy and Promotion) (“DPIIT”), issued the FDI Policy, which, with effect from October 15, 2020 consolidated, subsumed and superseded all previous press notes, press releases and clarifications on FDI issued by the DPIIT that were in force and effect prior to October 15, 2020. In terms of FDI Policy, FDI to an extent of 51% is allowed in multi brand retail trading with government approval. The FDI Policy will be valid until the DPIIT issues an updated circular. FDI in companies engaged in sectors/ activities which are not listed in the FDI Policy is permitted up to 100% of the paid-up share capital of such company under the automatic route, subject to compliance with certain prescribed conditions.

Under the current FDI Policy and the FEMA Non-Debt Rules, foreign direct investment is not permitted in companies engaged in (a) multi-brand retail trading, undertaking retail trading by means of e-commerce, and (b) inventory-based model of e-commerce. In accordance with the FEMA Non-debt Rules, participation by non-residents in the Issue is restricted to participation by (i) FPIs under Schedule II of the FEMA Non-debt Rules, subject to limit of the individual holding of an FPI below 10% of the post-Issue paid-up capital of our Company and the aggregate limit for FPI investment currently not exceeding the sectoral cap i.e. 51% of the post issue paid up share capital; and (ii) Eligible NRIs applying only on a non-repatriation basis under Schedule IV of the FEMA Non-debt Rules. Further, other non-residents applying on a repatriation basis, FVCIs and multilateral and bilateral development financial institutions are not permitted to participate in the Issue. As per the existing policy of the Government of India, OCBs cannot participate in this issue. See “*Issue Procedure*” beginning on page no. 168 of this Draft Prospectus.

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.

The foreign investment in our Company is governed by, inter-alia, the FEMA, the FEMA Non-debt Rules, the FDI Policy issued and amended by way of press notes.

Further, in terms of the FEMA Non-debt Rules, the aggregate FPI investment limit is the sectoral cap applicable to Indian company as prescribed in the FEMA Non-Debt Instruments Rules with respect to its paid-up equity capital on a fully diluted basis. See “*Issue Procedure*” beginning on page no. 168 of this Draft Prospectus.

Further, in accordance with the FDI Policy, the Press Note No. 3 (2020 Series), dated April 17, 2020 issued by the DPIIT and the FEMA Non-debt Rules, any investment, subscription, purchase or sale of equity instruments by entities of a country which shares land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country (“Restricted Investors”), will require prior approval of the Government, as prescribed in the FDI Policy and the FEMA Non-debt Rules. Further, in the event of transfer of ownership of any existing or future foreign direct investment in an entity in India, directly or indirectly, resulting in the beneficial ownership falling within the aforesaid restriction/ purview, such subsequent change in the beneficial ownership will also require approval of the Government. Furthermore, on April 22, 2020, the Ministry of Finance, Government of India has also made a similar amendment to the FEMA Non-Debt Rules. Each Bidder should seek independent legal advice about its ability to participate in the Issue. In the event such prior approval of the Government of India is required, and such approval has been obtained, the Bidder shall intimate our Company and the Registrar in writing about such approval along with a copy thereof within the Bid/Issue Period.



The Equity Shares have not been and will not be registered under the U.S. Securities Act and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. Accordingly, the Equity Shares are only being offered and sold outside the United States in offshore transactions in reliance on Regulation S 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 offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

The above information is given for the benefit of the Applicants. Our Company and the LM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft 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.



## SECTION XIV - DESCRIPTION OF EQUITY SHARES AND TERMS OF THE ARTICLES OF ASSOCIATION

PRELIMINARY			
1	a)	The Regulations Contained in Table “F” in the Schedule I to the Companies Act, 2013, shall apply to this Company, so far as they are not inconsistent with any of the provisions contained in these regulations or modifications thereof and only to the extent that there is no specific provisions in these regulations. In case of any conflict between the express provisions herein contained and the incorporated Regulation of ‘Table F’, the provisions herein shall prevail.	
	b)	The regulations for the management of the Company and for the observance by the members thereto and their representatives, shall, subject to any exercise of the statutory powers of the Company with reference to the deletion or alteration of or addition to its regulations by resolution as prescribed or permitted by the Companies Act, 2013, be such as are contained in these Articles.	
INTERPRETATION			
2	(i)	in these Articles:	
	a)	“Act” means the Companies Act, 2013 and the Rules made there under or any statutory modification or re-enactment thereof for the time being in force and the term shall be deemed to refer to the applicable section thereof which is relatable to the relevant Article in which the said term appears in these Articles and any previous company law, so far as may be applicable.	Act
	b)	“Articles” means these Articles of Association of the Company or as altered from time to time.	Articles
	c)	“Board” or “Board of Directors” means the Board of Directors of the Company or the Directors of the Company collectively. The Board of Directors shall include committees of the Board made thereon.	Board of Directors or Board
	d)	“Beneficial Owner” shall mean beneficial owner of the Shares or Debentures, whose name is recorded as such with a Depository.	Beneficial Owner
	e)	“By- Laws” means bye-laws made by a Depository the Depository Act, 1996.	Bye Laws
	f)	“Company” means the Company above named.	Company
	g)	“Depositories Act, 1996” shall also include any statutory modification or enactment thereof.	Depositories Act, 1996
	h)	“Depository” shall mean a company formed and registered under the Companies Act, 1956 and the Act, 2013 which has been granted a certificate of registration to act as a depository under the Securities & Exchanges Board of India Act, 1992.	Depository
	i)	“Document” includes summons, notice, requisition, order, declaration, form and register, whether issued, sent or kept in pursuance of this Act or under any other law for the time being in force or otherwise, maintained on paper or electronic form	Document
	j)	"Executor" or "Administrator" means a person who has obtained probate or Letters of Administration, as the case may be, from a competent court, and shall include the holder of a succession Certificate authorizing the holder thereof to negotiate or transfer the share or shares of the deceased members, and shall also include the holder of a certificate granted by the Administrator General of any State in India.	Executor or Administrator
	k)	"Global Depository Receipt “means any instrument in the form of a depository receipt, by whatever name called, created by a foreign depository outside India and authorized by a company making an issue of such depository receipts.	Global Depository Receipt
	l)	"Indian Depository Receipt" means any instrument in the form of a depository receipt created by a domestic depository in India and authorized by a company incarnated outside India making an issue of such depository receipts.	Indian Depository Receipt
	m)	"Legal Representative “means a person who in law represent the estate of a deceased Member.	Legal Representative
	n)	"Office" means the Registered Office for the time being of the Company.	Office
	o)	"Shareholder(s)" or "Member(s)" means;	Shareholder or Member
	-	the subscriber to the memorandum of the company who shall be deemed to have agreed to become member of the company, and on its registration , shall be entered as member in its register of members;	
	-	Every other person who agrees in writing to become a member of the company and whose name is entered in the register of members of the company.	



	-	every person holding shares of the company and whose name is entered as a beneficial owner in the records of a depository.	
	p)	"In Writing" or "Written" means and includes words printed, lithographed, represented or reproduced in any mode in a visible form.	"In Writing " or "Written"
	q)	Word importing the masculine gender shall include the feminine gender and vice-versa	Gender
	r)	"Rules" means the applicable rules for the time being in force as prescribed under relevant sections of the Act	Rules
	s)	Word importing the singular number include where the context admits or requires the plural number and vice versa	Singular number
	(II)	Unless the context otherwise requires, words or expressions contained in these Articles shall bear the same meaning as in the Act as the case may be.	Expressions in the Articles to bear the same meaning in the Act
	(III)	The Company Shall, on being so required by a Member, send to him within seven days of the requirement and subject to the payment of a fees of ₹100/- or such other fee as may be specified in the Rules for each copy of the documents specified in the Act.	Copies of the Memorandum and Articles to be furnished
<b>PUBLIC COMPANY</b>			
		The company is a Public Company within the meaning of section 2(71) of the Companies Act, 2013. "Public Company means a Company which is not a private company has a minimum paid up share capital as may be prescribed. Provided that a company which is a subsidiary of a company, not being a private company, shall be deemed to be public company for the purposes of this Act even where such subsidiary company continues to be a private company in its articles;	
<b>SHARE CAPITAL AND VARIATION OF RIGHTS</b>			
3	a)	The Authorized Share Capital of the Company is as stated in the Memorandum of Association of the Company. Further, Subject to the provisions of the Act, the Company may, by an ordinary resolution:	Authorized Capital
	-	Increase the share capital by such sum, to be divided into shares of such amount as it thinks expedient.	
	-	Consolidate and divide all or any of its share capital into shares or larger amount then its existing shares; provided that any consolidation or division which results in changes in the voting percentage of the members shall require applicable approval under the Act.	
	-	Convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination.	
	-	Sub-divide its existing shares or any of them into shares of smaller amount then is fixed by the Memorandum of Association.	
	-	Cancel any shares which, at the date of passing of the resolution, have not been taken or agreed to be taken by any person.	
	b)	Except in so far as otherwise provided by the conditions of issue or by these Articles, any capital raised by the creation of new shares, shall be considered as part of the existing capital and shall be subject to the provisions herein contained with reference to the payment of calls and installments, forfeiture, lien, surrender, transfer and transmission, voting and otherwise.	New capital same as existing Capital
4		Subject to the provision of the Act and these Articles, the shares in the capital (including any shares forming part of any increased capital) of the Company shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such term and conditions and either at a premium or at par and at such time as they may from time to time think fit	Share under control of Directors
5		The Company may issue Global Depository receipts in any foreign country in accordance with these Articles, the Act, the Rules and other applicable laws after passing a special resolution in its general meeting.	Global Depository Receipt





6		Subject to the provisions of the Act and these Articles , the Board may issue and allot shares in the capital of the Company on payment or part payment for any property or assets of any kind whatsoever sold or transferred, goods or machinery supplied or for services rendered to the Company in the conduct of its business and any shares which may be so allotted or issued as fully paid-up or partly paid-up otherwise than for cash, and if so issued, shall be deemed to be fully paid-up or partly paid-up, as the case may be	Directors may allot shares otherwise than in cash
7		The Company may issue following kinds of shares in accordance with these Articles, the Act, the Rules and other applicable laws:	Kinds of Shares Capital
		Equity Share Capital:	
		(a) with voting rights; and/ or	
		(b) with differential rights as to dividend , voting or otherwise in accordance with the Rules; and	
<b>Preference share Capital</b>			
8	a)	Every person whose name is entered as a member in the register of members shall be entitled to receive within two months after incorporation, in case of subscribers to the memorandum or after allotment or within one month from the date of receipt by the Company of the application for the registration of transfer or transmission or within such other period as the conditions of issue shall be provided:	Issue of Share Certificate
		i. one certificate for all his shares without payment of any charges: or	
		ii. Several certificates, each for one or more of his shares, upon payment of twenty rupees or such charges as may be fixed by the Board for each certificate after the first.	
		Provided that notwithstanding what is stated herein above the Board of Directors shall comply with such Rules or Regulation or requirements of Securities Exchange Board of India, any Stock Exchange, where the Companies securities are listed or the Rules made under the Act or the rules made under Securities Contracts (Regulation) Act, 1956 or any other Act, or rules applicable in this behalf.	
	b)	Every certificate shall be issued in under the seal and shall specify the shares to which it relates and the amount paid-up thereon.	Certificate to bear seal
	c)	In respect of any shares or shares held jointly by several persons, the company shall not be bound to issue more than one certificate, and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all such holders.	One certificate for shares held jointly
9	a)	A member holding shares shall have the option either to receive certificate for such shares or hold such shares in a dematerialized state with a depository. Where a person opts to hold any share with the depository, the company shall intimate such depository the details of allotment of the share to enable the depository to enter in its records the name of such person as the beneficial owner of that shares.	option to receive share certificate or hold shares with depository
	b)	Notwithstanding anything contained in these Articles, the Company shall be entitled to dematerialize its shares, debentures and other securities and to offer any shares, debentures or other securities proposed to be issued by it for subscription in a dematerialized form and on the same being done, the Company shall further be entitled to maintain a Register of Members/ Debenture holders/ other Security holders with the details of members/ debenture holders/ other security holders holding shares, debentures or other securities both in materialized and dematerialized form in any media as permitted by the Act.	Company entitled to dematerialize its shares, debentures and other securities
	c)	Every person subscribing to or holding securities of the Company shall have the option to receive security certificates or to hold the securities in electronic form with a Depository. If a person opts to hold his security with a Depository, the Company shall intimate such Depository the details of allotment of the security, and on receipt of the information, the Depository shall enter in its records the name of the allotted as the Beneficial Owner of the Security.	Option to hold Shares in electronic or physical form



	d)	Save as herein otherwise provided, the Company shall be entitled to treat the person whose name appears as the beneficial owner of the shares, debentures and other securities in the records of the Depository as the absolute owner thereof as regards receipt of dividend or bonus shares, interest/ premium on debentures and other securities and repayment thereof or for service of notices and all or any other matters connected with the Company and accordingly the Company shall not (except as ordered by the Court of competent jurisdiction or as by law required and except as aforesaid) be bound to recognize any benami trust or equity or equitable, contingent or other claim to or interest in such shares, debentures or other securities as the case may be, on the part of any other person whether or not it shall have express or implied notice thereof.	Beneficial owner deemed as absolute owner
	e)	In the case of transfer of shares, debentures or other securities where the Company has not issued any certificates and where such shares, debentures or other securities are being held in an electronic and fungible form, the provisions of the Depositories Act, shall apply.	Shares, debentures and other securities held in electronic form
	f)	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 of the Depository and the Company in that behalf.	information about transfer of securities
	g)	Except as specifically provided in these Articles, the provisions relating to joint holders of shares, calls, lien on shares, forfeiture of shares and transfer and transmission of shares shall be applicable to shares held in electronic form so far as they apply to shares in physical form subject however to the provisions of the Depositories Act.	Provisions to apply to shares in electronic form
10	a)	If any share certificate be worn out, defaced, mutilated or torn or if there be no further space on the back for endorsement of transfer, then upon production and surrender thereof to the Company, a new certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the Company and on execution of such indemnity as the Board deems adequate, a new certificate in lieu thereof shall be given. Every certificate under this Article shall be issued on payment of twenty rupees fees for each Certificate or such other fees as may be fixed by the Board.	Issue of new certificate in place of one defaced lost or destroyed
	b)	The company may issue new share certificates pursuant to consolidation or sub-division of share certificate(s) upon written request received from shareholder together with production and surrender of respective original share certificate(s). Every certificate under this Article shall be issued on payment of twenty rupees for each certificate.	Issue of new certificate in case of consolidation or sub-division
	c)	Any debentures, debenture-stock or other securities may be issued subject to the provisions of the Act and these Articles, at a discount, premium or otherwise and may be issued with an option that they shall be convertible into shares of any denomination and with any special privileges and conditions as to redemption, surrender, drawing, allotment of shares, attending (but not voting) at the general meeting and otherwise. Debentures with the right to conversion into or allotment of shares shall be issued only with the consent of the Company in the general meeting by way of a special resolution.	Terms of issue of debentures
		Further the Company shall have power to reissue redeemed debentures in certain case in accordance with the provisions of Act,	
11		The Provisions of the foregoing Articles relating to issue of certificates shall mutatis mutandis apply to issue of certificates for any other securities including debentures (except where the Act otherwise requires ) of the Company.	Provisions as to issue of certificates to apply mutatis mutandis to debentures, etc.
12		Except as required by law, no person shall be recognized by the Company as holding any share upon any trust, and the Company shall not be bound by, or be compelled in any way to recognize (even when having notice thereof) any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a shares, or (except only as by these regulations or by law otherwise provided) any other rights in respect of any share except as absolute right to the entirely thereof in the registered holder.	Company is not bound to recognize any interest in share other than of registered holder



13	a)	The Company may exercise the powers of paying commissions conferred by the Act, to any person in connection with the subscription to its securities, provided that the rate per cent or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by the Act and the Rules,	Power to pay commission in connection with securities issued
	b)	The rate or amount of commission shall not exceed the rate or amount prescribed in the Act.	Rate of commission in accordance with Rules
	c)	The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in the one way and partly in the other.	Mode of payment of commission
14	a)	if at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of the Act, and whether or not the Company is being wound up, be varied with the consent in writing, of such number of the holders of the issued shares of that class, or with the sanction of a resolution passed at a separate meeting of the holders of the shares of that class, as prescribed by the Act.	Variation of members' rights
	b)	To every such separate meeting, the provisions of these Articles relating to general meetings shall mutatis mutandis apply.	Provisions as to general meetings to apply mutatis mutandis to each meeting
15		The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking pari-passu therewith.	Issue of further shares not to affect rights of existing members
16		Subject to provisions of the Act the Board shall have the power to issue or re-issue preference shares of one or more classes which are liable to be redeemed, or converted to equity shares, on such terms and conditions and in such manner as determined by the Board in accordance with the Act.	Power to issue redeemable preference shares
17	a)	The Board or the Company, as the case may be, may in accordance with the Act issue further shares to:	Further issue of share capital
	-	persons who, at the date of offer, are holders of equity shares of the Company; such offer shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to him or any of them in favor of any other person; or	
	-	employees under any scheme of employees' stock option; or	
	-	any persons, whether or not those persons include the persons referred to in clause (i) or clause (ii) above.	
	b)	A further issue of shares may be made in any manner whatsoever as the Board may determine including by way of preferential offer or private placement, subject to and in accordance with the Act and the Rules.	Mode of further issue of shares
<b>LIEN</b>			
18	a)	The Company shall have a first and paramount lien;	Company's lien on shares
	-	on every share (not being a fully paid share), for all monies (whether presently payable or not) called, or payable at a fixed time, in respect of that share; and	
	-	on all shares (not being fully paid shares) standing registered in the name of a single member, for all monies presently payable by him or his estate to the company;	
	-	The fully paid shares shall be free from all lien and that in the case of partly paid shares the Company's lien shall be restricted to monies called or payable at a fixed time in respect of such shares.	
		Provided that the Board may at any time declare any share to be wholly or in part exempt from the provisions of this clause.	
	b)	The Company's lien, if any, on a share shall extend to all dividends or interest, as the case may be, payable and bonuses declared from time to time in respect of such shares for any money owing to the Company.	Lien to extend to dividends, etc.
	c)	Unless otherwise agreed by the Board, the registration of a transfer of shares shall operate as a waiver of the Company's lien.	Waiver of lien in case of registration
19		The Company may sell, in such manner as the Board thinks fit, any shares on which the Company has a lien:	



		Provided that no sale shall be made:	
	-	unless a sum in respect of which the lien exists is presently payable; or	
	-	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 to the person entitled thereto by reason of his death or insolvency or otherwise.	
20	a)	To give effect to any such sale, the Board may authorize some person to transfer the shares sold to the purchaser thereof.	Validity of sale
	b)	The purchaser shall be registered as the holder of the shares comprised in any such transfer.	purchaser to be registered holder
	c)	The receipt of the Company for the consideration (if any) given for the share on the sale thereof shall (subject, if necessary, to execution of an instrument of transfer or a transfer by relevant system, as the case may be) constitute a good title to the share and the purchaser shall be registered as the holder of the share.	Validity of Company's receipt
	d)	The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings with reference to the sale.	Purchaser not affected
21	a)	The proceeds of the sale shall be received by the company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable.	Application of proceeds of sale
	b)	The residue, if any, shall, subject to a like lien for sums not presently payable as existed as existed upon the shares before the sale, be paid to the person entitled to the shares at the date of the sale.	Payment of residual money
	c)	in exercising its lien, the Company shall be entitled to treat the registered holder of any share as the absolute owner thereof and accordingly shall not (except as ordered by a court of competent jurisdiction or unless required by any statute) be bound to recognize any equitable or other claim to, or interest in, such share on the part of any other person, whether a creditor of the registered holder or otherwise. The company's lien shall prevail notwithstanding that it has received notice of any such claim.	Outsider's lien not to affect Company's lien
22		The provisions of these Articles relating to lien shall mutatis mutandis apply to any other securities including debentures of the Company.	Provisions as to lien to apply mutatis mutandis to debentures, etc.
<b>CALLS ON SHARES</b>			
23	a)	The Board may, from time to time, make calls upon the members in respect of any monies unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times.	Board may make calls
		Provided that no calls shall exceed one- fourth of the nominal value of the share or be payable at less than one month from the date fixed for the payment of the last preceding call.	
	b)	Each member shall, subject to receiving at least fourteen days' notice specifying the time or times and place of payment, pay to the Company, at the time or times and place so specified, the amount called on his shares.	Notice of call
	c)	The Board may, from time to time, at its discretion, extend the time fixed for the payment of any call in respect of one or more members as the Board may deem appropriate in any circumstances.	Board may extend time for payment
	d)	A call may be revoked or postponed at the discretion of the board	Revocation or postponement of call
	e)	The option or right to make call on shares shall not be given to any person except with the sanction of the Company in General Meetings. That is, it may delegate power to make calls on shares subject to approval of the shareholder in a general meeting of the company.	Right to call
	f)	A call shall be deemed to have been made at the time when the resolution of the Board authorizing the call was passed and may be required to be paid by installment	Call to take effect from date of Resolution
	g)	The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.	Liability of joint holders of shares



24	a)	If a sum called in respect of a share is not paid before or on the day appointed for payment thereof (the "due date"), the person from whom the sum is due shall pay interest thereon from the due date to the time of actual payment at ten per cent per annum or at such higher rate, as may be fixed by the Board.	When interest on call or installment payable
	b)	The Board shall be at liberty to waive payment of any such interest wholly or in part	Board may waive interest
25	a)	Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall, for the purpose of these Articles, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable.	Sums deemed to be calls
	b)	In case of non-payment of such sum, all the relevant provisions of these Articles as to payment of interest and expenses, forfeiture of otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.	Effect of non payment of sums
26	a)	The Board may, if it thinks fit-	Payment in anticipation of calls may carry interest
	-	receive from any member willing to advance the same, all or any part of the monies uncalled and unpaid upon any shares held by him; and	
	-	upon all or any of the monies so advanced, may (until the same would, but for such advance, become presently payable) pay interest at such rate not exceeding, unless the company in general meeting shall otherwise direct, twelve per cent. per annum, as may be agreed upon between the Board and the member paying the sum in advance but shall not confer a right to dividend or to participate in profits..	
		Noting contained in this clause shall confer on the member;	
	-	any right to participate in profits or dividends; or	
	-	any voting rights in respect of the moneys so paid by him until the same would, but for such payment, become presently payable by him.	
	b)	if by the conditions of allotment of any shares, the whole or part of the amount of issue price thereof shall be payable by installments, then every such installment shall, when due, be paid to the company by the person who, for the time being and from time to time, is or shall be the registered holder of the share or the legal representative of a deceased registered holder.	Installments on shares to be duly paid
27		All calls shall be made on a uniform basis on all shares falling under the same class.	Calls on shares of same class to be on uniform basis
		Explanation: Shares of the same nominal values on which different amounts have been paid-up shall not be deemed to fall under the same class.	
28		Neither a judgment nor a decree in favor of the Company for calls or other moneys due in respect of any shares nor any part payment or satisfaction thereof nor the receipt by the Company of a portion of any money which shall from time to time be due from any member in respect of any shares either by way of principal or interest nor any indulgence granted by the Company in respect of payment of any such money shall preclude the forfeiture of such shares as herein provided.	Partial payment not to preclude forfeiture
29		On the trial or hearing of any action or suit brought by the Company against any member or his legal representatives to recover any moneys claimed to be due to the Company for any call or other sum 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, appears entered on the Register of Members as the holder, or 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 such money is sought to be recovered, and that the amount claimed is not entered as paid in the books of the Company or the Register of Members and that the resolution making the call is duly recorded in the minute book, and that notice of such call was duly given to the member or his legal representatives sued in pursuance of these presents; and it shall not be necessary to prove the appointment of the Directors who made such call, not that a quorum of Directors was present at the meeting of the Board at which such call was made, nor that the meeting at which such call was made duly	Proof on trial on suit on money on shares





		convened or constituted, nor any other matter whatsoever, but the proof of the matters aforesaid shall be conclusive or evidence of the debts, and the same shall be recovered by the Company against the member or his representatives from whom the same is sought to be recovered unless it shall be proved, on behalf of such member or his representatives against the Company that the name of such member was improperly inserted in the register, on that the money sought to be recovered has actually been paid.	
30		The provisions of these Articles relating to calls shall mutatis mutandis apply to any other securities including debentures of the Company.	Provisions as to calls to apply mutatis mutandis to debentures, etc.
<b>FORFEITURE OF SHARES</b>			
31		If a member fail to pay any call, or installment of a call or any money due in respect of any share, on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or installment remains unpaid or a judgment or decree in respect thereof remains unsatisfied in whole or in part, serve a notice on him requesting a payment of so much of the call or installment or other money as is unpaid, together with any interest which may have accrued and all expenses that may have been incurred by the Company by reason of non-payment	if call or installment not paid notice must be given
32		The notice aforesaid shall	Form of Notice
	-	name a further day (not being earlier than the expiry of fourteen days from the date of service of the notice) on or before which the payment required by the notice is to be made, and	
	-	state that, in the event of non-payment on or before the day so named, the shares in respect of which the call was made shall be liable to be forfeited.	
33		If the requirement of any such notice as aforesaid are not complied with , any share in respect of which the notice has been given may, at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect.	In default of payment of shares to be forfeited
34		Neither the receipt by the Company for a portion of any money which may from time to time be due from any member in respect of his shares, nor any indulgence that may be granted by the Company in respect of payment of any such money, shall preclude the Company from thereafter proceeding to enforce a forfeiture in respect of such shares as herein provided. Such forfeiture shall include all dividends declared or any other moneys payable in respect of the forfeited shares and not actually paid before the forfeiture.	Receipt of part amount or grant of indulgence not to affect forfeiture
35		When any share shall have been so forfeited, notice of the forfeiture shall be given to the defaulting member and an entry of the forfeiture with the date thereof, shall forthwith be made in the register of members but no forfeiture shall be invalidated by any omission or neglect or any failure to give such notice or make such entry as aforesaid.	Entry of forfeiture in register of members
36		The forfeiture of a share shall involve extinction at the time of forfeiture, of all interest in and all claims and demands against the Company, in respect of the share and all other rights incidental to the share.	Effect of forfeiture
37	a)	A forfeited share may be sold or otherwise disposed on such terms and in such manner as the Board thinks fit.	Forfeited shares may be sold, etc.
	b)	At any time before a sale, re-allotment or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.	
38	a)	A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall, notwithstanding the forfeiture, remain liable to pay, and shall pay, to the company all monies which, at the date of forfeiture, were presently payable by him to the Company in respect of the shares.	Members still liable to pay money owing at the time of forfeiture
	b)	All such monies payable shall be paid together with interest thereon at such rate as the board may determine, from the time of forfeiture until payment or realization. The Board may, if it thinks fit, but without being under any obligation to do so, enforce the payment of the whole or any portion of the monies due, without any allowance for the value of the shares at the time of forfeiture or waiver payment in whole or in part.	Member still liable to pay money owing at time of forfeiture and interest





	c)	The Liability of such person shall cease if and when the Company shall have received payment in full of all such monies in respect of the shares.	Cease of liability
39	a)	A duly verified declaration in writing that the declarant is a director, the manager or the secretary of the company, and that a share in the company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the shares.	Certificate of forfeiture
	b)	The Company may receive the consideration, if any, given for the share on any sale, re-allotment or disposal thereof and may execute a transfer of the share in favor of the person to whom the share is sold or disposed of;	Title of purchaser and transferee of forfeited shares
	c)	The transferee shall thereupon be registered as the holder of the share.	Transferee to be registered as holder
	d)	The transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale, re-allotment or disposal of the share.	Transferee not affected
40		Upon any sale after forfeiture or for enforcing a lien in exercise of the powers hereinabove given, the Board may, if necessary, appoint some person to execute an instrument for transfer of the shares sold and cause the purchaser's name to be entered in the register of members in respect of the shares sold and after his name has been entered in the register of members in respect of such shares the validity of the sale shall not be impeached by any person.	Validity of sales
41		Upon any sale, re-allotment or other disposal under the provisions of the proceeding Articles, the certificate(s), if any, originally issued in respect of the relative shares shall (unless the same shall on demand by the Company has been previously surrendered to it by the defaulting member) stand cancelled and become null and void and be of no effect, and the Board shall be entitled to issue a duplicate certificate(s) in respect of the said shares to the person(s).	Cancellation of share certificate in respect of forfeited shares
42		The Board may, subject to the provisions of the Act, accept a surrender of any share from or by any member desirous of surrounding those on such terms as they think fit.	Surrender of share certificates
43		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 fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.	Sums deemed to be calls
44		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 at fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.	Provisions as to forfeiture of shares to apply in case of non-payment of call
<b>TRANSFER OF SHARES</b>			
45		The Company shall use a Common form of transfer. The instrument of transfer of any share in the company shall be duly executed by or on behalf of both the transferor and transferee	Instrument of Transfer to be executed by transferor and transferee
46	-	The Board shall not issue or register a transfer of any shares to a minor (except in case when they are fully paid) or insolvent person or person of unsound mind.	No transfer to minor
	-	The transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the register of members in respect thereof.	
47	a)	The board may, subject to the right of appeal conferred by the Act decline to register	
	-	the transfer of a share, not being a fully paid share, to a person of whom they do not approve, or	
	-	any transfer of shares on which the Company has a lien.	



	b)	Subject to the power of the Directors stated in Articles 63 and the provisions of this clause, transfer of shares/ debentures, in whatever lot should not be refused. However the Company may refuse to split a Share Certificate/ Debenture Certificate into several scraps of very small denominations or to consider a proposal for transfer of Shares/ Debentures comprised in a Share Certificate/ Debenture Certificate to several parties, involving such splitting if on the face of its such splitting/ transfer appears to be unreasonable or without a genuine need or a marketable lot.	Directors may refuse any application for split or consolidation of Certificate(s)
48		In case of shares held in physical form, the Board may decline to recognize any instrument of transfer unless-	Board may decline to recognize instrument of transfer
	-	the instrument of transfer is duly executed and is in the form as prescribed in the Rules made under the Act,	
	-	the instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and	
	-	the instrument of transfer is in respect of only one class of shares.	
49		On previous notice of at least seven days or such lesser period in accordance with the Act and Rules made there under, the registration of transfers may be suspended at such times and for such periods as the Board may from time to time determine:	
		Provided that such registration shall not be suspended for more than thirty days at any one time or for more than forty-five days in the aggregate in any year.	
50		Subject to the provisions of Section 59 of Companies Act, 2013, the Board may decline to register any transfer of Shares on such grounds as it think fit in the benefit of the company (notwithstanding that the proposed transferee be already a Member), but in such case it shall, within two (2) months from the date the instrument of transfer was lodged with the Company, send to the transferee and the transferor notice of the refusal to register such transfer giving reasons for such refusal. Provided that registration of a transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever.	
51		The Company shall keep a book called the "Register of Transfers" and therein shall be fairly and distinctly entered the particulars of every transfer or transmission of any share in the Company.	Register of Transfer
52		The provisions of these Articles relating to transfer of shares shall mutatis mutandis apply to any other securities including debentures of the Company	Provisions as to transfer of shares to apply mutatis mutandis to debentures, etc.
<b>TRANSMISSION OF SHARES</b>			
53	a)	On the death of a member, the survivor or survivors where the member was a joint holder, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only persons recognized by the Company as having any title to his interest in the shares.	Title to shares on death of a member
	b)	Nothing in clause (a) shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.	Estate of deceased member liable
54	a)	Any person becoming entitled to a share in consequence of the death or insolvency of a member may, upon such evidence being produced as may from time to time properly be required by the Board and subject as hereinafter provided, elect, either-	
	-	to be registered himself as holder of the share; or	
	-	to make such transfer of the share as the deceased or insolvent member could have made.	
	b)	The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent member had transferred the share before his death or insolvency.	Board's right unaffected
	c)	The Company shall be fully indemnified by such person from all liability, if any, by actions taken by the Board to give effect to such registration or transfer.	Indemnity to the Company



55	a)	If a person so becoming entitled shall elect to be registered as holder of the share himself, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects.	Right to election of holder of share
	b)	If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share	Manner of testifying election
56		All the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfer of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the member had not occurred and the notice or transfer were a transfer signed by that member.	Limitations applicable notice
57		A person becoming entitled to a share be reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as a member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company	Claimant to be entitled to same advantage
		Provided that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the share, until the requirement of the notice have been complied with.	
58		The provisions of these Articles relating to transmission by operation of law shall mutatis mutandis apply to any other securities including debenture of the Company.	Provisions as to transmission of apply mutatis mutandis to debentures etc.
59		Where shares are converted into stock;	Shares may be converted into stock
	a)	the holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same Articles under which, the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit:	
		Provided that the Board may, from time to time, fix the minimum amount of stock transferable so, however, that such minimum shall not exceed the nominal amount of the shares from which the stock arose:	
	b)	the holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the company, and other matters, as if they held the shares from which the stock arose, but no such privilege or advantage (except participation in the dividends and profits of the Company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage:	
	c)	such of these Articles of the Company as are applicable to paid-up shares shall apply to stock and the words "shares" and "shareholder"/ "member" shall include "stock" and "stock-holder" respectively.	
60		where two or more persons are registered as joint holders (not more than three) of any share, they shall be deemed (so far as the company is concerned) to hold the same as joint tenants with benefit of survivorship, subject to the following and other provisions contained in these Articles:	
	a)	The joint-holders of any shares shall be liable severally as well as jointly for and in respect of all calls or instalments and other payments which ought to be made in respect of such share.	Liability of Joint holders
	b)	on the death of any one or more of such joint- holders, the survivor or survivors shall be the only person or persons recognized by the company as having any title to the share but the Directors may require such evidence of death as they may deem fit, and nothing herein contained shall be taken to release the estate of a deceased joint-holder from any liability on shares held by him jointly with any other person.	Death of one or more joint-holder



	c)	Only the person whose name stands first in the register of members as one of the joint-holders of any share shall be entitled to the delivery of certificate, if any, relating to such share or to receive notice (which term shall be deemed to include all relevant documents) and any notice served on or sent to such person shall be deemed service on all the joint-holders.	Delivery of certificate and giving of notice to first named holder
	d)	Any one of two or more joint-holders may vote at any meeting either personally or by attorney or by proxy in respect of such shares as if he were solely entitled thereto and if ore than one of such joint holders be present at any meeting personally or by proxy or by attorney then that one of such persons so present whose name stands first or higher (as the case may be) on the register in respect of such shares shall alone be entitled to vote in respect thereof.	Vote of joint holders
<b>CAPITALISATION OF PROFITS</b>			
61	a)	The Company by ordinary resolution in general meeting may, upon the recommendation of the Board, resolve-	Capitalization of profits
	-	that it is desirable to capitalize any part of the amount for the time being standing to the credit of any of the Company's reserve accounts, or to the credit of the profit and loss account, or otherwise available for distribution; and	
	-	that such sum be accordingly set free for distribution in the manner specified in clause (b) below amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.	
	b)	The sum aforesaid shall not be paid in cash but shall be applied subject to the provision contained in clause (c ) below, either in or towards:	
	-	paying up any amounts for the time being unpaid on any shares held by such members respectively	
	-	Paying up in full, unissued shares or other securities of the Company to be allotted and distributed, credited as fully paid up, to and amongst such members in the proportions aforesaid:	
	-	partly in the way specified in sub-clause (i) and partly in that specified in sub-clause (ii).	
	c)	A securities premium account and a capital redemption reverse account may, for the purpose of this regulation, be applied in the paying up of unissued shares to be issued to members of the company as fully paid bonus shares:	
	d)	The Board shall give effect to the resolution passed by the company in pursuance of this Article.	
62	a)	whenever such a resolution as aforesaid shall have been passed the Board shall	Power of the Board for capitalization
	-	make all appropriations and applications of the amounts resolved to be capitalized thereby, and all allotments and issues of fully paid shares or other securities, if any, and	
	-	Generally do all acts and things required to give effect thereto.	
	b)	The Board shall have power	Board's power to issue fractional certificate/ coupon etc.
	-	to make such provisions, by the issue of fractional certificates/ coupons or by payment in cash or otherwise as it thinks fit, for the case of shares or other securities becoming distributable in fractions; and	
	-	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 or other securities to which they may be entitled upon such capitalizations, or as the case may require, for the payment by the Company on their behalf, by the application thereto of their respective proportions of profits resolved to be capitalized, of the amount or any part of the amounts remaining unpaid on their existing shares.	
	c)	Any agreement made under such authority shall be effective and binding on such members.	Agreement binding on members
<b>SHARE WARRANTS</b>			



63	a)	Subject to the provisions of the Act and the approval of the Company in General Meeting the Company may issue with respect to any fully paid shares, a warrant stating that the bearer of the warrants is entitled to the shares specified therein and may provide coupons or otherwise, for payment of future dividends on the Shares specified in the warrants and may provide conditions for registering membership.	Issue of Share Warrants
	b)	Subject to the provisions of the Act and the approval of the Company in General Meeting , the Company may from time to time issue warrants naked or otherwise or issue coupons or other instruments and any combination of Equity Shares, Debentures, Preference Shares or any other instruments to such class of persons as the Board of Directors may deem fit with a right attached to the holder of such warrants or coupons or other instruments to subscribe to the Equity shares or other instruments within such time and at such price as the Board of Directors may decide as per the rules applicable from time to time.	
	c)	The bearer of a share warrant may, at any time, deposit the warrant at the office of the Company and so long as the warrant remains so deposited, the depositor shall have the same right of signing a requisition for calling a meeting of the Company and of attending and voting and exercising the other privileges of the member at any meeting held after the expiry of two clear days from the time of deposit, as if his name were inserted in the Register of Members as the holder of the Share included in the deposit warrant	Deposit of Share Warrant
	-	Not more than one person shall be recognized as depositor of the share warrant.	
	-	The Company shall, on two days' written notice, return the deposited share warrant to the depositor.	
	d)	subject as herein otherwise expressly provided, no person shall as bearer of a share warrant, sign a requisition for calling a meeting of the Company or attend or vote or exercise any other privileges of a member at a meeting of the Company or be entitled to receive any notice from the Company	Privileges and disabilities of the holders of share warrant
	-	The bearer of a share warrant shall be entitled in all other respect to the same privileges and advantages as if he is named in the Register of Members as the holder of the Shares included in the warrant and he shall be a member of the Company.	
<b>BUY-BACK OF SHARES</b>			
64		Notwithstanding anything contained in these Articles but subject to all applicable provisions of the Act or any other law for the time being in force, the Company may purchase its own shares or other specified securities.	Buy-back of Shares
<b>GENERAL MEETINGS</b>			
65		All general meetings other than Annual General Meeting shall be called Extraordinary General Meeting.	Extraordinary General Meeting
66	-	The Board may, whenever it thinks fit, call an extraordinary general meeting.	Power of Board to call extraordinary general meeting
	-	if at any time directors capable of acting who are sufficient in number to form a quorum are not within India, any director or any two members of the company may call an extraordinary general meeting in the same manner, as nearly as possible, as that in which such a meeting may be called by the Board.	
<b>PROCEEDINGS AT GENERAL MEETINGS</b>			
67	a)	No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business	Presence of Quorum
	b)	The quorum for a general meeting shall be as provided in the Act	Quorum for general meeting
	c)	The Chairperson, of the Company shall preside as Chairperson at every general meeting of the Company	Chairperson of the meetings
	d)	if there is no such Chairperson, or if he is not present within fifteen minutes after the time appointed for holding the meeting, or is unwilling to act as chairperson of the meeting, the directors present shall elect one of their members to be chairperson of the meeting.	Directors to elect a chairperson
	e)	if at any meeting no director is willing to act as Chairperson or if no director is present within fifteen minutes after the time appointed for holding the meeting, the members present shall elect one of themselves to be chairperson of the meeting thereof by show of hands	Members to elect a Chairperson





68		on any business at any general meeting, in case of an equality of votes, whether on a show of hands or electronically, the chairperson shall have a second or casting vote.	casting vote of Chairperson at general meeting
69	a)	The Company shall cause minutes of the proceedings of every general meeting of any class of members or creditors and every resolution passed by postal ballot to be prepared and signed in such manner as may be prescribed by the Rules and kept by making within thirty days of the conclusion of every such meeting concerned or passing of resolution by postal ballot entries thereof in books kept for that purpose with their pages consecutively numbered.	Minutes of proceedings of meetings and resolutions passed by postal ballot
	b)	There shall not be included in the minutes any matter which, in the opinion of the Chairperson of the meeting	Certain matters not to be included in Minutes
	-	is, or could reasonably be regarded, as defamatory of any person, or	
	-	is irrelevant or immaterial to the proceedings, or	
	-	is detrimental to the interests of the Company	
	c)	The chairperson shall exercise an absolute discretion in regard to the inclusion or non-inclusion of any matter in the minutes on the grounds specified in the aforesaid clause.	Discretion of Chairperson in relation to minutes
	d)	The minutes of the meeting kept in accordance with the provisions of the Act shall be evidence of the proceedings recorded therein.	Minutes to be evidence
70	a)	The books containing the minutes of the proceedings of any general meeting of the Company or a resolution passed by postal ballot shall:	Inspection of minutes books of general meeting
	-	be kept at the registered office of the Company; and	
	-	ii. be open to inspection of any member without charge, during 11.00 a.m. to 1.00 p.m. on all working days other than Saturdays.	
	b)	Any member shall be entitled to be furnished, within the time prescribed by the Act, after he has made a request in writing in that behalf to the Company and on payment of such fees as may be fixed by the Board or Committee made thereof, with a copy of any minutes referred to in clause (a) above:	Members may obtain copy of minutes
		Provided that a member who has made a request for provision of a soft copy of the minutes of any previous general meeting held during the period immediately preceding three financial years, shall be entitled to be furnished with the same free of cost.	
	c)	The Board, and also any person(s) authorized by it, may take any action before the commencement of any general meeting, or any meeting of a class of members in the Company, which they may think fit to ensure the security of the meeting, the safety of people attending the meeting, and the future orderly conduct of the meeting. Any decision made in good faith under this Article shall be final, and rights to attend and participate in the meeting concerned shall be subject to such decision.	Powers to arrange security at meetings
<b>ADJOURNMENT OF MEETING</b>			
71	a)	The Chairperson may, with the consent of any meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn the meeting from time to time and from place to place.	Chairperson may adjourn the meeting
	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.	Business at adjourned meeting
	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	Notice of adjourned meeting
	d)	Save as aforesaid, and save as provided in the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.	Notice of Adjourned Meeting not required
<b>VOTING RIGHTS</b>			
72	a)	Subject to any rights or restrictions for the time being attached to any class or classes of shares:	Entitlement to vote on show of hands and on poll
	-	on show of hands, every member present in person shall have one vote; and	
	-	one poll, the voting rights of members shall be in proportion to his share in the paid-up equity share capital of the company.	





	b)	A member may exercise his vote at a meeting by electronic means in accordance with the Act and shall vote only once.	Voting through electronic means
73	a)	In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders.	Vote of joint holders
	b)	For this purpose, seniority shall be determined by the order in which the names stand in the register of members.	Seniority of names
	c)	A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee or other legal guardian, and any such committee or guardian may, on a poll, vote by proxy. If any member be a minor, the vote in respect of his share or shares shall be by his guardian or any one of his guardians.	How members non compos mentis and minor may vote
74		Subject to the provisions of the Act and other provisions of these Articles, any person entitled under the Transmission Clause to any shares may vote at any general meeting in respect thereof as if he was the registered holder of such shares, provided that at least 48 (forty eight) hours before the time of holding the meeting or adjourned meeting, as the case may be, at which he proposes to vote, he shall duly satisfy the Board of his right to such shares unless the Board shall have previously admitted his right to vote at such meeting in respect thereof.	Votes in respect of shares of deceased or insolvent members, etc.
75		Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll.	Business may proceed pending poll
76		No member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the company have been paid.	Restriction on voting rights
77	a)	No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which vote objected to, is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes.	No Objection can be raised to the qualification of voter
	b)	Any such objection made in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive	
78		Any member whose name is entered in the register of members of the Company shall enjoy the same rights and be subject to the same liabilities as all other members of the same class.	Equal rights of members
<b>PROXY</b>			
79	a)	Any member entitled to attend and vote at a general meeting may do so either personally or through his constituted attorney or through another person as a proxy on his behalf, for that meeting.	Member may vote in person or otherwise
	b)	The instrument appointing a proxy and the power-of attorney or other authority, if any, under which it is signed or a notarized copy of that power or authority, shall be deposited at the registered office of the Company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote and in default the instrument of proxy shall not be treated as valid.	Proxies when to be deposited
	c)	An instrument appointing a proxy shall be in the form, as prescribed in the Rules.	Form of Proxy
	d)	A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the shares in respect of which the proxy is given:	Proxy to be valid notwithstanding death of the principal
		Provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the Company at its office before the commencement of the meeting or adjourned meeting at which the proxy is used.	
<b>BOARD OF DIRECTORS</b>			
80		The number of the directors and the names of the first directors shall be determined in writing by the subscribers of the memorandum or a majority of them. 1. Anand Jitendrabhai Chovatiya 2. Sheetalben Anand Chovatiya	



81		Until otherwise determined by a General Meeting of the Company and subject to the provisions of the Act, the number of Directors shall not be less than three and not more than fifteen.	Board of Directors
82		Subject to the provisions of the Act and these Articles, the Managing Director or Whole- time Director shall not while he continues to hold that office, be subject to retirement by rotation but he shall be subject to the same provisions as to the resignation and removal as the other Directors of the Company and he shall ipso facto and immediately cease to be Managing Director or Whole-time Director if he chooses to hold office of Director for any cause provided that if at any time the number of Directors (including Managing Director or Whole-time Director) as are not subject to retirement by rotation shall exceed one-third of the total number of the Directors for the time being, then such of the Managing Director or Whole-time Director or two or more of them as the Directors may from time to time determine shall be liable to retirement by rotation to the extent that the number of Directors not liable to retirement by rotation shall not exceed one- third of the total number of Directors for the time being.	Directors not liable to retirement by rotation
83		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.	Same individual may be Chairperson and Managing Director/ Chief Executive Officer
84	a)	The remuneration of the directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day-to-day.	Remuneration of Directors
	b)	The remuneration payable to the directors, including any managing or whole-time director or manager, if any, shall be determined in accordance with and subject to the provisions of the Act by an ordinary resolution passed by the Company in general meeting	Remuneration of require members' consent
	c)	In addition to the remuneration payable to them in pursuance of the Act, the directors may be paid all travelling, hotel and other expenses properly, incurred by them:	Travelling and other expenses
	-	In attending and returning from meetings of the Board of Directors or any committee thereof or general meetings of the Company; or	
	-	In connection with the business of the Company.	
		The Board may pay all expenses incurred in getting up and registering the Company.	
85		All cheques, promissory notes, drafts, hands, bills of exchange and other negotiable instruments, and all receipts for monies paid to the Company, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, by such person and in such manner as the Board shall from time to time by resolution determine.	Execution of negotiable instrument
86		Every director present at any meeting of the Board or of a committee thereof shall sign his name in a book to be kept for that	Attendance at the meeting
87	a)	Subject to the provisions of the Act, the Board shall have power at any time, and from time to time, to appoint a person as an additional director, provided the number of the directors and additional directors together shall not at any time exceed the maximum strength fixed for the Board by the Articles.	Appointment of additional directors
	b)	Such person shall hold office only up to the date of the next Annual General Meeting of the Company but shall be eligible for appointment by the Company as a director at that meeting subject to the provisions of the Act.	Duration of office of additional director
88	a)	The Board may appoint an alternate director to act for a director (hereinafter in this Article called "the Original Director") during his absence for a period of not less than three months from India. No person shall be appointed as an alternate director for an independent director unless he is qualified to be appointed as an independent director under the provisions of the Act.	Appointment of alternate director
	b)	An alternate director shall not hold office for a period longer than that permissible to the Original Director in whose place he has been appointed and shall vacate the office if and when the Original Director returns to India.	Duration of office of alternate director



	c)	If the term of office of the Original Director is determined before he returns to India the automatic reappointment of retiring directors in default of another appointment shall apply to the Original Director and not to the alternate director.	Re-appointment provisions applicable to Original Director
89	a)	If the office of any director appointed by the Company in general meeting is vacated before his term of office expires in the normal course, the resulting casual vacancy may, be filled by the Board of Directors at a meeting of the Board.	Appointment of director to fill a casual vacancy
	b)	The director so appointed shall hold office only upto the date upto which the director in whose place he is appointed would have held office if it had not been vacated.	Duration of office of Director appointed to fill casual vacancy
<b>POWERS OF BOARD</b>			
90	a)	The management of the business of the Company shall be vested in the Board and the Board may exercise all such powers, and do all such acts and things, as the Company is by the memorandum of association or otherwise authorized to exercise and do, and, not hereby or by the statute or otherwise directed or required to be exercised or done by the Company in general meeting but subject nevertheless to the provisions of the Act and other laws and of the memorandum of association and these Articles and to any regulations, not being inconsistent with the memorandum of association and these Articles or the Act, from time to time made by the Company in general meeting provided that no such regulation shall invalidate any prior act of the Board which would have been valid if such regulation had not been made.	General powers of the Company vested in Board
	b)	Save as provided by the said Act or by these presents and subject to the restrictions imposed by the Act, the Directors may delegate all or any powers by the said Act or by the Memorandum of Association or by these presents reposed in them.	Power to delegate
	c)	Subject to restrictions provided in the Act, the Directors may, from time to time at their discretion raise or borrow, or secure the repayment of any loan or advance taken by the Company. Any such moneys may be raised and the payment or repayment of such moneys maybe secured in such manner and upon such terms and conditions in all respects as the Directors may think fit and, in particular by promissory notes, or by opening current accounts or by receiving deposits and advances at interest, with or without security, or by the issue of debentures or debenture-stock of the Company charged upon all or any part of the property of the Company (both present and future), including its uncalled capital for the time being, or by mortgaging, charging or pledging any lands, buildings, machinery, plants, goods or other property and securities of the Company, or by such other means as to them may seem expedient.	Borrowing powers of the Board
	d)	The Board of Directors shall not, except with the consent of the Company in General Meeting, 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) in excess of the borrowing limits as specified in the Act.	Restriction on Powers of Board
	-	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 to be for the benefit of the Company.	
<b>PROCEEDINGS OF THE BOARD</b>			
91	a)	The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings, as it thinks fit.	When meeting to be convened
	b)	The Chairperson or any one Director with the previous consent of the Chairperson may, on the direction of the Chairperson may, or the company secretary, at any time, summons a meeting of the Board.	Who may summon Board Meeting
	c)	The quorum for a Board meeting shall be as provided in the Act.	Quorum for Board Meeting
	d)	The participation of directors in a meeting of the Board may be either in person or through video conferencing or audio visual means or teleconferencing, as may be prescribed by the Rules or permitted under law.	Participation at Board meetings
92	a)	Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of votes.	Questions at Board meeting how decided



	b)	In case of an equality of votes, the chairperson of the Board, if any, shall have a second or casting vote.	Casting vote
93		The continuing directors may act notwithstanding any vacancy in the Board; but, if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing directors or director may act for the purpose of increasing the number of directors to that fixed for the quorum, or of summoning a general meeting of the Company, but for no other purpose.	Directors not to act when number falls below minimum
94	a)	The Chairperson of the Company shall be the Chairperson at meetings of the Board. In his absence, the Board may elect a Chairperson of its meetings and determine the period for which he is to hold office.	who to preside at meetings of the Board
	b)	If no such Chairperson is elected, or if at any meeting the Chairperson is not present within fifteen minutes after the time appointed for holding the meeting, the directors present may choose one of their member to be Chairperson of the meeting.	Directors to elect a chairperson
95	a)	The Board may, subject to the provisions of the Act, delegate any of its powers to Committees consisting of such member or members of its body as it thinks fit.	Delegation of Powers
	b)	Any Committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may be imposed on it by the Board.	Committee to conform to Board regulations
	c)	The participation of directors in a meeting of the Committee may be either in person or through video conferencing or audio visual means or teleconferencing, as may be prescribed by the Rules or permitted under law.	Participation at Committee meetings
96	a)	A Committee may elect a Chairperson of its meetings unless the Board, while constituting a Committee, has appointed a Chairperson of such Committee.	Chairperson of Committee
	b)	If no such Chairperson is elected, or if at any meeting the Chairperson is not present within fifteen minutes after the time appointed for holding the meeting, the members present may choose one of their members to be Chairperson of the meeting.	Who to preside at meetings of committee
97	a)	A Committee may meet and adjourn as it thinks fit.	Committee to meet
	b)	Questions arising at any meeting of a Committee shall be determined by a majority of votes of the members present.	Questions at Committee meeting how decided
	c)	In case of an equality of votes, the Chairperson of the Committee shall have a second or casting vote.	Casting vote of Chairperson at Committee meeting
98		All acts done in any meeting of the Board or of a Committee thereof or by any person acting as a director, shall, notwithstanding that it may be afterwards discovered that there was some defect in the appointment of any one or more of such directors or of any person acting as aforesaid, or that they or any of them were disqualified or that his or their appointment had terminated, be as valid as if every such director or such person had been duly appointed and was qualified to be a director.	Acts of Board or Committee valid notwithstanding defect of appointment
99		Save as otherwise expressly provided in the Act, a resolution in writing, signed, whether manually or by secure electronic mode, by a majority of the members of the Board or of a Committee thereof, for the time being entitled to receive notice of a meeting of the Board or Committee, shall be valid and effective as if it had been passed at a meeting of the Board or Committee, duly convened and held.	Passing of resolution by circulation
<b>CHIEF EXECUTIVE OFFICER, MANAGER, COMPANY SECRETARY AND CHIEF FINANCIAL OFFICER</b>			
100	a)	Subject to the provisions of the Act,—	Chief Executive Officer, Manager, etc.
		A chief executive officer, manager, company secretary and chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any chief executive officer, manager, company secretary and chief financial officer so appointed may be removed by means of a resolution of the Board, the Board may appoint one or more chief executive officers for its multiple businesses.	



	b)	A director may be appointed as chief executive officer, manager, company secretary or chief financial officer.	Director may be chief executive officer, etc.
<b>REGISTERS</b>			
101	a)	The Company shall keep and maintain at its registered office all statutory registers namely, register of charges, register of members, register of debenture holders, register of any other security holders, the register and index of beneficial owners and annual return, register of loans, guarantees, security and acquisitions, register of investments not held in its own name and register of contracts and arrangements for such duration as the Board may, unless otherwise prescribed, decide, and in such manner and containing such particulars as prescribed by the Act and the Rules. The registers and copies of annual return shall be open for inspection during 11.00 a.m. to 1.00 p.m. on all working days, other than Saturdays, at the registered office of the Company by the persons entitled thereto on payment, where required, of such fees as may be fixed by the Board but not exceeding the limits prescribed by the Rules.	Statutory Register
	b)	The Company may exercise the powers conferred on it by the Act with regard to the keeping of a foreign register; and the Board may (subject to the provisions of the Act) make and vary such regulations as it may think fit respecting the keeping of any such register.	foreign register
	-	The foreign register shall be open for inspection and may be closed, and extracts may be taken there from and copies thereof may be required, in the same manner, mutatis mutandis, as is applicable to the register of members.	
	c)	The Board of Directors shall provide a Common Seal for the purpose of the Company and shall have power from time to time to destroy the same and substitute a new seal in lieu thereof and the Board shall provide for the safe custody of the Seal for the time being, under such regulations as the Board may prescribe.	The Seal, its custody and use affixation of seal
	-	The Common Seal of the Company shall not be affixed to any instrument except by the authority of the Board of Directors or a Committee of the Board previously given and in the presence of any one Director or any other person duly authorized by the Board, who shall sign every instrument to which the Common Seal is affixed, provided further that the certificate of shares or debentures shall be sealed in the manner and in conformity with the provisions of the Companies (Issue of share certificates) Rules, 1960 and any statutory modifications for the time being in force.	
<b>DIVIDEND AND RESERVE</b>			
102	a)	The Company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board but the Company in general meeting may declare a lesser dividend.	Company in general meeting may declare dividends
	b)	Subject to the provisions of the Act, the Board may from time to time pay to the members such interim dividends of such amount on such class of shares and at such times as it may think fit.	Interim Dividend
	c)	The Board may, before recommending any dividend, set aside out of the profits of the Company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applied for any purpose to which the profits of the Company may be properly applied, including provision for meeting contingencies or for equalizing dividends; and pending such application, may, at the like discretion, either be employed in the business of the Company or be invested in such investments (other than shares of the Company) as the Board may, from time to time, think fit.	Dividends only to be paid out of profits
	d)	The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.	Carry forward of profits
	e)	Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the shares in the Company, dividends may be declared and paid according to the amounts of the shares.	Division of profits
	f)	No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this Article as paid on the share.	Payments in advance





	g)	All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.	Dividends to be apportioned
	h)	The Board may deduct from any dividend payable to any member all sums of money, if any, presently payable by him to the Company on account of calls or otherwise in relation to the shares of the Company.	No member to receive dividend whilst indebted to the Company and Company's right to reimbursement therefrom
	i)	The Board may retain dividends payable upon shares in respect of which any person is, under the Transmission Clause hereinbefore contained, entitled to become a member, until such person shall become a member in respect of such shares.	Retention of dividends
	j)	Any dividend, interest or other monies payable in cash in respect of shares may be paid by electronic mode or by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct.	Dividend how remitted
	k)	Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.	Instrument of payment
	l)	Payment in any way whatsoever shall be made at the risk of the person entitled to the money paid or to be paid. The Company will not be responsible for a payment which is lost or delayed. The Company will be deemed to having made a payment and received a good discharge for it if a payment using any of the foregoing permissible means is made.	Discharge to Company
	m)	Any one of two or more joint holders of a share may give effective receipts for any dividends, bonuses or other monies payable in respect of such share.	Receipt of one holder sufficient
	n)	No dividend shall bear interest against the Company	No interest on dividends
	o)	The waiver in whole or in part of any dividend on any share by any document (whether or not under seal) shall be effective only if such document is signed by the member (or the person entitled to the share in consequence of the death or bankruptcy of the holder) and delivered to the Company and if or to the extent that the same is accepted as such or acted upon by the Board.	Waiver of dividends
	p)	No unclaimed Dividend shall be forfeited before the claim becomes barred by law, and unclaimed Dividends shall be dealt with in accordance with the applicable provisions of the Act	Forfeiture of Unclaimed Dividend
<b>ACCOUNTS</b>			
103	a)	The books of account and books and papers of the Company, or any of them, shall be open to the inspection of directors in accordance with the applicable provisions of the Act and the Rules.	Inspection by Directors
	b)	No member (not being a director) shall have any right of inspecting any books of account or books and papers or document of the Company except as conferred by law or authorized by the Board.	Restriction on inspection by members
<b>WINDING UP</b>			
104	a)	Subject to the applicable provisions of the Chapter XX of the Act and the Rules made thereunder —	Winding up of Company
	-	If the Company shall be wound up, the liquidator may, with the sanction of a special resolution of the Company and any other sanction required by the Act, divide amongst the members, in specie or kind, the whole or any part of the assets of the Company, whether they shall consist of property of the same kind or not.	
	-	For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members.	





	-	The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.	
<b>INDEMNITY AND INSURANCE</b>			
105		Subject to the provisions of the Act, every director, managing director, whole-time director, manager, company secretary and other officer of the Company shall be indemnified by the Company out of the funds of the Company, to pay all costs, losses and expenses (including travelling expense) which such director, manager, company secretary and officer may incur or become liable for by reason of any contract entered into or act or deed done by him in his capacity as such director, manager, company secretary or officer or in any way in the discharge of his duties in such capacity including expenses.	Directors and officers right to indemnity
<b>GENERAL POWER</b>			
106		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.	General Power

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## SECTION XV – OTHER INFORMATION

### MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The following contracts (not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two (2) years before the date of filing of this Draft Prospectus) which are or may be deemed material have been entered or are to be entered into by our Company. These contracts, copies of which will be attached to the copy of the Draft Prospectus, will be delivered to the ROC for registration of the Draft Prospectus and also the documents for inspection referred to hereunder, may be inspected at the Registered Office of our Company located at Shade No. A1/5, Road C, Beside Daynamic Forge, Aji GIDC, Rajkot Aji Ind Estate, Rajkot, Gujarat, India, 360003, from date of filing the Draft Prospectus with ROC to Issue Closing Date on working days from 10.00 a.m. to 5.00 p.m.

#### A. MATERIAL CONTRACTS

1. Memorandum of understanding dated 30<sup>th</sup> July 2024 between our Company and the Lead Manager.
2. Agreement dated 05<sup>th</sup> August, 2024 executed between our Company and the Registrar to the Issue.
3. Underwriting Agreement dated 30<sup>th</sup> July 2024 between our Company, the Lead Manager and Underwriters.
4. Market Making Agreement dated 30<sup>th</sup> July 2024 between our Company, the Lead Manager and Market Maker.
5. Tripartite agreement among the NSDL, our Company and Registrar to the Issue dated May 08<sup>th</sup>, 2024.
6. Tripartite agreement among the CDSL, our Company and Registrar to the Issue dated April 18<sup>th</sup>, 2024.
7. Banker's to the Issue Agreement dated [●] between our Company, the Lead Manager, Banker to the Issue, Sponser Bank and Refund Banker and the Registrar to the Issue.

#### B. MATERIAL DOCUMENTS

1. Certified true copy of the Memorandum and Articles of Association of our Company including certificates of incorporation and certificates of incorporation after conversion.
2. Board Resolution dated 06<sup>th</sup> June, 2024, and Special Resolution passed pursuant to Section 62(1)(C) of the Companies Act, 2013 at the EoGM by the shareholders of our Company held on 01<sup>st</sup> July, 2024.
3. Statement of Tax Benefits dated 15<sup>th</sup> July, 2024 issued by our Statutory Auditors M/s JNCY and Associate, Chartered Accountant.
4. Copy of Restated Financial Statement along with Report from the peer review certified auditor SVJK and Associates, Chartered Accountant for the financial year ended on March 31<sup>st</sup>, 2024, 2023 and 2022 dated 02<sup>nd</sup> July, 2024 included in the Draft Prospectus.
5. Copy of Audited Financial Statement for the financial years ended on March 31<sup>st</sup>, 2024, 2023 and 2022.
6. Copy of Certificate from SVJK and Associates, Chartered Accountants dated 10<sup>th</sup> August, 2024, regarding the source and deployment of funds towards the objects of the offer.
7. Copy of KPI Certificate from SVJK and Associates, Chartered Accountants dated 05<sup>th</sup> August, 2024.
8. Consent of Promoters, Consents of Directors, Company Secretary and Compliance Officer, Chief Financial Officer, Statutory Auditors, Peer review Auditor, Consent act as Legal Advisor, Bankers to our Company, Lead Manager to the Issue, Underwriter to the Issue, Market Maker, Registrar to the Issue and Banker to the Issue\*, to include their names in the Draft Prospectus to act in their respective capacities.  
*\*to be obtained prior to filling of Final Prospectus.*
9. Due Diligence Certificate from Lead Manager dated 23<sup>rd</sup> August, 2024 addressing NSE for Draft Prospectus and dated [●] addressing BSE and SEBI for Prospectus.
10. Copy of In-principle approval letter dated [●] from the NSE.

Any of the contracts or documents mentioned in the Draft Prospectus may be amended or modified at any time if so required in the interest of our Company or if required by the other parties, with the consent of shareholders subject to compliance of the provisions contained in the Companies Act and other relevant statutes.



## DECLARATION

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

### Signed by the Directors of the Company:

Name	Designation	Signature
Mr. Anand Jitendrabhai Chovatiya	Chairman and Managing Director	Sd/-
Mrs. Sheetalben Anand Chovatiya	Executive Director	Sd/-
Mr. Bhavik Jamanbhai Gadhiya	Independent Director	Sd/-
Mr. Harsh Maheshbhai Varsani	Independent Director	Sd/-
Mr. Yogeshbhai Kantilal Trivedi	Independent Director	Sd/-

### Signed by:

Name	Designation	Signature
Ms. Dhara Jatin Vekariya	Chief Financial Officer	Sd/-
Ms. Ritu Garg	Company Secretary & Compliance Officer	Sd/-

**Place:** Rajkot

**Date:** 23<sup>rd</sup> August, 2024