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**PARAMOUNT DYE TEC LIMITED**  
**Corporate Identification Number: U13114PB2024PLC060422**

Registered Office	Contact Person	Email and Contact No	Website
Village Mangarh, Machiwar Road, Kohara, Ludhiana - 141112, Punjab, India	Ms. Chandni Jain Company Secretary and Compliance Officer	Email Id: info@paramountdyetec.com Contact No: +91 9056855519	www.paramountdyetec.com

**PROMOTERS OF THE COMPANY: MR. KUNAL ARORA AND MS. PALKI ARORA**

DETAILS OF THE ISSUE				
Type	Fresh Issue Size	OFS Size (In ₹ Lakhs)	Total Issue Size	Eligibility
Fresh Issue	24,30,000* Equity Shares amounting up to ₹ 2,843.10 Lakhs	Nil	₹ 2,843.10 Lakhs	THIS ISSUE IS BEING MADE IN TERMS OF REGULATION 229(1) OF CHAPTER IX OF THE SEBI (ICDR) REGULATIONS, 2018 AS AMENDED.

**DETAILS OF OFFER FOR SALE, SELLING SHAREHOLDER 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**

This being the first public Issue of Equity Shares of our Company, there has been no formal market for the Equity Shares of our Company. The face value of Equity Shares is ₹10.00 each and the Issue Price is 11.7 times of the face value of the Equity Shares. The Issue Price determined and justified by our Company in consultation with the Book Running Lead Manager on the basis of the assessment of market demand for the Equity Shares by way of the book built process, in accordance with the SEBI ICDR Regulations, and as stated in chapter titled “*Basis for Issue Price*” on page 87 of this Prospectus, should not be considered to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding active and/or sustained trading in the Equity Shares nor regarding the price at which the Equity Shares will be traded after listing.

**GENERAL RISKS**

Investment in equity and equity related securities involve a degree of risk and investors should not invest any funds in this issue unless they can afford to take the risk of losing their entire investment. Investors are advised to read the Risk Factors carefully before taking an investment decision in this issue. For taking an investment decision, investors must rely on their own examination of our Company and the issue, including the risks involved. The Equity Shares in the issue have not been recommended or approved by the Securities and Exchange Board of India (“SEBI”) nor does SEBI guarantee the accuracy or adequacy of the contents of this Prospectus. Specific attention of the investors is invited to the section “*Risk Factors*” beginning on page 29 of this Prospectus.


**ISSUER’S ABSOLUTE RESPONSIBILITY**

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


**LISTING**

The Equity Shares offered through this Prospectus are proposed to be listed on the Emerge Platform of National Stock Exchange of India Limited (“NSE or NSE Emerge”) in terms of the Chapter IX of the SEBI (ICDR) Regulations, 2018 as amended from time to time. Our Company has received “*In-Principle*” approval from the National Stock Exchange of India Limited for using its name in the Issue document for the listing of the Equity Shares, pursuant to letter dated September 23, 2024 letter no NSE/LIST/4133. For the purpose of this Issue, the Designated Stock Exchange will be the NSE Emerge.

**BOOK RUNNING LEAD MANAGER TO THE ISSUE**

Name and Logo	Contact Person	Email & Contact No.
 <b>GRETEX CORPORATE SERVICES LIMITED</b>	Ms. Prajakta Raut	Email: info@gretexgroup.com Contact No.: +91 96532 49863

**REGISTRAR TO THE ISSUE**

Name and Logo	Contact Person	Email & Contact No.
 <b>BIGSHARE SERVICES PRIVATE LIMITED</b>	Mr. Asif Sayyed	E-mail: ipo@bigshareonline.com Contact No.: +91 22 6263 8200

**ISSUE PROGRAMME**

ANCHOR INVESTOR BID/ ISSUE PERIOD	Friday, September 27, 2024
ISSUE OPENED ON	Monday, September 30, 2024
ISSUE CLOSED ON	Thursday, October 03, 2024

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

**PARAMOUNT DYE TEC LIMITED**

Corporate Identification Number: U13114PB2024PLC060422

Our Company was initially established as Partnership Firm under the Partnership Act, 1932 ("Partnership Act") in the name and style of "Paramount Dye Tec" pursuant to Deed of Partnership dated January 03, 2014, effective from January 01, 2014. Paramount Dye Tec was thereafter converted from Partnership Firm to a Public Limited Company under Part I chapter XXI of the Companies Act, 2013 with the name and style of "Paramount Dye Tec Limited" and received a Certificate of Incorporation from the Registrar of Companies, Central Registration Centre dated January 04, 2024. The Corporate Identification Number of the Company is U13114PB2024PLC060422. For details in relation to the incorporation, Change in Registered Office and other details, please refer to the chapter titled "*Our History and Certain Other Corporate Matters*" beginning on page 144 of this Prospectus.

Registered Office: Village Mangarh, Machiwarra Road, Kohara, Ludhiana - 141112, Punjab, India

Contact Person: Chandni Jain, Company Secretary and Compliance Officer

Email: info@paramountdyetec.com; Website: www.paramountdyetec.com Contact No.: +91 9056855519

OUR PROMOTERS: MR. KUNAL ARORA AND MS. PALKI ARORA

**DETAILS OF THE ISSUE**

INITIAL PUBLIC OFFER OF **24,30,000\*** EQUITY SHARES OF FACE VALUE OF ₹ 10.00 EACH ("EQUITY SHARES") OF PARAMOUNT DYE TEC LIMITED (THE "COMPANY" OR THE "ISSUER") FOR CASH AT A PRICE OF ₹ 117.00 PER EQUITY SHARE INCLUDING A SHARE PREMIUM OF ₹ 107.00 PER EQUITY SHARE (THE "ISSUE PRICE") AGGREGATING TO ₹ 2,843.10 LAKHS ("THE ISSUE"). THE ISSUE INCLUDES A RESERVATION OF UPTO 1,22,400\* EQUITY SHARES AGGREGATING TO ₹ 143.21 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 UPTO 23,07,600\* EQUITY SHARES AGGREGATING TO ₹ 2,699.89 LAKHS (THE "NET ISSUE").

FACE VALUE OF EQUITY SHARES IS ₹ 10.00 EACH AND THE ISSUE PRICE IS 11.7 TIMES OF THE FACE VALUE. BID WAS MADE FOR MINIMUM OF 1,200 EQUITY SHARES AND THE MULTIPLES OF 1,200 EQUITY SHARES THEREAFTER.

\*Subject to finalization of the Basis of Allotment

**THE FACE VALUE OF THE EQUITY SHARES IS ₹ 10.00 EACH AND THE ISSUE PRICE IS 11.7 TIMES OF THE FACE VALUE**

The Issue was made through the Book Building Process, in terms of Rule 19(2)(b)(i) of the Securities Contracts (Regulation) Rules, 1957, as amended ("SCRR") read with Regulation 253 of the SEBI ICDR Regulations, as amended, wherein not more than 50% of the Net Issue was available for allocation on a proportionate basis to Qualified Institutional Buyers ("QIBs", the "QIB Portion"), our Company, in consultation with the Book Running Lead Manager, allocated 49.92% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations ("Anchor Investor Portion"), of which one-third was reserved for domestic Mutual Funds. Further, not less than 15% of the Net Issue was available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Net Issue was available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Issue Price. All potential Bidders (except Anchor Investors) are required to mandatorily utilise the Application Supported by Blocked Amount ("ASBA") process providing details of their respective ASBA accounts, and UPI ID in case of RIBs using the UPI Mechanism, if applicable, in which the Corresponding Bid Amounts was blocked by the SCSBs or by the Sponsor Bank under the UPI mechanism, as the case may be, to the extent of respective Bid Amounts, Anchor Investors were not permitted to participate in the Issue through the ASBA process. For details, see "*Issue Procedure*" beginning on page 236 of this Prospectus.

**ELIGIBLE INVESTORS**For details in relation to Eligible Investors, please refer to section titled "*Issue Procedure*" beginning on page 236 of this Prospectus.**RISK IN RELATION TO THE FIRST ISSUE**

This being the first public Issue of Equity Shares of our Company, there has been no formal market for the Equity Shares of our Company. The face value of Equity Shares is ₹ 10.00 each and the Issue Price is 11.7 times of the face value of the Equity Shares. The Issue Price determined and justified by our Company in consultation with the Book Running Lead Manager on the basis of the assessment of market demand for the Equity Shares by way of the Book building process, in accordance with the SEBI ICDR Regulations, and as stated in chapter titled "*Basis for Issue Price*" on page 87 of this Prospectus, should not be considered to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding active and/or sustained trading in the Equity Shares nor regarding the price at which the Equity Shares will be traded after listing.

**GENERAL RISKS**

Investment in equity and equity related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their entire investment. Investors are advised to read the Risk Factors carefully before taking an investment decision in this Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue, including the risks involved. The Equity Shares in the Issue have not been recommended or approved by the Securities and Exchange Board of India ("SEBI") nor does SEBI guarantee the accuracy or adequacy of the contents of this Prospectus. Specific attention of the investors is invited to the section "*Risk Factors*" beginning on page 29 of this Prospectus.

**ISSUER'S ABSOLUTE RESPONSIBILITY**

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

**LISTING**

The Equity Shares Issued through this Prospectus are proposed to be listed on the Emerge Platform of National Stock Exchange of India Limited ("NSE Emerge") in terms of the Chapter IX of the SEBI (ICDR) Regulations, 2018 as amended from time to time. Our Company has received an In-Principle Approval letter no. NSE/LIST/4133 dated September 23, 2024 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 EMERGE"). For the purpose of this Issue, the Designated Stock Exchange will be the NSE Emerge.

**BOOK RUNNING LEAD MANAGER TO THE ISSUE**

  
**GRETEX CORPORATE SERVICES LIMITED**  
 A-401, Floor 4th, Plot FP-616, (PT), Naman Midtown, Senapati Bapat Marg, Near Indiabulls, Dadar (w),  
 Delisle Road, Mumbai 400013, Maharashtra, India  
**Contact No.:** +91 96532 49863  
**Email:** info@gretexgroup.com  
**Website:** www.gretexcorporate.com  
**Contact Person:** Ms. Prajakta Raut  
**SEBI Registration No:** INM000012177  
**CIN:** L74999MH2008PLC288128

**REGISTRAR TO THE ISSUE**

  
**BIGSHARE SERVICES PRIVATE LIMITED**  
 S6-2, 6<sup>th</sup> Pinnacle Business Park, Mahakali Caves Road, next to Ahura Centre, Andheri  
 East, Mumbai- 400093, Maharashtra, India  
**Contact No.:** +91 - 22 - 6263 8200; **Fax No.:** +91 - 22 - 6263 8299  
**E-mail:** ipo@bigshareonline.com  
**Investor Grievance E-mail:** investor@bigshareonline.com  
**Website:** www.bigshareonline.com  
**Contact Person:** Mr. Asif Sayyed  
**SEBI Registration No.:** INR000001385

**ISSUE PROGRAMME**

**ANCHOR INVESTOR BID/ ISSUE PERIOD:**  
**FRIDAY, SEPTEMBER 27, 2024**

**ISSUE OPENED ON:**  
**MONDAY, SEPTEMBER 30, 2024**

**ISSUE CLOSED ON:**  
**THURSDAY, OCTOBER 03, 2024**

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

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

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## SECTION I: GENERAL

### DEFINITIONS AND ABBREVIATIONS

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

*The words and expressions used in this Prospectus but not defined herein shall have, to the extent applicable, the meaning ascribed to such terms under the Companies Act, the SEBI (ICDR) Regulations, the SCRA, the Listing Regulations, the Depositories Act or the Rules and Regulations made thereunder.*

*Notwithstanding the foregoing, terms used in of the sections “Basis for Issue Price”, “Statement of Possible Tax Benefits”, “Financial Statements as Restated”, “Main Provisions of Articles of Association”, “Our History and Certain Corporate Matters”, “Other Regulatory and Statutory Disclosures” and “Outstanding Litigations and Material Developments” on pages 87, 91, 180, 272, 144, 211 and 201 respectively, shall have the meaning ascribed to such terms in the relevant section.*

### GENERAL TERMS

Term	Description
“Paramount Dye Tec Limited”, “Paramount”, “PDTL”, “We” or “us” or “Our Company” or “the Issuer”	Unless the context otherwise indicates or implies, Paramount Dye Tec Limited refers to, a Public Limited Company incorporated under the Companies Act, 2013 and having its Registered Office at Village Mangarh, Machiwara Road, Kohara, Ludhiana-141112, Punjab, India.  Our Company was originally incorporated on January 04, 2024, as “Paramount Dye Tec Limited” pursuant to conversion of a Partnership Firm named M/s Paramount Dye Tec into Public Limited Company vide Registration No. 060422 under the provisions of Companies Act, 2013 with the Registrar of Companies, Central Registration Centre.
Promoter(s) / Core Promoter	The promoters of our Company being Mr. Kunal Arora and Ms. Palki Arora for further details, please refer to chapter titled “ <b>Our Promoters and Promoter Group</b> ” on page 170 of this Prospectus.
Promoter Group	Such persons, entities and companies constituting our promoter group pursuant to Regulation 2(1) (pp) of the SEBI (ICDR) Regulations as disclosed in the Chapter titled “ <b>Our Promoters and Promoter Group</b> ” on page 170 of this Prospectus.

### COMPANY RELATED TERMS

Term	Description
AOA / Articles / Articles of Association	Unless the context otherwise requires, refers to the Articles of Association of, Paramount Dye Tec Limited as amended from time to time.
Audit Committee	Audit Committee of our Company constituted in accordance Section 177 of the Companies Act, 2013 and as described in the chapter titled “ <b>Our Management</b> ” beginning on page 148 of this Prospectus.
Auditor of our Company / Statutory Auditor	The Statutory Auditors of our Company, being M/s Rajesh Mehru & Co, Chartered Accountants, having a valid peer review certificate as mentioned in the section titled “ <b>General Information</b> ” beginning on page 55 of this Prospectus.
Banker to our Company	Axis Bank Limited as disclosed in the section titled “ <b>General Information</b> ” beginning on page 55 of this Prospectus.
Board / Board of Directors / Our Board	The Board of Directors of our Company, including all duly constituted Committees thereof. For further details of our directors, please refer to chapter titled “ <b>Our Management</b> ” beginning on page 148 of this Prospectus.
CIN / Corporate Identification Number	U13114PB2024PLC060422
Chief Financial Officer / CFO	The Chief Financial Officer of our Company as mentioned in the chapter titled “ <b>General Information</b> ” beginning on page 55 of this Prospectus.

Term	Description
Company Secretary & Compliance Officer	The Company Secretary and Compliance Officer of our Company as mentioned in the chapter titled “ <b>General Information</b> ” beginning on page 55 of this Prospectus.
Director(s) / our directors	Director(s) of our company unless otherwise specified
Depositories Act	The Depositories Act, 1996, as amended from time to time
Depositories	National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).
Equity Shares / Shares	The equity shares of our Company of face value of ₹10.00 each unless otherwise specified in the context thereof.
Equity Shareholders / Shareholders	Persons / Entities holding Equity Shares of the Company
Executive Directors	An Executive Director of our Company, as appointed from time to time
Financial Statements as Restated	The Restated Financial Information of the Company, which comprises of the Restated Balance Sheet, the Restated Profit and Loss Information and Restated Cash Flow Information of our Company for the period ended March 31, 2024 and Restated Financial Statements of the Partnership firm M/s. Paramount Dye Tec for the period ended on January 03, 2024, and Financial Year ended March 31, 2023, March 31, 2022, March 31, 2021 the related notes, schedules and annexures thereto included in this Prospectus, which have been prepared in accordance with the Companies Act, Indian GAAP, and restated in accordance with the SEBI ICDR Regulations.
Fugitive economic offender	Shall mean an individual who is declared a fugitive economic offender under section 12 of the Fugitive Economic Offenders Act, 2018 (17 of 2018)
Group Companies / Entities	Such companies / entities as covered under the applicable accounting standards and such other companies as considered material by the Board. For details of our Group Companies / entities, please refer “ <b>Our Group Companies</b> ” on page 175 of this Prospectus.
HNI	High Networth Individual
HUF	Hindu Undivided Family
IBC	The Insolvency and Bankruptcy Code, 2016
Indian GAAP	Generally Accepted Accounting Principles in India.
Independent Directors	Independent directors on the Board, and eligible to be appointed as an independent director under the provisions of Companies Act and SEBI Listing Regulations. For details of the Independent Directors, please refer chapter titled “ <b>Our Management</b> ” beginning on page 148 of this Prospectus.
ISIN	International Securities Identification Number, being INE0TG801013
IT Act	The Income Tax Act, 1961 as amended till date.
JV/ Joint Venture	A commercial enterprise undertaken jointly by two or more parties which otherwise retain their distinct identities.
Key Management Personnel / KMP	Key Managerial Personnel of our Company in terms of the Companies Act, 2013 and Regulation 2(1) (bb) of the SEBI (ICDR) Regulations 2018 and Section 2(51) of the Companies Act, 2013. For details, see section entitled “ <b>Our Management</b> ” beginning on page 148 of this Prospectus.
Key Performance Indicators / KPI	Key factors that determine the performance of our Company
LLP	Limited Liability Partnership incorporated under Limited Liability Partnership Act, 2008.
MD or Managing Director	The Managing Director of our Company is Mr. Kunal Arora
Materiality Policy	The policy on identification of Group Companies, Material Creditors and Material Litigation, adopted by our Board on April 16, 2024, in accordance with the requirements of the SEBI (ICDR) Regulations.
MoA / Memorandum of Association	The Memorandum of Association of our Company, as amended from time to time
Non-Executive Director	The Non-Executive Directors (other than the Independent Directors) of our Company in terms of the Companies Act, and the rules thereunder. For details, see section titled “ <b>Our Management</b> ” on page 148 of this Prospectus.
NRIs/ Non-Resident Indians	A person resident outside India, as defined under Foreign Exchange Management Act 1999 and who is a citizen of India or a Person of Indian Origin under Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000.

Term	Description
Nomination & Remuneration Committee	The Nomination and Remuneration Committee of our Company constituted in accordance with Section 178 of the Companies Act, 2013, as disclosed in the chapter titled “ <b><i>Our Management</i></b> ” beginning on page 148 of this Prospectus.
Registered Office	Village Mangarh, Machiwar Road, Kohara, Ludhiana-141112, Punjab, India
RoC / Registrar of Companies	1st Floor, Corporate Bhawan, Plot No.4-B, Sector 27-B, 160019, Chandigarh.
Senior Management	The officers and personnel of the issuer who are members of its core management team, excluding the Board of Directors, and shall also comprise all the members of the management one level below the Chief Executive Officer or Managing Director or Whole Time Director or Manager (including Chief Executive Officer and Manager, in case they are not part of the Board of Directors) and shall specifically include the functional heads, by whatever name called and the Company Secretary and the Chief Financial Officer.
Stakeholders’ Relationship Committee	The Stakeholder’s Relationship Committee of our Company constituted in accordance with Section 178 of Companies Act, 2013 and as described under the chapter titled “ <b><i>Our Management</i></b> ” beginning on page 148 of this Prospectus.
Stock Exchange	Unless the context requires otherwise, refers to, the Emerge Platform of National Stock Exchange of India Limited.
You or Your or Yours	Prospective Investors in this Issue.

## ISSUE RELATED TERMS

Term	Description
Abridged Prospectus	Abridged Prospectus to be issued under Regulation 255 of SEBI ICDR Regulations and appended to the Application Form.
Acknowledgement Slip	The slip or document issued by the Designated Intermediary to an Applicant as proof of having accepted the Application Form.
Allocation/Allocation of Equity Shares	Unless the context otherwise requires, the allotment of the Equity Shares pursuant to the Issue.
Allot / Allotment / Allotted	Unless the context otherwise requires, allotment of the Equity Shares pursuant to the Issue of Equity Shares to the successful Applicants.
Allottee(s)	A successful Applicant(s) to whom the Equity Shares are being / have been allotted.
Anchor Investor(s)	A Qualified Institutional Buyer, applying under the Anchor Investor Portion in accordance with the requirements specified in the SEBI ICDR Regulations and the Prospectus and who has Bid for an amount of at least ₹ 200.00 Lakhs.
Anchor Investor Allocation Price	The price at which Equity Shares will be allocated to the Anchor Investors in terms of the Red Herring Prospectus and the Prospectus, which will be decided by our Company in consultation with the Book Running Lead Manager during the Anchor Investor Bid/ Issue Period.
Anchor Investor Application Form	The application form used by an Anchor Investor to make a Bid in the Anchor Investor Portion, and which was considered as an application for Allotment in terms of the Red and Prospectus.
Anchor Investor Bid/ Issue Period	One Working Day prior to the Bid/ Issue Opening Date, on which Bids by Anchor Investors was submitted and allocation to the Anchor Investors was completed.
Anchor Investor Issue Price	The final price at which the Equity Shares will be Allotted to the Anchor Investors in terms of the Red Herring Prospectus and the Prospectus, which price will be equal to or higher than the Issue Price but not higher than the Cap Price. The Anchor Investor Issue Price was decided by our Company, in consultation with the Book Running Lead Manager.
Anchor Investor Portion	49.92% of the QIB Portion has been allocated by our Company, in consultation with the Book Running Lead Manager, to the Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations. One-third of the Anchor Investor Portion was reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price, in accordance with the SEBI ICDR Regulations.
Applicant / Investor	Any prospective investor who makes an application pursuant to the terms of the Prospectus and the Application Form.
Application	An indication to make an application during the Issue Period by an Applicant, pursuant to submission of Application Form, to subscribe for or purchase our Equity Shares at the Issue Price including all revisions and modifications thereto, to the extent permissible under the SEBI (ICDR) Regulations.

Term	Description
Application Form	The Form in terms of which the applicant shall apply for the Equity Shares of the Company.
Application Supported by Blocked Amount / ASBA	An application whether physical or electronic, used by ASBA Applicant to make an application authorizing an SCSB to block the Application Amount in the specified Bank Account maintained with such SCSB and will include amounts blocked by RIIs using the UPI mechanism.
ASBA Account	A bank account maintained with an SCSB and specified in the Application Form submitted by the Applicants or the account of the RII Applicants blocked upon acceptance of UPI Mandate Request by RIIs using the UPI mechanism, to the extent of the Application Amount specified by the Applicant.
ASBA Applicant(s)	Any prospective investors in the Issue who intend to submit the Application through the ASBA process.
ASBA Application / Application	An application form, whether physical or electronic, used by ASBA Applicants which will be considered as the application for Allotment in terms of the Prospectus.
Bankers to the Company	Such banks which are disclosed as Bankers to our Company in the chapter titled titled <b>“General Information”</b> on page no. 55 of this Prospectus.
Bankers to the Issue / Refund Banker	The banks which are Clearing Members and registered with SEBI as Banker to an Issue with whom the Escrow Agreement is entered and in this case being Axis Bank Limited.
Bankers to the Issue Agreement	Bank which is a clearing member and registered with SEBI as Banker to the Issue and with whom the Public Issue Account will be opened, in this case being Axis Bank Limited.
Basis of Allotment	The basis on which the Equity Shares will be Allotted to successful Applicants under the Issue, described in <b>“Issue Procedure”</b> on page 236 of this Prospectus.
Bid	An indication to make an offer during the Bid/ Issue Period by a Bidder (other than an Anchor Investor) pursuant to submission of the ASBA Form, or during the Anchor Investor Bid/ Issue Period by an Anchor Investor, pursuant to submission of the Anchor Investor Application Form, to subscribe to or purchase the Equity Shares at a price within the Price Band, including all revisions and modifications thereto as permitted under the SEBI ICDR Regulations and in terms of the Prospectus and the Bid cum Application Form. The term “Bidding” shall be construed accordingly.
Bid Amount	The highest value of optional Bids indicated in the Bid cum Application Form and in the case of Retail Individual Bidders Bidding at Cut Off Price, the Cap Price multiplied by the number of Equity Shares Bid for by such Retail Individual Bidder and mentioned in the Bid cum Application Form and payable by the Retail Individual Bidder or blocked in the ASBA Account upon submission of the Bid in the Issue.
Bid/ Issue Closing Date	Except in relation to any Bids received from the Anchor Investors, the date after which the Syndicate, the Designated Branches and the Registered Brokers shall not accept the Bids, was notified in all editions of the English national newspaper “Financial Express”, all editions of Hindi national newspaper “Jansatta”, and Jalandhar Edition of Regional newspaper “Nawan Zamana” where the registered office of the company is situated, each with wide circulation.
Bid/ Issue Opening Date	Except in relation to any Bids received from the Anchor Investors, the date after which the Syndicate, the Designated Branches and the Registered Brokers shall not accept the Bids, was notified in all editions of the English national newspaper “Financial Express”, all editions of Hindi national newspaper “Jansatta”, and Jalandhar Edition of Regional newspaper “Nawan Zamana” where the registered office of the company is situated, each with wide circulation and in case of any revision, the extended Bid/ Issue Opening Date was notified on the website and terminals of the Syndicate and SCSBs, as required under the SEBI ICDR Regulations.
Bid/ Issue Period	Except in relation to any Bids received from the Anchor Investors, the period between the Bid/ Issue Opening Date and the Bid/ Issue Closing Date or the QIB Bid/ Issue Closing Date, as the case may be, inclusive of both days, during which Bidders can submit their Bids, including any revisions thereof. Provided however that the Bidding/ Issue Period was kept open for a minimum of three Working Days for all categories of Bidders.
Bidder/ Applicant	Any prospective investor who makes a bid pursuant to the terms of the Red Herring Prospectus and the Bid-Cum-Application Form and unless otherwise stated or implied, which includes an ASBA Bidder and an Anchor Investor.
Bidding	The process of making a Bid.
Book Building Process/ Book Building Method	Book building process, as provided in Part A of Schedule XIII of the SEBI ICDR Regulations, in terms of which the Issue is being made.

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

Term	Description
	Intermediaries shall mean syndicate members, sub-syndicate members, Registered Brokers, CDPs and RTAs. In relation to ASBA Forms submitted by QIBs and NIBs, Designated Intermediaries shall mean SCSBs, syndicate members, sub-syndicate members, Registered Brokers, CDPs and RTAs.
Designated Market Maker / Market Maker	In our case, Gretex Share Broking Limited having its registered office at A-401, Floor 4th, Plot FP-616, (PT), Naman Midtown, Senapati Bapat Marg, Near Indiabulls, Delisle Road, Dadar (West), S V S Marg, Mumbai-400013, Maharashtra India.
Designated RTA Locations	Such locations of the RTAs where Applicants can submit the Application Forms to RTAs. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept Application Forms are available on the website of the Stock Exchanges ( <a href="http://www.bseindia.com">www.bseindia.com</a> and <a href="http://www.nseindia.com">www.nseindia.com</a> ) and are updated from time to time
Designated SCSB Branches	Such branches of the SCSBs which collected the Application Forms, a list of which is available on the website of SEBI at <a href="http://www.sebi.gov.in/">http://www.sebi.gov.in/</a> or at such other website as may be prescribed by SEBI from time to time.
Designated Stock Exchange / Stock Exchange	Emerge Platform of National Stock Exchange of India Limited (“NSE Emerge”).
Draft Red Herring Prospectus	The Draft Red Herring Prospectus dated July 14, 2024 filed with the Emerge Platform of National Stock Exchange of India Limited (“NSE Emerge”) in accordance with the SEBI ICDR Regulations.
DP	Depository Participant
DP ID	Depository Participant’s Identity number
Eligible NRI	NRI eligible to invest under the FEMA Regulations, from jurisdictions outside India where it is not unlawful to make an application or invitation to participate in the Issue and in relation to whom the Application Form and the Prospectus will constitute an invitation to subscribe for Equity Shares and who have opened dematerialized accounts with SEBI registered qualified depository participants.
Eligible QFIs	QFIs from such jurisdictions outside India where it is not unlawful to make an issue or invitation under the Issue and in relation to whom the Prospectus constitutes an invitation to purchase the Equity shares issued thereby and who have opened Demat accounts with SEBI registered qualified depository participants.
Escrow Account(s)	Account(s) opened with the Banker(s) to the Issue pursuant to Escrow and Sponsor Bank Agreement.
Escrow and Sponsor Bank Agreement	Agreement dated September 13, 2024 entered amongst the Company, Book Running Lead Manager, the Registrar, the Banker to the Issue and Sponsor bank to receive monies from the Applicants through the SCSBs Bank Account on the Designated Date in the Public Issue Account.
FII / Foreign Institutional Investors	Foreign Institutional Investor (as defined under SEBI (Foreign Institutional Investors) Regulations, 1995, as amended) registered with SEBI under applicable laws in India.
First / Sole Applicant	Applicant whose name was mentioned in the Application Form or the Revision Form and in case of joint Bids, whose name shall also appear as the first holder of the beneficiary account held in joint names.
Fresh Issue	Fresh Issue of 24,30,000* Equity Shares of face value ₹ 10.00 each of Paramount Dye Tec Limited for cash at a price of ₹ 117.00 per Equity Shares (including premium of ₹ 107.00 per Equity Shares) aggregating ₹ 2,843.10 Lakhs, by our Company. <i>* Subject to finalization of the Basis of Allotment</i>
Floor Price	The lower end of the Price Band, subject to any revision(s) thereto, at or above which the Issue Price and the Anchor Investor Issue Price was finalised and below which no Bids were be accepted.
Foreign Venture Capital Investors	Foreign Venture Capital Investors registered with SEBI under the SEBI (Foreign Venture Capital Investor) Regulations, 2000.
FPI/ Foreign Portfolio Investor	A Foreign Portfolio Investor who has been registered pursuant to the of Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, provided that any FII or QFI who holds a valid certificate of registration shall be deemed to be a foreign portfolio investor till the expiry of the block of three years for which fees have been paid as per the SEBI (Foreign Institutional Investors) Regulations, 1995, as amended.
Fugitive Economic Offender	An individual who is declared a fugitive economic offender under Section 12 of Fugitive Economic Offenders Act, 2018.

Term	Description
General Corporate Purposes	Include such identified purposes for which no specific amount is allocated or any amount so specified towards general corporate purpose or any such purpose by whatever name called, in the offer document. Provided that any issue related expenses shall not be considered as a part of general corporate purpose merely because no specific amount has been allocated for such expenses in the offer document.
General Information Document	The General Information Document for investing in public issues prepared and issued in accordance with the circular (CIR/CFD/DIL/12/2013) dated October 23, 2013, notified by SEBI and updated pursuant to the circular (CIR/CFD/POLICYCELL/11/2015) dated November 10, 2015, the circular (CIR/CFD/DIL/1/2016) dated January 1, 2016 and (SEBI/HO/CFD/DIL/CIR/P/2016/26) dated January 21, 2016, circular (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 1, 2018, circular no. (SEBI/HO/CFD/DIL2/CIR/P/2019/50) dated April 3, 2019, circular no. (SEBI/HO/CFD/DIL2/CIR/P/2019/76) dated June 28, 2019, circular no. (SEBI/HO/CFD/DIL2/CIR/P/2019/85) dated July 26, 2019 and circular (SEBI/HO/CFD/DCR2/CIR/P/2019/133) dated November 8, 2019, issued by SEBI. The General Information Document is available on the websites of the Stock Exchanges and the Book Running Lead Manager.
Issue / Public Issue / Issue size / Initial Public Offer / Initial Public Offering / IPO / Present Issue	Public Issue of 24,30,000* Equity Shares of face value ₹10.00 each of Paramount Dye Tec Limited for cash at a price of ₹ 117.00 per Equity Shares (including premium of per ₹ 107.00 Equity Shares) aggregating ₹ 2,843.10 Lakh by our Company. <i>* Subject to finalization of the Basis of Allotment</i>
Issue Agreement	The agreement dated May 21, 2024, entered into between our Company and the Book Running Lead Manager, pursuant to which certain arrangements are agreed to in relation to the Issue.
Issue Closing Date	The date on which the Issue closed for subscription being October 03, 2024
Issue Opening Date	The date on which the Issue opened for subscription being September 30, 2024
Issue Period	The period between the Issue Opening Date and the Issue Closing Date, inclusive of both days during which prospective bidders can submitted their applications, including any revisions thereof
Issue Price	The Final Price at which Equity Shares were allotted to ASBA Bidders in terms of the Prospectus. The Equity Shares were allotted to Anchor Investors at Anchor Investor Issue Price in terms of the Prospectus. The Issue Price was decided by our Company in consultation with the Book Running Lead Manager on the pricing date in accordance with the Book Building Process and the Prospectus
Issue Proceeds	The proceeds of the Issue as stipulated by the Company. For further information about use of the Issue Proceeds please see the chapter titled “ <b>Objects of the Issue</b> ” beginning on page 77 of this Prospectus
Listing Agreement	Unless the context specifies otherwise, this means the Equity Listing Agreement to be signed between our Company and the Stock Exchange.
Lot Size	The Market lot and Trading lot for the Equity Share is 1,200 and in multiples of 1,200 thereafter; subject to a minimum allotment of 1,200 Equity Shares to the successful applicants.
Market Making Agreement	Market Making Agreement dated May 21, 2024, between our Company, the Book Running Lead Manager and Market Maker.
Market Maker Reservation Portion	1,22,400* Equity Shares of ₹10.00 each at ₹ 117.00 per Equity Share (including premium of ₹ 107.00 per Equity Share) aggregating to ₹ 143.21 Lakh reserved for subscription by the Market Maker. <i>* Subject to finalization of the Basis of Allotment</i>
Mobile App(s)	The mobile applications listed on the website of SEBI at <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=40">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=40</a> or such other website as may be updated from time to time, which may be used by RIIs to submit Applications using the UPI Mechanism.
Minimum Promoters' Contribution	Aggregate of 20% of the fully diluted Post- Issue Equity Share capital of our Company held by our Promoters which shall be provided towards minimum promoters of 20% and locked-in for a period of three years from the date of Allotment.
Mutual Fund	A Mutual Fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996, as amended.

Term	Description
Mutual Fund Portion	5% of the Net QIB Portion, or 22,800 Equity Shares, which shall be available for allocation to Mutual Funds only on a proportionate basis, subject to valid Bids being received at or above the Issue Price. <i>* Subject to finalization of the Basis of Allotment</i>
Net Issue	The Issue excluding the Market Maker Reservation Portion of 23,07,600 Equity Shares of face value of ₹ 10.00 each fully paid up for cash at a price of ₹ 117.00 per Equity Share (including premium of ₹ 107.00 per Equity Share) aggregating ₹ 2,699.89 Lakh by our Company. <i>* Subject to finalization of the Basis of Allotment</i>
Net Proceeds	Proceeds of the Issue that will be available to our Company, which shall be the gross proceeds of the Issue less the Issue expenses.
Net QIB Portion	The portion of the QIB Portion less the number of Equity Shares Allocated to the Anchor Investors.
Non-Institutional Investors / NIIs	All Applicants, including Category III FPIs that are not QIBs or Retail Individual Investors who have made Application for Equity Shares for an amount of more than ₹ 2.00 Lakh (but not including NRIs other than Eligible NRIs).
Non-Resident	A person resident outside India, as defined under FEMA Regulations
Non-Resident Indian / NRI	A person resident outside India, who is a citizen of India, or a Person of Indian Origin as defined under FEMA Regulations, as amended
Other Investor	Investors other than Retail Individual Investors. These include individual applicants other than retail individual investors and other investors including corporate bodies or institutions irrespective of the number of specified securities applied for.
OCB / Overseas Corporate Body	Overseas Corporate Body means and includes an entity defined in clause (xi) of Regulation 2 of the Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies (OCB's) Regulations 2003 and which was in existence on the date of the commencement of these Regulations and immediately prior to such commencement was eligible to undertake transactions pursuant to the general permission granted under the Regulations. OCBs are not allowed to invest in this Issue
Pay-in-Period	The period commencing on the Bid/Issue Opening date and extended till the closure of the Anchor Investor Pay-in-Date.
Payment through electronic transfer of funds	Payment through NECS, NEFT or Direct Credit, as applicable.
Person or Persons	Any individual, sole proprietorship, unincorporated association, unincorporated organization, body corporate, corporation, Company, partnership, limited liability Company, joint venture, or trust or any other entity or organization validly constituted and / or incorporated in the jurisdiction in which it exists and operates, as the context requires.
Price Band	Price Band of a minimum price (Floor Price) of ₹ 111.00 and the maximum price (Cap Price) of ₹ 117.00 and includes revisions thereof.
Pricing Date	The date on which our Company in consultation with the Book Running Lead Manager, finalized the Issue Price.
Prospectus	The Prospectus to be filed with the Registrar of Companies in accordance with the provisions of Section 26 & 32 of the Companies Act, 2013.
Public Issue Account	The account to be opened with the Banker to the Issue under Section 40 of the Companies Act, 2013 to receive monies from the ASBA Accounts on the Designated Date.
QIB Category/ QIB Portion	The portion of the Net Issue (including the Anchor Investor Portion) being not more than 50% of the Net Issue, consisting of 11,52,000 Equity Shares aggregating to ₹1,347.84 lakhs were Allotted to QIBs (including Anchor Investors) on a proportionate basis, including the Anchor Investor Portion (in which allocation was on a discretionary basis, as determined by our Company in consultation with the Book Running Lead Manager), subject to valid Bids being received at or above the Issue Price or Anchor Investor Issue Price (for Anchor Investors). <i>* Subject to finalization of the Basis of Allotment</i>
Qualified Institutional Buyers or QIBs	A qualified institutional buyer as defined under Regulation 2(1) (ss) of the SEBI ICDR Regulations, 2018.
Red Herring Prospectus / RHP	The Red Herring Prospectus to be issued in accordance with Section 32 of the Companies Act, 2013 and the provisions of the SEBI ICDR Regulations, which will not have complete particulars of the price at which the Equity Shares will be Issued and the size of the Issue, including any addenda or corrigenda thereto.

Term	Description
Refund Bank/ Refund Banker	Bank which is / are clearing member(s) and registered with the SEBI as Bankers to the Issue at which the Refund Account was opened, in this case being Axis Bank Limited.
Refund Account	The 'no-lien' and 'non-interest bearing' account opened with the Refund Bank, from which refunds, if any, of the whole or part, of the Bid Amount to the Anchor Investors was made.
Registered Brokers	Stockbrokers registered with the stock exchanges having nationwide terminals.
Registrar Agreement	The Agreement between the Registrar to the Issue and the Issuer Company dated May 21, 2024, in relation to the responsibilities and obligations of the Registrar to the Issue pertaining to the Issue.
Registrar and Share Transfer Agents or RTAs	Registrar and share transfer agents registered with SEBI and eligible to procure Applications at the Designated RTA Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
Registrar to the Issue	Registrar to the Issue being Bigshare Services Private Limited.
Retail Individual Investors / RIIs	Applicants (including HUFs, in the name of Karta and Eligible NRIs) whose Application Amount for Equity Shares in the Issue is not more than ₹ 2.00 Lakh.
Revision Form	Form used by the Applicants to modify the quantity of the Equity Shares or the Applicant Amount in any of their ASBA Form(s) or any previous Revision Form(s). QIB Applicants and Non-Institutional Applicants are not allowed to withdraw or lower their applications (in terms of quantity of Equity Shares or the Application Amount) at any stage. Retail Individual Applicants can revise their Application during the Issue Period and withdraw their Applications until Issue Closing Date.
Securities laws	Means the Act, the Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996 and the rules and regulations made thereunder, and the general or special orders, guidelines or circulars made or issued by the Board thereunder and the provisions of the Companies Act, 2013 or any previous company law and any subordinate legislation framed thereunder, which are administered by the Board.
SME Exchange	Emerge Platform of National Stock Exchange of India Limited ("NSE EmERGE")
Specified Locations	Collection centers where the SCSBs shall accept application form, a list of which is available on the website of SEBI ( <a href="https://www.sebi.gov.in/">https://www.sebi.gov.in/</a> ) and updated from time to time.
Specified Securities	Equity shares offered through this Prospectus.
Sub Syndicate Member	A SEBI Registered member of National Stock Exchange of India Limited appointed by the Book Running Lead Manager and/ or syndicate member to act as a Sub Syndicate Member in the Issue.
Syndicate	Includes the Book Running Lead Manager, Syndicate Members and Sub Syndicate Members
Syndicate Agreement	The agreement dated September 13, 2024 entered amongst our Company, the Book Running Lead Manager and the Syndicate Members, in relation to the collection of Bids in this Issue.
Syndicate ASBA Bidding Locations	Bidding Centers where an ASBA Bidder can submit their Bid in terms of SEBI Circular no. CIR/CFD/DIL/1/2011 dated April 29, 2011, namely Mumbai, Chennai, Kolkata, Delhi
Syndicate Members/ of the Syndicate	Intermediaries registered with SEBI eligible to act as a syndicate member and who is permitted to carry on the activity as an underwriter, in this case being Gretex Share Broking Limited.
Systemically Important Nonbanking Financial Company	Systemically important non-banking financial company as defined under Regulation 2(1)(iii) of the SEBI ICDR Regulations.
Transaction Registration Slip/ TRS	The slip or document issued by the member of the Syndicate or SCSB (only on demand) as the case may be, to the Applicant as proof of registration of the Application.
SEBI (ICDR) Regulations/ ICDR Regulation/ Regulation	SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 issued by SEBI on September 11, 2018, as amended, including instructions and clarifications issued by SEBI from time to time.
SEBI (Venture Capital) Regulations	Securities Exchange Board of India (Venture Capital) Regulations, 1996 as amended from time to time.
Sponsor Bank	The Banker to the Issue registered with SEBI which is appointed by the issuer to act as a conduit between the Stock Exchanges and the National Payments Corporation of India in order to push the mandate collect requests and / or payment instructions of the RIIs into the UPI, the Sponsor Bank in this case being Axis Bank Limited.
Underwriter	Gretex Corporate Services Limited and Gretex Share Broking Limited.
Underwriting Agreement	The agreement dated May 21, 2024, entered between the Underwriters, our Company and the Book Running Lead Manager.

Term	Description
UPI Circulars	SEBI circular no. CFD/DIL2/CIR/P/2018/22 dated February 15, 2018, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 SEBI circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, SEBI Circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, SEBI Circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021, SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 5, 2022, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 SEBI Circular No: SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/76 dated May 30, 2022.and any subsequent circulars or notifications issued by SEBI in this regard.
UPI	Unified Payments Interface (UPI) is an instant payment system developed by the NPCI. It enables merging several banking features, seamless fund routing & merchant payments into one hood. UPI allows instant transfer of money between any two persons bank accounts using a payment address which uniquely identifies a person's bank a/c.
UP ID	ID created on Unified Payment Interface (UPI) for single-window mobile payment system developed by the National Payments Corporation of India (NPCI)
UPI Mandate Request	A request (intimating the RII by way of a notification on the UPI application and by way of a SMS directing the RII to such UPI application) to the RII initiated by the Sponsor Bank to authorise blocking of funds on the UPI application equivalent to Application Amount and subsequent debit of funds in case of Allotment.
UPI mechanism	The bidding mechanism that may be used by an RII to make an Application in the Issue in accordance with SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 01, 2018 read with SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2019/50) dated April 3, 2019 and SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2019/76) dated June 28, 2019 circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 and circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 08, 2019.
UPI PIN	Password to authenticate UPI transaction.
U.S. Securities Act	U.S. Securities Act of 1933, as amended.
Venture Capital Fund/ VCF	Foreign Venture Capital Funds (as defined under the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996) registered with SEBI under applicable laws in India
Wilful Defaulter(s)	Wilful defaulter as defined under Regulation 2(1) (III) of the SEBI (ICDR) Regulations, 2018.
Working Days	All days on which commercial banks in Ludhiana are open for business; provided however, with reference to (a) announcement of Price Band; and (b) Bid / Issue Period, “Working Day” shall mean all days, excluding all Saturdays, Sundays and public holidays, on which commercial banks in Mumbai are open for business; (c) the time period between the Bid / Issue Closing Date and the listing of the Equity Shares on the Stock Exchanges, “Working Day” shall mean all trading days of Stock Exchanges, excluding Sundays and bank holidays, as per the circulars issued by SEBI.

## CONVENTIONAL AND GENERAL TERMS

Term	Description
AIF(s)	Alternative Investment Funds as defined in and registered with SEBI under SEBI AIF Regulations
Air Act	The Air (Prevention and Control of Pollution) Act, 1981
ASBA	Applications Supported by Blocked Amount
Authorized Dealers	Authorized Dealers registered with RBI under the Foreign Exchange Management (Foreign Currency Accounts) Regulations, 2000
Category I Foreign Portfolio Investor(s)	FPIs registered as Category I Foreign Portfolio Investors under the SEBI FPI Regulations.
Category II Foreign Portfolio Investor(s)	An FPI registered as a Category II Foreign Portfolio Investor under the SEBI FPI Regulations

Term	Description
Category III Foreign Portfolio Investor(s)	FPIs registered as category III FPIs under the SEBI FPI Regulations, which shall include all other FPIs not eligible under category I and II foreign portfolio investors, such as endowments, charitable societies, charitable trusts, foundations, corporate bodies, trusts, individuals and family offices.
CGST	Central GST
COPRA	The Consumer Protection Act, 1986
Companies Act	Companies Act, 1956 (without reference to the provisions thereof that have ceased to have effect upon notification of the Notified Sections) and the Companies Act, 2013, to the extent in force pursuant to the notification of the Notified Sections, read with the rules, regulations, clarifications and modifications thereunder
Companies Act 2013	Companies Act, 2013, to the extent in force pursuant to the notification of the Notified Sections, read with the rules, regulations, clarifications and modifications thereunder
Consolidated FDI Policy	The current consolidated FDI Policy, effective from August 28, 2017, issued by the Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India, and any modifications thereto or substitutions thereof, issued from time to time
Contract Act	The Indian Contract Act, 1872
CSR	Corporate Social Responsibility
Depositories Act	The Depositories Act, 1996
Depository	A depository registered with the SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996
DIN	Director Identification Number
DIPP	Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, GOI
DP	Depository Participant
DP ID	Depository Participant's identity number
DTC	Direct Tax Code, 2013
EBITDA	Earnings Before Interest, Tax, Depreciation and Amortization
EBITDA	EBITDA divided by Revenue from Operations
ECS	Electronic Clearing System
EGM	Extraordinary General Meeting
Electricity Act	The Electricity Act, 2003
Environment Protection Act	The Environment (Protection) Act, 1986
EPA	The Environment Protection Act, 1986
EPF Act	The Employees' Provident Funds and Miscellaneous Provisions Act, 1952
EPS	Earnings per share
e-RUPI	Prime Minister Narendra Modi launched a contactless, prepaid, electronic prepaid system
ER Act	The Equal Remuneration Act, 1976
ESI Act	The Employees' State Insurance Act, 1948
FCNR Account	Foreign Currency Non-Resident (Bank) account established in accordance with the FEMA
FDI	Foreign direct investment
FEMA	The Foreign Exchange Management Act, 1999 read with rules and regulations there under
FEMA 2000	The Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000
FII(s)	Foreign Institutional Investors as defined under SEBI FPI Regulations
Financial Year / Fiscal Year / FY	The period of 12 months commencing on April 1 of the immediately preceding calendar year and ending on March 31 of that calendar year
FIPB	Foreign Investment Promotion Board
Foreign Portfolio Investor or FPIs	A foreign portfolio investor, as defined under the SEBI FPI Regulations and registered with SEBI under applicable laws in India.
FVCI	Foreign Venture Capital Investors (as defined under the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000) registered with SEBI
GAAP	Generally Accepted Accounting Principles
GIR Number	General Index Registry Number
GoI / Government	Government of India
Gratuity Act	The Payment of Gratuity Act, 1972
GST Act	The Central Goods and Services Tax Act, 2017
Hazardous Wastes Rules	Hazardous Wastes (Management, Handling and Trans boundary Movement) Rules, 2008

Term	Description
ICAI	The Institute of Chartered Accountants of India
ICSI	The Institute of Company Secretaries of India
ID Act	The Industrial Disputes Act, 1947
IDRA	The Industrial (Development and Regulation) Act, 1951
IE Act	The Indian Easements Act, 1882
IEM	Industrial Entrepreneurs Memorandum
IFRS	International Financial Reporting Standards
IFSC	Indian Financial System Code
IGST	Integrated GST
IT Act	Income Tax Act, 1961
Indian GAAP	Generally Accepted Accounting Principles in India
INR or Rupee or ₹ or Rs.	Indian Rupee, the official currency of the Republic of India
Insider Trading Regulations	The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended.
IPO	Initial Public Offering
ISIN	International Securities Identification Number
KMP	Key Managerial Personnel
Ltd.	Limited
Maternity Benefit Act	Maternity Benefit Act, 1961
M. A	Master of Arts
M.B.A.	Master of Business Administration
MCA	The Ministry of Corporate Affairs, GoI
M.Com	Master of Commerce
MCI	Ministry of Commerce and Industry, GoI
Mill & Fill	Removing the existing surface layer with a milling machine and then transporting the material to a storage facility
MSME	Micro, Small and Medium Enterprise
MSMED Act	The Micro, Small and Medium Enterprises Development Act, 2006
MWA	Minimum Wages Act, 1948
MoEF	Ministry of Environment and Forests
MoF	Ministry of Finance, Government of India
MOU	Memorandum of Understanding
Mutual Funds	Mutual funds registered with the SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996
Networth	The aggregate value of the paid-up share capital and reserves and surplus of the company less deferred tax assets
NI Act	The Negotiable Instruments Act, 1881
Noise Regulation Rules	The Noise Pollution (Regulation & Control) Rules 2000
Notified Sections	The sections of the Companies Act, 2013 that have been notified by the MCA and are currently in effect
NPV	Net Present Value
NR / Non-resident	A person resident outside India, as defined under the FEMA and includes a Non-resident Indian
NRE Account	Non-Resident External Account established and operated in accordance with the FEMA
NRIs	Non-Resident Indians
NRO Account	Non-Resident Ordinary Account established and operated in accordance with the FEMA
NSDL	National Securities Depository Limited
OCB	Overseas Corporate Bodies
Pcs	Pieces
P/E Ratio	Price / Earnings Ratio
PAN	Permanent account number
Petroleum Act	Petroleum Act, 1934
Petroleum Rules	Petroleum Rules, 1976
PAT	Profit after Tax
PAT Margin	PAT for the period/year divided by revenue from operations
PIL	Public Interest Litigation
POB Act	Payment of Bonus Act, 1965

Term	Description
PPP	Public Private Partnership
Public Liability Act / PLI Act	The Public Liability Insurance Act, 1991
Pvt. / (P)	Private
PWD	Public Works Department of state governments
QFI(s)	Qualified Foreign Investor(s) as defined under the SEBI FPI Regulations
QIC	Quarterly Income Certificate
RBI	The Reserve Bank of India
R&D	Research & Development
Registration Act	The Indian Registration Act, 1908
RoC or Registrar of Companies	The Registrar of Companies
ROCE	Return on Capital Employed
ROE	Return on Equity
RONW	Return on Networth
RTGS	Real Time Gross Settlement
Rule 144A	Rule 144A under the U.S. Securities Act, 1933
SCRA	Securities Contracts (Regulation) Act, 1956, as amended from time to time
SCRR	Securities Contracts (Regulation) Rules, 1957, as amended from time to time.
SEBI	The Securities and Exchange Board of India constituted under the SEBI Act
SEBI (ICDR) Regulations	The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended, including instructions and clarifications issued by SEBI from time to time
SEBI (LODR) Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including instructions and clarifications issued by SEBI from time to time
SEBI Act	The Securities and Exchange Board of India Act, 1992
SEBI AIF Regulations	Securities and Exchange Board of India (Alternate Investment Funds) Regulations, 2012
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014
SEBI FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000
Sec.	Section
SGST	State GST
SHWW / SHWW Act	The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013
SICA	Sick Industrial Companies (Special Provisions) Act, 1985
SME	Small and Medium Enterprise
STT	Securities Transaction Tax
SEBI Takeover Regulations	The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended from time to time.
TM Act	The Trademarks Act, 1999
U.S. GAAP	Generally Accepted Accounting Principles in the United States of America
U.S. Securities Act	The United States Securities Act, 1933
US\$ or USD or US Dollars	United States Dollar, the official currency of the United States of America
USA or U.S. or US	United States of America
VAT	Value Added Tax
Wages Act	Payment of Wages Act, 1936
Water Act	The Water (Prevention and Control of Pollution) Act, 1974
WCA	The Workmen's Compensation Act, 1923
Wilful Defaulter	A wilful defaulter, as defined under Regulation 2(1)(III) of the SEBI ICDR Regulations, means a person or an issuer who or which is categorized as a wilful defaulter by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India

#### TECHNICAL / INDUSTRY RELATED TERMS

Term	Full Form
CMP	Cut/Make/Pach

DTM	Dyed to Match
DTP	Dyeing Textile Processing
FFF	From Fibre to Fashions
GDP	Gross Domestic Product
KPI	Key Performance Indicators
M&A	Mergers and Acquisitions
MMF	Manmade Fibers
MFC	Multifunctional complexes
MITRA	Mega Investment Textiles Parks
MMF	Manmade Fibers
MNCs	Multi-National Companies
Mtrs.	Meters
Pcs	Pieces
POY	Partially Oriented Yarn
PT	Per Tonne
SEZ	Special Economic Zone
SME	Small and Medium Enterprise
SSI	Small Scale Industries
Sq. Mtrs.	Square Meters
TPD	Tonnes per Day
YDS	Yarn Dyeing Section

## ABBREVIATIONS

Abbreviation	Full Form
AS / Accounting Standard	Accounting Standards as issued by the Institute of Chartered Accountants of India
A/c	Account
AGM	Annual General Meeting
ASBA	Applications Supported by Blocked Amount
Amt	Amount
AIF	Alternative Investment Funds registered under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012, as amended.
AY	Assessment Year
AOA	Articles of Association
Approx	Approximately
B. A	Bachelor of Arts
BBA	Bachelor of Business Administration
B. Com	Bachelor of Commerce
B. E	Bachelor of Engineering
B. Sc	Bachelor of Science
B. Tech	Bachelor of Technology
Bn	Billion
BG / LC	Bank Guarantee / Letter of Credit
BIFR	Board for Industrial and Financial Reconstruction
CDSL	Central Depository Services (India) Limited
CAGR	Compounded Annual Growth Rate
CAN	Confirmation of Allocation Note
CA	Chartered Accountant
CB	Controlling Branch
CC	Cash Credit
CCI	The Competition Commission of India
CFO	Chief Financial Officer
CGST	Central GST
CIN	Corporate Identification Number
CIT	Commissioner of Income Tax
CS	Company Secretary
CSR	Corporate Social Responsibility

Abbreviation	Full Form
CS & CO	Company Secretary & Compliance Officer
CENVAT	Central Value Added Tax
CST	Central Sales Tax
CWA / ICWA	Cost and Works Accountant
CMD	Chairman and Managing Director
Depository or Depositories	National Securities Depository Limited and Central Depository Services (India) Limited
DIN	Director Identification Number
DIPP	Department of Industrial Policy and Promotion, Ministry of Commerce, Government of India
DP	Depository Participant
DP ID	Depository Participant's Identification Number
EBITDA	Earnings Before Interest, Taxes, Depreciation & Amortisation
ECS	Electronic Clearing System
ESIC	Employee's State Insurance Corporation
EPS	Earnings Per Share
EGM / EOGM	Extraordinary General Meeting
NSE Emerge	Emerge Platform of National Stock Exchange India Limited ("NSE Emerge")
ESOP	Employee Stock Option Plan
EXIM / EXIM Policy	Export – Import Policy
FCNR Account	Foreign Currency Non-Resident Account
FIPB	Foreign Investment Promotion Board
FY / Fiscal / Financial Year	Period of twelve months ended March 31 of that year, unless otherwise stated
FEMA	Foreign Exchange Management Act, 1999 as amended from time to time, and the regulations framed there under.
FCNR Account	Foreign Currency Non-Resident Account
FBT	Fringe Benefit Tax
FDI	Foreign Direct Investment
FIs	Financial Institutions
FIIIs	Foreign Institutional Investors (as defined under Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000) registered with SEBI under applicable laws in India
FPIs	"Foreign Portfolio Investor" means a person who satisfies the eligibility criteria prescribed under regulation 4 and has been registered under Chapter II of Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, which shall be deemed to be an intermediary in terms of the provisions of the SEBI Act, 1992.
FTA	Foreign Trade Agreement.
FVCI	Foreign Venture Capital Investors registered with SEBI under the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000.
FV	Face Value
GoI / Government	Government of India
GDP	Gross Domestic Product
GAAP	Generally Accepted Accounting Principles in India
GST	Goods and Service Tax
GVA	Gross Value Added
HUF	Hindu Undivided Family
ICAI	The Institute of Chartered Accountants of India
ICAI (Previously known as ICWAI)	The Institute of Cost Accountants of India
IMF	International Monetary Fund
INR / Rupees / Rs.	Indian Rupees, the legal currency of the Republic of India
IIP	Index of Industrial Production
IPO	Initial Public Offer
ICSI	The Institute of Company Secretaries of India
IFRS	International Financial Reporting Standards
HNI	High Networth Individual
i.e.	That is

Abbreviation	Full Form
I.T. Act	Income Tax Act, 1961, as amended from time to time
IT Authorities	Income Tax Authorities
IT Rules	Income Tax Rules, 1962, as amended, except as stated otherwise
Indian GAAP	Generally Accepted Accounting Principles in India
IRDA	Insurance Regulatory and Development Authority
KMP	Key Managerial Personnel
BRLM	Book Running Lead Manager
Ltd.	Limited
MAT	Minimum Alternate Tax
MoF	Ministry of Finance, Government of India
M-o-M	Month-On-Month
MOU	Memorandum of Understanding
M. A	Master of Arts
M. B. A	Master of Business Administration
M. Com	Master of Commerce
Mn	Million
M. E	Master of Engineering
MRP	Maximum Retail Price
M. Tech	Master of Technology
Merchant Banker	Merchant Banker as defined under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992
MAPIN	Market Participants and Investors Database
MSMEs	Micro, Small and medium Enterprises
MoA	Memorandum of Association
MRP	Maximum Retail Price
NA	Not Applicable
Networth	The aggregate of paid-up Share Capital and Share Premium account and Reserves and Surplus (Excluding revaluation reserves) as reduced by aggregate of Miscellaneous Expenditure (to the extent not written off) and debit balance of Profit & Loss Account
NEFT	National Electronic Funds Transfer
NECS	National Electronic Clearing System
NAV	Net Asset Value
NPV	Net Present Value
NRIs	Non-Resident Indians
NRE Account	Non-Resident External Account
NRO Account	Non-Resident Ordinary Account
NOC	No Objection Certificate
NSDL	National Securities Depository Limited
OCB	Overseas Corporate Bodies
P.A.	Per Annum
PF	Provident Fund
PG	Post Graduate
PAC	Persons Acting in Concert
P / E Ratio	Price / Earnings Ratio
PAN	Permanent Account Number
PAT	Profit After Tax
PBT	Profit Before Tax
PLI	Postal Life Insurance
POA	Power of Attorney
PSU	Public Sector Undertaking(s)
Pvt.	Private
RBI	The Reserve Bank of India
ROE	Return on Equity
R&D	Research & Development
RONW	Return on Networth
RTGS	Real Time Gross Settlement
SCRA	Securities Contracts (Regulation) Act, 1956, as amended from time to time

Abbreviation	Full Form
SCRR	Securities Contracts (Regulation) Rules, 1957, as amended from time to time
SCSB	Self-Certified Syndicate Banks
SEBI	Securities and Exchange Board of India
SICA	Sick Industrial Companies (Special provisions) Act, 1985, as amended from time to time
SME	Small and Medium Enterprises
STT	Securities Transaction Tax
Sec.	Section
TAN	Tax Deduction Account Number
TRS	Transaction Registration Slip
TIN	Taxpayers Identification Number
US / United States	United States of America
UPI	Unified Payments Interface as a payment mechanism through National Payments Corporation of India with Application Supported by Block Amount for applications in public issues by retail individual investors through SCSBs
USD / US\$ / \$	United States Dollar, the official currency of the United States of America
VCF / Venture Capital Fund	Foreign Venture Capital Funds (as defined under the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996) registered with SEBI under applicable laws in India.
VAT	Value Added Tax
w.e.f.	With effect from
YoY	Year over Year

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

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

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

In this Prospectus, the terms “we”, “us”, “our”, the “Company”, “our Company” and “Paramount Dye”, “Paramount”, “PDTL” unless the context otherwise indicates or implies, refers to Paramount Dye Tec Limited.

### CERTAIN CONVENTION

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

### FINANCIAL DATA

Unless stated otherwise, the financial data in this Prospectus is derived from our Restated Financial Statements of our Company for the period ended March 31, 2024 and Restated Financial Statements of the Partnership firm M/s. Paramount Dye Tec for the period ended on January 03, 2024, and Financial Year ended March 31, 2023, March 31, 2022, March 31, 2021 prepared in accordance with Indian GAAP, the Companies Act and restated in accordance with the SEBI (ICDR) Regulations, Guidance Note on “*Reports in Company Prospectus (Revised 2019)*” issued by ICAI and the Indian GAAP which are included in this Prospectus, and set out in “*Financial Statements as Restated*” on page 180 of this Prospectus.

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

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

There are significant differences between Indian GAAP and IND (AS). Accordingly, the degree to which the Restated Financial Statements included in this Prospectus will provide meaningful information is entirely dependent on the reader’s level of familiarity with Indian accounting practices. Any reliance by persons not familiar with Indian accounting practices, Indian GAAP, IND (AS), the Companies Act and the SEBI (ICDR) Regulations, on the Restated Financial Statements presented in this Prospectus should accordingly be limited. Although we have included a summary of qualitative and quantitative differences between Indian GAAP and IND (AS), our financial statements reported under IND (AS) in future accounting periods may not be directly comparable with our financial statements historically prepared in accordance with Indian GAAP, including disclosed in this Prospectus. You should consult your own advisors regarding such differences and their impact on our financial data.

Any percentage amounts, as set forth in “*Risk Factors*”, “*Our Business*”, “*Management’s Discussion and Analysis of Financial Position and Results of Operations*” and elsewhere in this Prospectus unless otherwise indicated, have been calculated on the basis of the Company’s restated financial statements prepared in accordance with the applicable provisions of the Companies Act, Indian GAAP and restated in accordance with SEBI (ICDR) Regulations, as stated in the report of our Statutory Auditor, set out in the section titled ‘*Financial Statements as Restated*’ beginning on page 180 of this Prospectus.

For additional definitions used in this Prospectus, see the section “*Definitions and Abbreviations*” on page 4 of this Prospectus. In the section titled “*Main Provisions of the Articles of Association*”, on page 272 of the Prospectus defined terms have the meaning given to such terms in the Articles of Association of our Company.

### CURRENCY AND UNITS OF PRESENTATION

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

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

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

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

## DEFINITIONS

For definitions, please see the Chapter titled “*Definitions and Abbreviations*” on page no. 4 of this Prospectus. In the Section titled “*Main Provisions of Articles of Association*” beginning on page no. 272 of this Prospectus, defined terms have the meaning given to such terms in the Articles of Association.

## INDUSTRY AND MARKET DATA

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

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

In accordance with the SEBI (ICDR) Regulations, “*Basis for Issue Price*” on page 87 of this Prospectus includes information relating to our peer group entities. Such information has been derived from publicly available sources, and neither we, nor the Book Running Lead Manager have independently verified such information. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in “*Risk Factors*” on page 29 of this Prospectus.

## EXCHANGE RATES

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

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

Currency	For the period ended	For the period ended	For the Financial Year ended		
	March 31, 2024	January 03, 2024	March 31, 2023	March 31, 2022	March 31, 2021
	Company	Partnership Firm			
1 USD*	83.37	83.32	82.22	75.81	73.50
1 EURO	90.22	91.28	89.61	84.66	86.10

\*Source: [www.fbil.org.in](http://www.fbil.org.in)

All figures are rounded up to two decimals.

## TIME

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

## FORWARD LOOKING STATEMENTS

All statements contained in this Prospectus that are not statements of historical fact constitute forward-looking statements. All statements regarding our expected financial condition and results of operations, business, plans and prospects are

forward-looking statements. These forward-looking statements include statements with respect to our business strategy, our revenue and profitability, our projects and other matters discussed in this Prospectus regarding matters that are not historical facts. Investors can generally identify forward-looking statements by the use of terminology such as “aim”, “anticipate”, “believe”, “expect”, “estimate”, “intend”, “objective”, “plan”, “project”, “may”, “will”, “will continue”, “will pursue”, “contemplate”, “future”, “goal”, “propose”, “will likely result”, “will seek to” or other words or phrases of similar import. All forward looking statements (whether made by us or any third party) are predictions and are subject to risks, uncertainties and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement.

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

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

- Geographical concentration of business to key cities.
- Disruption in our manufacturing facility
- Ability to respond to technological changes;
- Failure to comply with regulations prescribed by authorities of the jurisdictions in which we operate;
- Our ability to effectively manage a variety of business, legal, regulatory, economic, social and political risks associated with our operations;
- Recession in the market;
- Changes in laws and regulations relating to the industries in which we operate;
- Effect of lack of infrastructure facilities on our business;
- Our ability to meet our capital expenditure requirements;
- Failure to adapt to the changing technology in our industry of operation may adversely affect our business and financial condition;
- The performance of the financial markets in India and globally;
- Our ability to effectively manage a variety of business, legal, regulatory, economic, social and political risks associated with our operations;
- Our failure to keep pace with rapid changes in the sector in which we operate;
- Changes in laws and regulations relating to the industries in which we operate;
- Intensified competition in industries/sector in which we operate;
- Our ability to expand our geographical area of operation;

- Concentration of ownership among our Promoters;
- Failure to obtain, maintain or renew our statutory and regulatory approvals, licenses and registrations required to operate our business.
- Significant increases in prices of, or shortages of, or disruption in supply of labour and key building materials;
- Our reliance on internet network and our ability to utilize systems in an uninterrupted manner;
- Our ability to attract, retain and manage qualified personnel;
- Dependencies on our development partners to fulfil their obligations under the respective joint development agreements;
- Changes in government policies and regulatory actions that apply to or affect our business.
- Our ability to protect our intellectual property rights and not infringing intellectual property rights of other parties;
- Failure to adapt to the changing scenarios in our industry of operation may adversely affect our business and financial condition;
- General economic and business conditions in India and other countries;

For further discussions of factors that could cause our actual results to differ, please see the section titled “**Risk Factors**”, chapters titled “**Our Business**” and “**Management’s Discussion and Analysis of Financial Condition and Results of Operations**” beginning on pages 29, 110 and 181 of this Prospectus, respectively. By their nature, certain market risk disclosures are only estimates and could be materially different from what occurs in the future. As a result, actual future gains or losses could materially differ from those that have been estimated.

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

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

## SECTION II: SUMMARY OF ISSUE DOCUMENT

The following is a general summary of the terms of the Issue included in this Prospectus and is not exhaustive, nor does it purport to contain a summary of all the disclosures in this Prospectus when filed, or all details relevant to prospective investors. This summary should be read in conjunction with, and is qualified in its entirety by, the more detailed information appearing elsewhere in this Prospectus, including the sections titled “Risk Factors”, “The Issue”, “Capital Structure”, “Objects of the Issue”, “Our Industry”, “Our Business”, “Our Promoters and Promoter Group”, “Financial Information”, “Outstanding Litigation and Other Material Developments” and “Issue Procedure” on pages 29,49, 66, 77, 96, 110, 170, 180, 201 and 236 respectively of this Prospectus.

### A. OVERVIEW OF INDUSTRY

India’s textiles sector is one of the oldest industries in the Indian economy, dating back to several centuries. The industry is extremely varied, with hand-spun and hand-woven textiles sectors at one end of the spectrum, with the capital-intensive sophisticated mills sector at the other end. The fundamental strength of the textile industry in India is its strong production base of a wide range of fibre/yarns from natural fibres like cotton, jute, silk and wool, to synthetic/man-made fibres like polyester, viscose, nylon and acrylic.

### B. OVERVIEW OF BUSINESS

We “PD TL” are a waste recycling fiber & yarn manufacturing Company catering to B2B segment of the Textile industry based out in Ludhiana, Punjab. We offer a diverse range of products including synthetic fiber and yarns which includes acrylic yarn, polyester yarn, wool yarn, hand-knitting yarn and acrylic blend yarn with quality, finer impact, and lasting excellence. We are an ISO 9001:2015 and Good Manufacturing Practice (GMP) certified organization.

### C. OUR PROMOTERS

As on date of filing of Prospectus our company is promoted by Mr. Kunal Arora and Ms. Palki Arora

### D. DETAILS OF THE ISSUE

<b>Equity Shares Offered</b> Present Issue of Equity Shares by our Company.	Issue of 24,30,000* Equity Shares of ₹ 10.00 each for cash at a price of ₹ 117.00 per Equity Share (including premium of ₹ 107.00 per Equity Share) aggregating to ₹ 2,843.10 Lakhs.
<b>Out of which:</b>	
<b>Market Maker Reservation Portion</b>	1,22,400 Equity Shares of ₹ 10.00 each fully paid-up of our Company for cash at a price of ₹ 117.00 per Equity Share (including premium of ₹ 107.00 per Equity Share) aggregating to ₹ 143.21 Lakhs.
<b>Net Issue to the Public</b>	23,07,600 Equity Shares of ₹ 10.00 each fully paid-up of our Company for cash at a price of ₹ 117.00 per Equity Share (including premium of ₹ 107.00 per Equity Share) aggregating to ₹ 2,699.89 Lakhs.

\* Subject to finalization of the Basis of Allotment

### E. Object of the Issue

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

(₹ in Lakhs)	
Particulars	Total Expenditure
Setting up of Manufacturing Unit	1,600.00
Repayment/Prepayment of Certain Debt Facilities availed by our Company	450.00
Expenses towards Registry of Land purchased from Promoter	100.00
General Corporate Purposes*	411.65
<b>Total</b>	<b>2,561.65</b>

\*General Corporate Purpose shall not exceed 25% of the Net Issue Proceeds  
For further details, see “Objects of the Issue” beginning on page 77.

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

Sr · No.	Category of Promoter	Pre – Issue		Post - Issue	
		No. of Shares	As a % of paid-up Equity Capital	No. of Shares	As a % of paid-up Equity Capital*
	<b>Promoters (A)</b>				
1.	Mr. Kunal Arora	35,90,061	79.56	35,90,061	51.71
2.	Ms. Palki Arora	9,21,384	20.42	9,21,384	13.27
	<b>Total (A)</b>	<b>45,11,445</b>	<b>99.97%</b>	<b>45,11,445</b>	<b>64.98%</b>
	<b>Promoter Group (B)</b>				
1.	Nil	-	-	-	-
	<b>Total (B)</b>	-	-	-	-
	<b>Total (A) + (B)</b>	<b>45,11,445</b>	<b>99.97%</b>	<b>45,11,445</b>	<b>64.98%</b>

\*Subject to finalization of the Basis of Allotment

## G. SUMMARY OF RESTATED FINANCIAL INFORMATION

(₹ in Lakhs)

Particulars	For the Period Ended	For the Period Ended	For Financial Year ended		
	March 31, 2024	January 03, 2024	March 31, 2023	March 31, 2022	March 31, 2021
	Company	Partnership Firm			
Share Capital	2.25	1.00	553.77	258.78	237.48
Reserves and surplus	3,029.81				
Networth	3,032.06	1.00	553.77	258.78	237.48
Total Income	2,367.90	2,955.91	4,600.23	2,367.31	1,690.50
Profit after Tax	354.09	278.65	316.14	15.94	15.94
Total Borrowings	1,627.37	2,247.76	969.18	898.17	551.50
<b>Other Financial Information</b>					
Basic & Diluted EPS (Post Bonus) (₹)	7.86	NA	NA	NA	NA
Return on Networth (%)	11.68%	NA	NA	NA	NA
Net Asset Value Per Share (Pre-Bonus) (₹)	20,594.30	NA	NA	NA	NA
Net Asset Value Per Share (Post Bonus) (₹)	67.31	NA	NA	NA	NA

## H. QUALIFICATION OF THE AUDITORS

The Auditor report of Restated Financial Statements of our Company does not contain any qualification which have not been given effect to in Restated Financial Statements.

## I. SUMMARY OF OUTSTANDING LITIGATION ARE AS FOLLOWS

Nature of Proceedings	Number of cases	Amount involved* (₹)
<b>A. Issuer Company</b>		
Direct Tax (TDS)	1	32,050
<b>B. Partnership Firm (Paramount Dye Tec) which later converted into Issuer Company</b>		

Nature of Proceedings	Number of cases	Amount involved* (₹)
Income Tax (Outstanding Demand)	3	6,95,908
Income Tax (E Proceedings)	*2	Unascertainable
Direct Tax (TDS)	5	5,930
<b>C. Promoters</b>		
<b>Kunal Arora</b>		
Income Tax (Outstanding Demand)	1	2,52,784
Income Tax (E Proceedings)	NIL	NIL
<b>D. Directors (Excluding Promoters)</b>	NIL	NIL

\*To the extent quantifiable excluding interest and penalty thereon

For the details of litigation proceedings, please refer the chapter titled “*Outstanding Litigations and Material Developments*” on page 201 of this Prospectus.

## J. RISK FACTORS

Investors should read chapter titled “*Risk Factors*” beginning on page 29 of this Prospectus.

## K. SUMMARY OF CONTINGENT LIABILITIES

The following is a summary table of our company’s contingent liabilities as:

(₹ in Lakhs)

Sr. No.	Particulars	Amount
1.	Income Tax demands / Notices before CIT Appeals / TDS	0.32
2.	Bank Guarantees / Corporate Guarantees	Nil

For further information, please see “*Financial Information*” beginning on page 180 of this Prospectus.

## L. SUMMARY OF RELATED PARTY TRANSACTIONS

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

(₹ in Lakhs)

Particulars	For the Period Ended	For the Period Ended	For the Financial Year Ended		
	March 31, 2024	January 03, 2024	March 31, 2023	March 31, 2022	March 31, 2021
	Company	Partnership Firm			
Director’s Remuneration					
1.Kunal Arora	5.50	7.66	18.00	12.00	13.32
2.Palki Arora	3.50	9.00	12.00	9.00	9.00
Advance Given					
1. K.K. Impex	50.00	Nil	Nil	Nil	Nil
2. Welldone Cottex Private Limited	6.00	Nil	Nil	Nil	Nil
3. Winning Industries	Nil	21.20	20.00	Nil	45.00
Rent Paid					
1. Puneet Arora	0.05	Nil	Nil	Nil	Nil
Asset Taken over					
1. Paramount Syntex Private Limited	18.91	Nil	Nil	Nil	Nil
Loan Availed					
1. Kunal Arora	30.90	759.53	Nil	Nil	Nil
Loan Repaid					
1. Kunal Arora	1,095.58	1,414.32	Nil	Nil	Nil
Rental Income					
1. Paramount Syntex Private Limited	10.80	32.40	43.20	Nil	Nil
Sale					
1. Paramount Syntex Private Limited	5.46	Nil	1,663.85	Nil	Nil
2. Winning Industries	Nil	0.05	1.42	0.11	Nil

Particulars	For the Period Ended	For the Period Ended	For the Financial Year Ended		
	March 31, 2024	January 03, 2024	March 31, 2023	March 31, 2022	March 31, 2021
	Company	Partnership Firm			
Purchase					
1. K.K. Impex	Nil	694.24	1,008.24	486.76	49.98
2. Paramount Syntex Private Limited	Nil	Nil	57.80	Nil	Nil
3. Winning Industries	Nil	0.02	0.61	0.31	Nil
Total	1,226.70	2,938.41	1,21,361.13	508.19	117.30

For details of the Related Party Transactions as reported in the Restated Financials, please refer "*Financial Statements as restated – Related Party Transactions*" on page no. 179 of this Prospectus.

#### M. FINANCING ARRANGEMENTS

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

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

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

Name of the Promoters	Weighted Average Price (₹)
Mr. Kunal Arora	65.08
Ms. Palki Arora	37.06

#### O. AVERAGE COST OF ACQUISITION

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

Name of the Promoters	Average Cost of Acquisition (₹)
Mr. Kunal Arora	65.08
Ms. Palki Arora	37.06

#### P. PRE-IPO PLACEMENT DETAILS

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

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

Other than as disclosed in "*Capital Structure*" on page 66 of this Prospectus, no Equity Shares have been issued by our Company for consideration other than cash as on the date of this Prospectus.

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

Other than as disclosed in "*Capital Structure*" on page 66 of this Prospectus, our Company has not undertaken a split or consolidation of the Equity Shares in the one year preceding the date of this Prospectus.

#### S. 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 Law by SEBI.

### SECTION III: RISK FACTORS

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

Unless otherwise stated in the relevant risk factors set forth below, we are not in a position to specify or quantify the financial or other implications of any of the risks mentioned herein. Unless otherwise stated, the financial information of our Company used in this section is derived from our restated financial statements prepared in accordance with Indian GAAP and the Companies Act and restated in accordance with the SEBI ICDR Regulations. To obtain a better understanding, you should read this section in conjunction with the chapters titled “***Our Business***” beginning on page 110, “***Our Industry***” beginning on page 96 and “***Management’s Discussion and Analysis of Financial Condition and Results of Operations***” beginning on page 181 respectively, of this Prospectus as well as other financial information contained herein.

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

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

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

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

#### INTERNAL RISKS

##### A. BUSINESS RELATED RISKS

1. ***We operate in a heavily regulated sector and our operations are subject to environmental, health and safety regulations that could expose us to liability, increase our cost of operations or otherwise have a material adverse effect on our results of operations and could also result in enhanced compliance obligations***

We are engaged in the business of recycling Synthetic Waste for manufacturing fiber and yarns. Significant risks are associated with manufacturing of these products, which subject us to various laws and regulations, including in relation to safety, health and environmental protection. These regulations govern discharge of pollutants into air and water, noise levels, storage, handling and disposal of waste materials, employee exposure to hazardous substances and other aspects of our manufacturing operations which may also cause industrial accidents, fire, damage to our and third-party property and/or, environmental damage. Under these laws and regulations, we are required to control the use of as well as restrict the discharge or disposal of hazardous or environmentally objectionable products of our production process. While our Company believes that it has necessary controls and processes in place, if we breach or fail to comply with these laws and regulations, penalties or fines may be imposed on us, and our directors and officers responsible for such breach or non-compliance and may also be subjected to imprisonment.

Further, our manufacturing licenses may be suspended, withdrawn or terminated in the event of such breach or non-compliance thereby disrupting our operations. In the event that these penalties or fines, be significant or should any of our manufacturing licenses be suspended, withdrawn or terminated, our business operation and financial performance will be adversely affected, and such event would in addition to adversely affecting our reputation also temporarily reduce our manufacturing capacity which could adversely affect our business, results of operations and reputation. Also, any environmental damages could increase the regulatory scrutiny and result in enhanced compliance requirements including on use of materials and effluent treatment which would, amongst others, increase the cost of our operations.

For further details, see **“Government and Other Statutory Approvals”** on page 201 of this Prospectus. In the event that we are unable to obtain such approvals in a timely manner or at all, our business operations may be adversely affected. We may be involved in any environmental legal proceedings in the course of our business due to non-compliances with terms and conditions of regulatory approvals or authorizations.

**2. *Majority of our revenue is dependent on single business segment i.e. manufacturing of fiber and yarns. Any adverse impact on sales of a product would adversely affect our operations and profitability.***

Majority of our revenue is dependent on single business segment i.e. manufacturing of fiber and yarn which comprises of 70.24% of our total revenue from operations for the period ended March 31, 2024 as per restated financial information. Our continued reliance on single business segment for a significant portion of our revenue exposes us to risks, including but not limited to, reduction in the demand in the future; increased competition from domestic and international manufacturers; the invention of superior and cost- effective technology; fluctuations in the price and availability of the raw materials; changes in regulations and import duties; and the cyclical nature of our customers’ businesses. Any occurrences of such event could significantly reduce our revenues, thereby materially adversely affecting our results of operations and financial condition.

**3. *Our business depends on our manufacturing facility and the loss of or shutdown of operations of the manufacturing facility on any grounds could adversely affect our business or results of operations. Further, our business involves usage of manpower and any unavailability of our employees or any strikes, work stoppages may have an adverse impact on our cash flows and results of operations.***

Our manufacturing facility is subject to operating risks, such as breakdown or failure of equipment, interruption in power supply or processes, shortage of raw materials, performance below expected levels of output or efficiency, natural disasters, obsolescence, labour disputes, strikes, lockouts, severe weather, industrial accidents, our inability to respond to technological advances, emerging industry standards & practices in the industry and the need to comply with the directives of relevant government authorities. The occurrence of any of these risks could significantly affect our operating results, and the loss or shutdown of operations at our manufacturing facility will have a material adverse effect on our business, financial condition and results of our business also involves usage of manpower, and we are dependent on the availability of our employees. Unavailability of employees and work stoppages may have an adverse impact on our cash flows and results of operations. We may not be able to secure the required number of employees required for the timely execution of orders. We are subject to laws and regulations relating to employee welfare and benefits such as minimum wage, working conditions, employee insurance, and other such employee benefits and any changes to existing legislations. Further, there can be no assurance that disruptions in our business will not be experienced if there are strikes, work stoppages, disputes, or other problems. This may adversely affect our business and cash flows and results of operations.

**4. *The Company is dependent on a few suppliers for purchases of product/service. The loss of any of these large suppliers may affect our business operations.***

Our top ten suppliers contribute 100%, 84.88%, 96.67%, 84.95% and 85.93% of our total purchase of our Company for the period ended March 31, 2024 and Restated Financial Statements of the Partnership firm M/s. Paramount Dye Tec for the period ended on January 03, 2024, and Financial Year ended March 31, 2023, March 31, 2022, March 31, 2021 respectively based on restated financial statement. We cannot assure that we will be able to get the same quantum and quality of supplies, or any supplies at all, and the loss of supplies from one or more of them may adversely affect our purchases of stock and ultimately our revenue and results of operations. However, the composition and amount of purchase from these suppliers might change as we continue seeking 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. The details of contribution of top suppliers in purchase of total purchase is given below:

**(₹ in Lakhs)**

Particulars	For the Period Ended	For the Period Ended	For Financial Year ended		
	March 31, 2024	January 03, 2024	March 31, 2023	March 31, 2022	March 31, 2021
	Company	Partnership Firm			
Top 5 suppliers	1,113.25	1,832.59	2,427.56	2,422.84	1,588.47
Top 10 suppliers	1,876.09	2,865.93	3,623.03	1,977.27	1,430.01

**5. Too much Geographical concentration of our Business in one location can impact our Business.**

The complete revenue for the period ended March 31, 2024, January 03, 2024, and for the Financial Year ended March 31, 2023, March 2022 and March 31, 2021 is from only one state. i.e. Punjab. Such geographical concentration of our business heightens our exposure to adverse developments related to competition, as well as economic and demographic changes in these regions which may adversely affect our business prospects, financial conditions and results of operations. Factors such as competition, culture, regulatory regimes, business practices and customs, industry needs, transportation, in other markets where we may expand, our operations may differ from those in which we are currently offering. In addition, as we enter new markets and geographical areas, we are likely to compete not only with national players, but also local players who might have an established local presence, are more familiar with local regulations, business practices and industry needs, have stronger relationships with local distributors, dealers, relevant government authorities, and are in a stronger financial position than us, all of which may give them a competitive advantage over us. Our inability to expand more into areas outside Punjab market may adversely affect our business prospects, financial conditions and results of operations.

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

We may have to confront pressures in respect of pricing; product quality etc. from the clients and such pressures may put strain on our profit margins which may consequently affect the financial position of our Company. Competition emerges not only from the organized sector but also from the unorganized sector and from both small and big players. We are also in direct competition with the leading units in India as well as the local units. Our Competitiveness is also measured by the technology we adopt as the industry is rapidly growing in India and in International Markets. Some of our clients might export their final products which in turn compel us to meet international standards also. Our inability to compete with this intense competition; local, national and international will have material adverse impact on our Company's financial position

**7. We derive a majority portion of our revenue from operations from our top 10 customers, contributing 78.18% revenue from operations for the period ended March 31, 2024. Loss of one or more of these 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. Further, we do not have long-term agreements with any our customers.**

Our business operations are highly dependent on our top customers, which exposes us to a high risk of customer concentration. The following table summarizes the revenue proportion of our top customers for the respective period:

(₹ in Lakhs)

Particulars	For the Period Ended	For the Period Ended	For Financial Year ended		
	March 31, 2024	January 03, 2024	March 31, 2023	March 31, 2022	March 31, 2021
	Company	Partnership Firm			
Top 5 customers	906.47	1,607.56	2,891.25	1,737.55	1,363.88
Top 10 customers	1,838.22	2,908.85	3,458.25	1,890.41	1,501.91

Loss of one or more of these customers or a reduction in the amount of business we obtain from them for any reason including due to loss of, or failure to renew existing arrangements; adverse general economic conditions; disputes with such customers; decline in business of such customers; adverse changes in the financial condition of such customers; adverse change in any of such customers' supply chain strategies; or if such customers decide to choose our competitors over us, could have an adverse effect on our business, results of operations, financial condition and cash flows.

In order to retain some of our existing customers we may also be required to offer terms to such customers which we may place restraints on our resources. We cannot assure you that we will be able to maintain historic levels of business with our top customers or negotiate commercially favourable arrangements. Further, we may be reluctant to proceed against customer and strain the relations in the event of disagreements or disputes relating to our services.

**8. *There are outstanding proceedings involving our Company, Promoters and Directors. Any adverse decision in such proceedings may have an adverse effect on our business, results of operations and financial condition.***

A summary of outstanding matters set out below includes details of civil proceedings, tax proceedings, statutory and regulatory actions and other material pending litigation involving us, Directors, Promoters and Group Company, as at the date of this Prospectus.

***Cases against our Company:***

Nature of Cases	No of Outstanding Cases	Amount involved in ₹
Criminal Complaints	-	-
Statutory/ Regulatory Authorities	-	-
<b>Taxation Matters (Firm - Paramount Dye Tec) which was later converted into Issuer Company)</b>		
(Income Tax)	2	2,182
(e-Proceedings)	2	Unascertainable
(TDS)	1	4,810
Other Litigation	-	-

***Cases against our Directors and Promoters:***

Nature of Cases	No of Outstanding Cases	Amount involved in ₹
Criminal Complaints	-	-
Statutory/ Regulatory Authorities	-	-
<b>Taxation Matters</b>		
<b>Kunal Arora</b>		
Income Tax (Outstanding Demand)	1	2,50,400
Other Litigation	-	-

For further details of litigation proceedings, please refer the chapter titled “***Outstanding Litigations and Material Developments***” on page 201 of this Prospectus.

**9. *Our company has been in non-compliance of certain provisions of Companies Act, 2013, for which an application for adjudication has been filed with the ROC.***

Our company was incorporated on January 04, 2024 with the main object of to carry on the business of manufacturing of yarns which does not includes any kinds of blankets & other textile products.

In addition to the manufacturing of yarns, our company also took manufacturing of Fibres which was not covered under the main object clause of our Memorandum of Association, thus being in partial violation of the existing main object clause and also Section 4(1)(c) of the Companies Act, 2013. Though no third party has been adversely affected in any manner from these activities of our company, our failure to amend the main object clause was due to oversight and bona fide misinterpretation of law and without any mala fide intentions. Our company has filed an application for adjudication of the non-compliance with Section 4(1)(c) read with Section 13(1) and Section 441 of the Companies Act, 2013 vide SRN F96437918 dated June 26, 2024. The said application is still under process with Registrar of Companies.

As on the date of this Prospectus, no notices have been issued. However, notices may be issued to our Company in the future, and fines or penalties may be imposed, potentially impacting our administrative compliance. There is no assurance that regulatory authorities will not take penal action against us for any non-compliance. Such adverse actions could affect our financial results.

If the Company fails to submit the requisite disclosures to regulators in the future, it may be penalized, which could affect our operational results.

**10. *The Company is yet to place orders for 100% of the plant & machineries for our proposed object, as specified in the Objects of the Issue. Any delay in placing orders, procurement of plant & machineries may delay our***

***implementation schedule and may also lead to increase in price of these plant & machineries, further affecting our revenue and profitability.***

Our Company have identified the type of plant and machineries required to be bought from the proceeds of the Initial Public Offer. However, we are yet to place orders for 100% of the Plant & Machinery as detailed in the ***“Objects of the Issue”*** beginning on page 77 of this Prospectus. These are based on our estimates and on third-party quotations, which are subject to a number of variables, including possible cost overruns, changes in management’s views of the desirability of current plans, change in supplier of plant & machineries, equipment among others, which may have an adverse effect on our business and results of operations. Further, we cannot assure that we would be able to procure these plants and machineries or procure the same within budgeted costs and timelines. Delays in acquisition of the same could result in the cost and time overrun, which would have a material adverse effect on our business, results of operations and financial condition. For further details, please refer to the chapter titled ***“Objects of the Issue”*** beginning on page 79 of this Prospectus.

***11. There are certain discrepancies / errors noticed in some of our corporate records relating to forms filed with the Registrar of Companies and other provisions of Companies Act, 2013. Any penalty or action taken by any regulatory authorities in future for non-compliance with provisions of corporate and other law could impact the financial position of the Company to that extent.***

The Company has generally complied with certain statutory provisions and there are the following discrepancies have been mentioned in the forms filed by the company with the Registrar of Companies under provisions of Companies Act, 2013:

- The Company did not comply with the provisions of SS-1 and SS-2 of the Companies Act, 2013 when preparing the documents for form filing. However, after identifying this non-compliance, the Company is now adhering to these regulations.
- There was a delay in filing E-Form MGT-14 pursuant to Section 117 of the Companies Act, 2013 for the resolutions passed by the Company. However, the Company has since filed the form, paying the required additional fees as per the Companies Act, 2013.
- There was a delay in filing E-Form DIR-12 pursuant to Section 152 of the Companies Act, 2013 for the appointment of the Company's Directors. However, the Company has since filed the form, paying the required additional fees as per the Companies Act, 2013.
- There were some clerical oversights in a few attachments filed with the Registrar of Companies. However, the resolution has since been re-filed, and the required additional fees under the Companies Act, 2013 have been paid. Our Company ensures that such mistakes will not occur in the future.
- In some of the forms filed, there were irregularities in the data entered, missing documents in the attachments, and instances of unsigned or unstamped documents. We acknowledge these oversights and are taking steps to ensure that all future submissions are accurate, complete, and properly authenticated.

As of the date of this Prospectus, no notices have been issued. However, notices may be issued to our Company in the future, and fines or penalties may be imposed, potentially impacting our administrative compliance. There is no assurance that regulatory authorities will not take penal action against us for any non-compliance. Such adverse actions could affect our financial results.

If the Company fails to submit the requisite disclosures to regulators in the future, it may be penalized, which could affect our operational results.

***12. The Restated Financial Statements have been provided by Peer Reviewed Chartered Accountants who is not Statutory Auditor of our Company.***

The Restated Financial Statements of our Company for the period ended March 31, 2024, and the Restated Financial Statements of the Partnership firm M/s. Paramount Dye Tec for the period ended January 03, 2024, and for the financial years ended March 31, 2023, March 31, 2022, and March 31, 2021, have been provided by M/s. Jay Gupta and Associates, Chartered Accountants, who are Peer Reviewed firm but not the Statutory Auditors of our Company. The Financial Statements of our Company for the period ended March 31, 2024, and the Financial Statements of the Partnership firm M/s. Paramount Dye Tec for the period ended January 03, 2024, and for the financial years ended March 31, 2023, March

31, 2022, and March 31, 2021, have been audited by M/s. Rajesh Mehru & Co., Chartered Accountants, who are the Statutory Auditors of our Company.

**13. Certain loans/debts are still appearing in name of erstwhile Partnership firm M/s Paramount Dye Tec have not been transferred in name of the company.**

The erstwhile partnership had availed certain loans from various banks namely Cash Credit facility from Axis Bank Limited, vehicle loan from HDFC Bank Limited and Axis Bank Limited and term loan from Tata Capital Financial Services. Upon conversion from partnership to Company, all assets and liabilities including loans have been transferred to the company. The company had made application and transferred the loans of Axis Bank Limited in name of the company and fresh sanction letter has been received towards that.

However, the loans of Tata Capital Financial Services and HDFC vehicle loans have not been transferred in name of company yet. There can be no assurance that the relevant authorities will allow such transfers in a timely manner, or at all. Further, we cannot assure that such transfer of loan in name of company issued to us 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 action by the bank.

**14. We have significant power requirements for continuous running of our factories. Any disruption to our operations on account of interruption in power supply or any irregular or significant hike in power tariffs may have an effect on our business, results of operations and financial condition.**

Our factory has significant electricity requirements and any interruption in power supply may disrupt our operations. Our business and financial results may be affected by any disruption of operations. We depend on third parties for all of our power requirements. Further, we have limited options in relation to maintenance of power back-ups such as diesel generator sets and any increase in diesel prices will increase our operating expenses which may impact our business margins.

Since we have significant power consumption, any unexpected or significant increase in its tariff can increase the operating cost of factories and production cost which we may not be able to pass on to our customers. There are limited number of electricity providers in area from where we operate due to which in case of a price hike we may not be able to find a cost-effective substitute, which may negatively affect our business, financial condition and results of operations.

**15. Our business is operating under various laws which require us to obtain approvals from the concerned statutory/regulatory authorities in the ordinary course of business and our inability to obtain, maintain or renew requisite statutory and regulatory permits and approvals for our business operations could materially and adversely affect our business, prospects, results of operations and financial condition.**

Our business requires us to obtain and renew from time-to-time certain approvals, licenses, registrations and permits, some of which have expired and for which we have either made or are in the process of making an application for obtaining the approval or its renewal.

We have applied for Electricity Load Sanction in our own name for both our units wide Application No. 73175 and 76612 respectively; Registration under Employees' Provident Fund and Miscellaneous Provisions Act, 1952 vide application no. LDLDH2452687000; Professions Tax Registration for Punjab vide RC Number E30AAOCP3705A;



Trademark Registration for "Paramount Dye Tec Limited" and for the logo under class number 23 and 35 vide application numbers 6425361 and 6425362 respectively and Consent to Operate the Factory at Mangarh, Machiwara Road, Kohara, Ludhiana under Section 25 of the Water (Prevention and Control of Pollution) Act, 1974 and Section 21 of the Air (Prevention and Control of Pollution) Act, 1981 vide application dated May 30, 2024.

Further, we are yet to apply for Verification of Weights and Measures under Legal Metrology Act in our own name and Certificate of Stability of Factory for both factories.

Further, these approvals, licenses, registrations and permissions under various regulations, guidelines, circulars and statutes regulated by various authorities for operating our business activities may contain conditions, some of which could be onerous. There can be no assurance that the relevant authorities will issue these approvals or licenses in a timely manner, or at all. In the event of any unanticipated delay in receipt of such approvals, it will have an adverse impact on our business operations.

Failure by us to renew, maintain or obtain the required permits or approvals at the requisite time may result in the interruption of our operations and may have an adverse effect on our business, financial condition and results of operations. Further, we cannot assure that the approvals, licenses, registrations and permits issued to us 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 to renew the approvals that have expired or apply for and obtain the required approvals, licenses, registrations or permits, or any suspension or revocation of any of the approvals, licenses, registrations and permits that have been or may be issued to us, may impede our operations.

For further details, see “**Government and Other Statutory Approvals**” on page 201 of this Prospectus. In the event that we are unable to obtain such approvals in a timely manner or at all, our business operations may be adversely affected. We may be involved in any environmental legal proceedings in the course of our business due to non-compliances with terms and conditions of regulatory approvals or authorizations.

**16. Our Company has a negative cash flow in its operating activities for the period ended January 03, 2024, March 31, 2022 and March 31, 2021; Investing activities for the period ended March 31, 2024, March 31, 2023, March 31, 2022 and March 31, 2021 details of which are given below. Sustained negative cash flow could impact our growth and business.**

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

(₹ in lakh)

Particulars	For the period ended	For the period ended	For the Year ended		
	March 31, 2024	January 03, 2024	March 31, 2023	March 31, 2022	March 31, 2021
	Company	Partnership Firm			
Net Cash used in Operating Activities	510.82	(393.29)	20.84	(202.03)	(51.83)
Net Cash used in Investing Activities	(42.00)	10.70	(31.65)	(189.46)	(238.81)
Net Cash from Financing Activities	745.05	394.46	19.87	304.63	372.72
Net Increase / (Decrease) in Cash & Cash Equivalents	1,213.87	11.87	9.06	(86.87)	82.09

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

**17. Our business is highly dependent on technology and any disruption or failure of our technology systems may affect our operations.**

We believe that our technological capabilities play a key role in helping us effectively manage our pan-India operations, maintain operational and fiscal controls, and support our efforts to enhance client service levels. Our business is significantly dependent on the efficient and uninterrupted operation of our technology infrastructure and systems. For further details, see “**Our Business**” on page 110.

Our operations are vulnerable to interruption by events beyond our control such as fire, earthquake, power loss, telecommunications or internet failures, terrorist attacks and computer viruses. We are also subject to hacking or other attacks on our IT systems, and we cannot assure you that we will be able to successfully block or prevent all such attacks. Any breaches of our IT systems may require us to incur further expenditure on repairs or more advanced security systems. A significant system failure could adversely affect our ability to manage overall operations, thereby affecting our ability to deliver our services to our clients, affecting our reputation and revenues. We may also be exposed to multiple claims for failed delivery of goods. If such interruption is prolonged, our business, operations, financial condition and results of operations may be materially and adversely affected.

We expect our clients to continue to demand more sophisticated and customized solutions. We may lose clients and our business could be affected if we fail to implement and maintain our technology systems or fail to upgrade or replace our technology systems to handle increased volumes, meet the demands of our clients and protect against disruptions of our

operations. Our operating efficiency may decline, and our growth may suffer if our technology systems are unable to handle additional volume of our operations as we grow. Some of our existing technologies and processes in the business may become obsolete or perform less efficiently compared to newer and better technologies and processes in the future. Certain of our competitors may have access to similar or superior technology or may have better adapted themselves to technological changes. The textile industry could also experience unexpected disruptions from technology-based start-ups. The cost of upgrading or implementing new technologies, upgrading our equipment or expanding their capacity could be significant and could adversely affect our business, operations, financial condition and results of operations.

***18. Our failure to perform in accordance with the standards prescribed in our client contracts could result in loss of business or payment of liquidated damages.***

We may be unable to effectively address capacity constraints or accurately predict capacity requirements, as a result of which our clients may experience service shortfalls. Any disruptions to our businesses, including as a result of actions outside of our control, could significantly impact the continued performance of our contractual obligations to meet the quality or performance standards set out in our client contracts which may in-turn harm our reputation, cause clients to terminate their contracts with us, impair our ability to obtain renewal of our contracts from existing clients and impair our ability to grow our client base, any of which could adversely affect our business, financial condition and results of operations. In the event that we are unable to meet the prescribed obligations, we may also be required to pay compensation or liquidated damages to our clients on the terms set out in our contracts. In certain instances, we may also be required to bear consequential liability.

***19. Our Promoter Group / Group Company is engaged in the line of business similar to our Company. There are no non-compete agreements between our Company and such Promoter Group Entity. We cannot assure that our Promoter will not favour the interests of such entity over our interest or that the said entity will not expand which may increase our competition and may adversely affect business operations and financial condition of our Company.***

Our Promoter Group / Group Company is in the business of manufacturing of yarns, which can be considered as similar line of business as of our Company to a limited extent. We have not entered into any non-compete agreement with the said entity. We cannot assure that our Promoter who has common interest in the said entity will not favour the interest of the said entity. As a result, conflicts of interests can arise on account of common suppliers / customers and in allocating business opportunities amongst our Company and our Promoter Group entity in circumstances where our respective interests diverge. In cases of conflict, our Promoter may favour other entity / entities in which our Promoters have interests. There can be no assurance that our Promoters or our Promoter Group entities or members of the Promoter Group will not compete with our existing business or any future business that we may undertake or that their interests will not conflict with ours. Any such present and future conflicts could have a material adverse effect on our reputation, business, results of operations and financial condition which may adversely affect our profitability and results of operations. For further details, please refer to chapter titled “***Our Group Company***” beginning on page 175.

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

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

The Company's success significantly depends on its brand recognition and reputation within the textile industry. Failure to build and maintain strong brand name could adversely impact the Company's business, financial condition, and operation results.

Customers are more likely to choose and remain loyal to companies they recognise and trust, leading to increased revenue and market share. Strong brand recognition may allow the Company to command premium prices for its services compared to less-known competitors. A respected brand attracts and retains skilled professionals, further enhancing the Company's competitiveness. A well-established brand requires less marketing and advertising expenditure to reach target customers. If the Company fails to reach its target audience with its marketing and branding efforts, it may not achieve the desired level of brand recognition. Any negative publicity or reputational damage, such as accidents, service failures, or ethical lapses, could significantly erode brand equity and customer trust. The textile industry is highly competitive, and established brands may significantly challenge the Company's efforts to build brand recognition. Customer preferences

can shift over time, and the Company's brand may become less relevant or appealing if it fails to adapt to changing market trends.

**21. *We are in business related to chemicals which faces excessive government regulations.***

Dye chemical business involves use of numerous toxic acids and its related chemical components. Usage of such intermediates is hazardous to the environment as a whole. This leads to excessive government focus and regulations to be followed in such business model. With increased compliances and regulations, Company faces challenges on many aspects such as control on use of materials, discharge of effluent treatment which may affect the business directly. Any such non-compliances may lead to imposition of penalties, fines or imprisonment. Further, operations of the Company may be suspended; manufacturing licenses may be suspended, withdrawn or terminated.

**22. *Orders placed by customers may be delayed, modified, cancelled or not fully paid for by our customers, which may have an adverse effect on our business, financial condition and results of operations***

We may encounter problems in executing the orders in relation to our products or executing it on a timely basis. Moreover, factors beyond our control or the control of our customers, including delays or failure to obtain necessary permits, authorizations, permissions and other types of difficulties or obstructions, may result in the postponement of the delivery of products or cause its cancellation. Further, the order could be rejected or sometimes we need to do some modification as per requirement of the customers. Accordingly, it is difficult to predict with certainty if, when, and to what extent we may be able to deliver the orders placed. Failure to deliver products on time could lead to customers delaying or refusing to pay the amount, in part or full, which may adversely affect our business. In addition, even where a delivery proceeds as scheduled, it is possible that the contracting parties may default or otherwise fail to pay amounts owed. Any such adverse event in the future could materially harm our cash flow position and income.

**23. *Any fluctuations in prices of raw materials or shortage in supply of raw material for manufacturing our products, could adversely impact our business.***

Our company relies heavily on various raw materials for manufacturing our products, making us vulnerable to price increases and availability issues. Since we haven't secured supply agreements with our suppliers, we purchase raw materials on an order-by-order basis. Any significant rise in the prices or shortage of key raw materials could increase our production costs, negatively impacting our business and profitability. If we are unable to pass these cost increases onto consumers due to competition or other factors, our profitability could be adversely affected.

**24. *We are heavily dependent on machinery for our operations. Any break-down of our machinery will have a significant impact on our business, financial results and growth prospects.***

Our manufacturing facility relies heavily on plant and machinery, making us vulnerable to significant repair and maintenance costs in the event of a malfunction or breakdown. Such issues could also cause operational delays. While we strive to maintain adequate supplies of spare parts and maintenance equipment, delays in procuring necessary parts or completing repairs could disrupt our manufacturing operations, adversely affecting our operational results and financial condition. Additionally, we do not carry insurance for machinery breakdowns, meaning any associated costs would be our responsibility and could negatively impact our financial condition and operational results.

**25. *We are dependent on third party transportation providers for the delivery of raw materials and products. Accordingly, continuing increases in transportation costs or unavailability of transportation services for our products, as well the extent and reliability of Indian infrastructure may have an adverse effect on our business, financial condition, results of operations and prospects.***

We rely on third-party transportation providers for the supply of most of our raw materials and the delivery of our products to customers. Transportation strikes could negatively impact our ability to receive raw materials and deliver products. Additionally, the non-availability of trucks could further disrupt our supply chain. Transportation costs in India have been steadily increasing over the past few years. Although these costs are typically borne by the end consumer, we may not always be able to pass them on to our customers. Continuous increases in transportation costs or unavailability of transportation services could adversely affect our business, financial condition, operational results, and prospects.

Moreover, India's physical infrastructure is less developed compared to many developed nations. Issues with ports, rail and road networks, the electricity grid, communication systems, or other public facilities could disrupt our normal business activities, including the supply of raw materials and the delivery of products via third-party transportation providers. Any deterioration in India's infrastructure would harm the national economy, disrupt the transportation of

goods, and increase business costs. These challenges could interrupt our operations, materially impacting our financial condition and operational results.

**26. *We may not be able to realise the amounts, partly or at all, reflected in our Order Book which may materially and adversely affect our business, prospects, reputation, profitability, financial condition and results of operation.***

Future earnings related to the supply of our services in the order book may not be realized and although the orders in the order book represent business that is considered firm, cancellations or scope or schedule adjustments may occur. We may also encounter problems executing the order or executing it on a timely basis. Moreover, factors beyond our control or the control of our clients may postpone the delivery or cause its cancellation, including delays or failure to obtain necessary permits, authorizations, permissions, right-of-way, and other types of difficulties or obstructions. Due to the possibility of cancellations or changes in scope and schedule of orders, resulting from our clients' discretion or problems we encounter in execution of such contracts or reasons outside our control or the control of our clients, we cannot predict with certainty when, if or to what extent an order forming part of our order book will be performed. Delays in the completion of an order can lead to clients delaying or refusing to pay the amount, in part or full, that we expect to be paid in respect of such order. Even relatively short delays or difficulties in the execution of an order could result in our failure to receive, on a timely basis or at all, all payments due to us on a project.

**27. *Introduction of alternative technology in manufacturing by our competitors may reduce demand for our existing products and may adversely affect our profitability and business prospects.***

Our competitors may decide to seek alternative technology coupled with the development of more alternatives, which may adversely affect our business and profitability if we are not able to respond to these changes. Our ability to anticipate changes in technology, to develop & introduce new and enhanced products successfully on a timely basis will be a significant factor in our ability to grow and remain competitive. We cannot assure you that we will be able to achieve the technological advances that may be necessary for us to remain competitive or that certain of our products will not become obsolete. We are also subject to the risks generally associated with new product introductions and applications, including lack of market acceptance and delays in product development. Any failure on our part to forecast and / or meet the changing demands will have an adverse effect on our business, profitability and growth prospects.

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

We generate sales generally by our continuing relationships with our customers as we do not enter in any long-term contract with our customers. Any change in the buying pattern of our end users or disassociation of major customers can adversely affect the business of our Company. The loss of or interruption of work by, a significant customer or a number of significant customers or the inability to procure new orders on a regular basis or at all may have an adverse effect on our revenues, cash flows and operations. Although we believe that we have satisfactory business relations with our customers and have received continued business from them in the past, but there is no certainty that the same will continue in the years to come and may affect our revenues and profitability.

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

Our operations are dependent on our ability to attract and retain qualified personnel. While we believe that we currently have adequate qualified personnel, we may not be able to continuously attract or retain such personnel, or retain them on acceptable terms, given the demand for such personnel. The loss of the services of our qualified personnel may adversely affect our business, results of operations and financial condition. We may require a long period of time to hire and train replacement personnel when qualified personnel terminate their employment with our Company. We may also be required to increase our levels of employee compensation more rapidly than in the past to remain competitive in attracting the qualified employees that our business requires. Furthermore, our senior management team is integral to the success of our business. However, we cannot assure you that we will be able to retain any or all of our management team. Any loss of our senior management or key personnel or our inability to recruit further senior managers or other key personnel could impede our growth by impairing our day-to-day operations and hindering our development of ongoing and planned projects and our ability to develop, maintain and expand customer relationships.

**30. *We have applied for registration of our name and logo but do not own the trademark legally as on date. We may be unable to adequately protect our intellectual property. Furthermore, we may be subject to claims alleging breach of third-party intellectual property rights***

We have applied for registration of our logo under the provisions of the Trademarks Act, 1999 and do not own the trademark as on date. The application is currently under process before the Registrar of Trademarks. As such, we do not enjoy the statutory protections accorded to a registered trademark as on date. There can be no assurance that we will be able to register the trademark and the logo in future or that third parties will not infringe our intellectual property, causing damage to our business prospects, reputation and goodwill. Further, we cannot assure you that any application for registration of our trademark in future by our Company will be granted by the relevant authorities in a timely manner or at all. Our efforts to protect our intellectual property may not be adequate and may lead to erosion of our business value and our operations could be adversely affected. We may need to litigate in order to determine the validity of such claims and the scope of the proprietary rights of others. Any such litigation could be time consuming and costly and the outcome cannot be guaranteed. We may not be able to detect any unauthorized use or take appropriate and timely steps to enforce or protect our intellectual property. For further details, please refer to the chapter titled "**Government and Other Approvals**" on page 201 of this Prospectus.

**31. The Company shall complete the land to equity registry upon completion of IPO through the funds raised from it**

Our Company has entered into Land to equity Agreement with one of our Promoters, Mr. Kunal Arora. The promoter received 5,912 shares having face value of ₹ 10.00 each at a premium of ₹ 21,490.00 per share of our Company as consideration in lieu of transfer of ownership in a piece of land having a total market value of ₹ 12,71,29,000.00 owned by him out of which a fractional amount of ₹ 21,000.00 was paid to the promoter in cash. Additionally, both the parties have agreed to register the sale deed using funds from the IPO proceeds, as outlined in the Land to equity Agreement dated February 21, 2024. Any delay in the said registry may require the company to pay any penalty or refusal from any authority of such registry may affect the financial position and operation of our company.

**32. We have been recently converted into public limited company and any non-compliance with the provisions of Companies Act, 2013 may attract penalties against our Company which could impact our financial and operational performance and reputation**

Our Company has been incorporated pursuant to the conversion of the Erstwhile Partnership firm under Companies Act, 2013 on January 04, 2024. Prior to conversion, the provisions of the Companies Act were not applicable to us. However, consequent to the aforesaid conversion, our Company is compliance with various provisions of the Companies Act, 2013. Though our Company will endeavour to take all possible steps comply with the provisions of the Companies Act, but in case of our inability to do so or in case of any delay, we may be subject to penal action from the appropriate authorities which may have an adverse effect on our financial and operational performance and reputation.

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

Our business strategies include the diversification of our revenue streams by addition of new clients, strengthening our relationships with our existing clients, focus on large transactions and providing integrated, end-to-end solutions, focus on increasing our revenues from new and existing industry verticals and taking advantage of the changing textile industry dynamics.

These strategies require us to expand our operations to other geographical areas and in new industry verticals. Risks that we may face in implementing our business strategy in these markets may substantially differ from those previously experienced, thereby exposing us to risks related to new markets, industry verticals and clients. The commencement of operations beyond our current markets and industry verticals is subject to various risks including unfamiliarity with pricing dynamics, competition, service and operational issues as well as our ability to retain key management and employees. There can also be no assurance that we will not experience issues such as capital constraints, difficulties in expanding our existing operations and challenges in training an increasing number of personnel to manage and operate our expanded business, or that we will be able to successfully manage the impact of our growth on our operational and managerial resources and control systems. We may not be able to successfully manage some, or all of the risks associated with such an expansion into new geographical areas and new industry verticals, which may place us at a competitive disadvantage, limit our growth opportunities and materially and adversely affect our business, results of operations and financial condition. Furthermore, our participating in industry verticals such as e-commerce and bulk has increased in recent financial periods. We cannot guarantee that our business in these industry verticals will continue to perform in a manner consistent with its performance in prior periods.

Going forward, we plan to make further investments or undertake transactions to enhance our operations and technological capabilities in the markets where we currently operate. However, it is possible that we may not be able to identify suitable investment opportunities in the future and if we do identify suitable opportunities, we cannot assure you that we will be able to achieve the strategic purpose of these investments and generate the expected benefits. Our management's attention

and resources may also be diverted from our operations as a result of these investment transactions. If any of the foregoing risks materialize, it could adversely affect our business, financial condition, results of operations and prospects.

**34. *Misconduct or errors by manpower engaged by us could expose us to business risks or losses that could adversely affect our business prospects, results of operations and financial condition.***

Misconduct or errors by manpower engaged by us could expose us to business risks or losses, including regulatory sanctions, penalties and serious harm to our reputation. Such misconduct includes breach of security requirements, misappropriation of funds, hiding unauthorized activities, failure to observe our stringent operational standards and processes and improper use of confidential information. It is not always possible to detect or deter such misconduct, and the precautions we take to prevent and detect such misconduct may not be effective.

The risks associated with the deployment of manpower engaged by us include, among others, possible claims relating to:

- actions or inactions, including matters for which we may have to indemnify our clients;
- our failure to adequately verify personnel backgrounds and qualifications resulting in deficient services;
- failure of manpower engaged by us to adequately perform their duties or absenteeism;
- errors or malicious acts or violation of security, privacy, health and safety regulations; and
- damage to our clients' facilities or property due to negligence or criminal acts.

These claims may give rise to litigation and claims for damages, which could be time-consuming. These claims may also result in negative publicity and adversely impact our reputation and brand name. We may also be affected in our operations by the acts of third parties, including sub-contractors and service providers. Any claims and proceedings for alleged negligence as well as regulatory actions may in turn materially and adversely affect our brand and our reputation, and consequently, our business, financial condition, results of operations and prospects.

**35. *General economic and market conditions in India and globally could have a material adverse effect on our business, financial condition, cash flows, results of operations and prospects.***

Our business is highly dependent on economic and market conditions in India and other jurisdictions where we operate. General economic and political conditions in India, such as macroeconomic and monetary policies, industry-specific trends, mergers and acquisitions activity, legislation and regulations relating to the financial and securities industries, household savings rate, investment in alternative financial instruments, upward and downward trends in the market, business and financial sectors, volatility in security prices, perceived lack of attractiveness of the Indian capital markets, inflation, foreign direct investment, consumer confidence, currency and interest rate fluctuations, availability of short-term and long-term market funding sources and cost of funding, could affect our business. Global economic and political conditions may also adversely affect the Indian economic conditions. Market conditions may change rapidly, and the Indian capital markets have experienced significant volatility in the past. The Indian economy has had sustained periods of high inflation in the recent past. If inflation or real interest rates were to rise significantly, the trends towards increased financial savings might slow down or reverse, our employee costs may increase and the sales of many of our products and services may decline.

**36. *Major fraud lapses of internal control, system failures, theft, employee negligence or similar incidents could adversely impact the company's business.***

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

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.

Though, there had been no of such instances in past, we may not be able to assure such incident will not happen in the future.

**37. Our Promoters, Directors and Key Management Personnel have interest in our Company, other than reimbursement of expenses incurred or remuneration.**

Our Promoters, Directors and Key Management Personnel can be deemed to be interested to the extent of the Equity Shares held by them, or their relatives, dividend entitlement, or loans advanced and personal guarantee provided by them for the Company, and benefits deriving from the directorship in our Company. Our Promoters are interested in the transactions entered into our Company and our Promoter Group. For further information, please refer to the chapters/section titled “*Our Business*”, “*Our Promoters and Promoter Group*” and “*Annexure XXX - Related Party Transactions under Financial Information of our Company*”, beginning on pages 110, 170 and 179 respectively.

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

We have in the course of our business entered into, and will continue to enter into, several transactions with our related parties. We cannot assure you that we will receive similar terms in our related party transactions in the future. While we believe that all such related party transactions that we have entered into in last three fiscals are legitimate business transactions conducted on an arms’ length basis, in compliance with the requirements stipulated in Companies Act, 2013, and relevant Accounting Standards and other statutory compliances, we cannot assure you that we could not have achieved more favourable terms had such transactions been entered into with unrelated parties. Any further transactions with our related parties could involve conflicts of interest. While we have not had any conflict of interest in relation to our equity shareholders in the past, we cannot assure you that such conflicts will not arise in the future. Further, we cannot assure you that such transactions, individually or in the aggregate, will not have any adverse effect on our business and financial results, including because of potential conflicts of interest or otherwise. For further information on our related party transactions, see “*Financial Statements – Related Party Transactions*” on page 179.

**39. We have had certain inaccuracy in relation to regulatory filings and our company has made non- compliances of certain provision under applicable law.**

We have delayed in depositing the EPF with the concerned offices of the departments on few instances. While no- show cause notice has been issued against our Company till date, in the event of any cognizance being taken by the concerned authorities in respect of above delays in filings, actions may be taken against our Company and its directors, which could impact our business and financial performance.

Details of such delays including period of delay, range of delays as per payment dates and reason for delay is tabulated as below:

Financial Year	Total Amount of All Establishments Paid (Amount)	Number of Times of Delay	Range of Delay (in Days)	Interest/ Penalty (In ₹)	Reason for delay
2024-2025	8,492	1	1	Nil	The delay in filing of EPF returns in few Financial Year was due to the fact of non-availability of skilled Staff and non-familiarity with the Act of the Company due to which time was consumed to comprehend and track the returns. For FY 2023-24, the company encountered technical issues.
2023-2024	89,579	12	30-40 days	Nil	
2022-2023	1,53,442	5	1-13 days	Nil	
2021-2022	2,05,042	2	1-30 days	Nil	

**40. The nature of our business exposes us to liability claims and contract disputes and our indemnities may not adequately protect us. Any liability in excess of our reserves or indemnities could result in additional costs, which would reduce our profits.**

Time is often of the essence in our business work. In the event there are delays in our current or future service, we will not be able to get extensions from our customers. Further, in some contracts, in case of delay due to deficiency in services by us, clients may have the right to complete the work at our risk and cost by engaging a third party. In the event we fail to perform under the terms of a particular contract, that could adversely affect our financial conditions and business operations. Failure to effectively cover ourselves against any of these reasons could expose us to substantial costs and potentially lead to material losses. In addition, if there is a customer dispute regarding our performance or workmanship, the customer may delay or withhold payment to us.

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

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

<b>Name of the Promoters</b>	<b>Average Cost of Acquisition (₹)</b>
Mr. Kunal Arora	65.08
Ms. Palki Arora	37.06

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

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

***43. There are no alternate arrangements for meeting our requirements for the Objects of the Issue. Any shortfall in raising / meeting the same could adversely affect our growth plans, operations and financial performance***

As on date, we have not made any alternate arrangements for meeting our capital requirements for the Objects of the Issue. We meet our working capital requirements through our owned funds and internal accruals. Any shortfall in our net owned funds, internal accruals and our inability to raise debt in future would result in us being unable to meet our capital expenditure requirements, which in turn will negatively affect our financial condition and results of operations. Further we have not yet identified any alternate source of funding and hence any failure or delay on our part to raise money from this Issue or any shortfall in the Issue Proceeds may delay the implementation schedule and could adversely affect our growth plans. For further details, please refer chapter titled “*Objects of the Issue*” on page 77 of this Prospectus.

***44. Delays or defaults in payments from our clients could result into a constraint on our cash flows. The efficiency and growth of our business depends on timely payments received from our clients.***

In the event, our client’s default or delay in making payments and clearing their dues, we may not have adequate resources to fund our business and implement our growth plans. This could have an adverse effect on the results of operations and our financial condition.

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

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

***46. Our ability to pay dividends in the future will depend upon our future earnings, financial condition, cash flows, working capital requirements, capital expenditure and restrictive covenants in our financing arrangements.***

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. 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 shareholder’s 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. For details of our dividend history, see “*Dividend Policy*” on page 178 of this Prospectus.

***47. Our future funds requirements, in the form of fresh issue of capital or securities and/or loans taken by us, may be prejudicial to the interest of the shareholders depending upon the terms on which they are eventually raised.***

We may require additional capital from time to time depending on our business needs. Any fresh issue of shares or convertible securities would dilute the shareholding of the existing shareholders and such issuance may be done on terms and conditions, which may not be favorable to the then existing shareholders. If such funds are raised in the form of loans or debt, then it may substantially increase our interest burden and decrease our cash flows, thus prejudicially affecting our profitability and ability to pay dividends to our shareholders.

**48. *Certain documents in relation to work experience for one of our directors prior to joining our Company are not available and therefore due to insufficient documentary evidence those experiences are not included in his brief profile in the Draft Red Herring Prospectus.***

Our Executive Director, Mr. Rupesh, is currently unable to locate copies of documents related to his previous work experiences. Prior to joining our Company, he accumulated extensive experience in various accounting roles at other companies. However, due to the absence of documentary evidence, we have been unable to independently verify these details for inclusion in the Draft Red Herring Prospectus. Additionally, there is no assurance that our director will be able to retrieve the relevant documents pertaining to his prior experiences in the future, if at all.

**49. *Some of the KMPs are associated with our Company for less than one year.***

Our Key Management Personnel, Chief Financial officer and Company Secretary & Compliance Officers are associated with the Company for a period of less than one year therefore they may not have been accustomed to the company affairs till date. For details of Key Management Personnel and their appointment, please refer to chapter “**Our Management**” beginning on page 148 of this Prospectus.

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

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

Sr. No.	Name of the Organization	Web link
1.	International Monetary Fund	<a href="https://www.imf.org/en/Publications/WEO/Issues/2024/04/16/world-economic-outlook-april-2024">https://www.imf.org/en/Publications/WEO/Issues/2024/04/16/world-economic-outlook-april-2024</a>
2.	India Brand Equity Foundation	<a href="https://www.ibef.org/economy/indian-economy-overview">https://www.ibef.org/economy/indian-economy-overview</a>
3.	Mordor Intelligence	<a href="https://www.mordorintelligence.com/industry-reports/global-spinning-machinery-market">https://www.mordorintelligence.com/industry-reports/global-spinning-machinery-market</a>
4.	International Market Analysis Research and Consulting Group (IMARC Group)	<a href="https://www.imarcgroup.com/india-textile-recycling-market">https://www.imarcgroup.com/india-textile-recycling-market</a>

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

**51. *There is no guarantee that our Equity Shares will be listed on the Stock Exchanges in a timely manner or at all.***

In accordance with Indian law and practice, permission to list the Equity Shares will not be granted until after the Equity Shares have been issued and allotted. Approval will require all other relevant documents authorizing the issuing of our Equity Shares to be submitted. There could be a failure or delay in listing our Equity Shares on the Stock Exchanges. Any failure or delay in obtaining the approval would restrict your ability to dispose of your Equity Shares.

**52. *The deployment of funds raised through this Issue shall not be subject to any Monitoring Agency and shall be purely dependent on the discretion of the management of Our Company.***

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

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

As we transition to being a publicly listed company, we anticipate encountering new challenges and responsibilities that were not present before. These include heightened scrutiny from shareholders, regulators, and the public, resulting in increased legal, accounting, and corporate governance expenses. Moreover, we will need to adhere to listing agreements with stock exchanges, necessitating the regular filing of unaudited financial results. Meeting these obligations will require significant resources and management oversight, potentially diverting attention from other aspects of our business. There is also the need to strengthen our management team with individuals possessing public company experience and accounting expertise. However, the timely acquisition of such talent is not guaranteed. Overall, this transition may pose obstacles to our business operations and could impact our ability to promptly report changes in our financial performance compared to other listed companies.

**Issue Specific Risks:**

**54. *There are restrictions on daily/weekly/monthly movements in the price of the Equity Shares, which may adversely affect a shareholders' ability to sell, or the price at which it can sell, Equity Shares at a point in time.***

Once listed, we would be subject to circuit breakers imposed by all 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 time.

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

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

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

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

**56. *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 Stock Exchange. 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 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.

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

The Issue price of our equity Shares has been determined by Book Built Method. This price is based on numerous factors and may not be indicative of the market price of our Equity Shares after the Issue. The market price of our Equity Shares could be subject to significant fluctuation after the issue and may decline below the issue price. We cannot assure you that you will be able to sell your Equity Shares at or above the Issue price. For further details you may refer chapter titled "**Basis for Issue Price**" beginning on the page 87 of this Prospectus.

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

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

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

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

## **EXTERNAL RISKS**

### **Industry Related Risks:**

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

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

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

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

## **Other Risks:**

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

Under current Indian tax laws and regulations, capital gains arising from the sale of equity shares in an Indian Company are generally taxable in India. Any gain on the sale of shares on a stock exchange held for more than 12 months will not be subject to capital gains tax in India if the securities transaction tax ("STT") has been paid on the transaction. The STT will be levied on and collected by an Indian stock exchange on which equity shares are sold. Any gain on the sale of shares held for more than 12 months to an Indian resident, which are sold other than on a stock exchange and as a result of which no STT has been paid, will be subject to long term capital gains tax in India. Further, any gain on the sale of shares held for a period of 12 months or less will be subject to capital gains tax in India. Further, any gain on the sale of listed equity shares held for a period of 12 months or less which are sold other than on a stock exchange and on which no STT has been paid, will be subject to short term capital gains tax at a relatively higher rate as compared to the transaction where STT has been paid in India.

In Finance Bill 2017, section 10(38) was amended to provide that exemption under this section for income arising on transfer of equity share acquired on or after 1<sup>st</sup> day of October 2004 shall be available only if the acquisition of share is chargeable to Securities Transactions Tax (STT) under Chapter VII of the Finance (No 2) Act, 2004. In case this provision becomes effective, sale shares acquired on or after 1<sup>st</sup> day of October 2004 on which STT was not charged will attract tax under provisions of Long-Term Capital Gains.

As per Finance Bill 2018, exemption under section 10(38) for income arising from long term gains on transfer of equity share shall not be available on or after 1<sup>st</sup> day of April 2018 if the long-term capital gains exceed ₹ 1,00,000.00 p.a. Such income arising from long term gains on transfer of equity share on or after 1<sup>st</sup> day of April 2018 in excess of ₹1,00,000.00 pa. shall be chargeable at the rate of 10%. Capital gains arising from the sale of shares will be exempt from taxation in India in cases where an exemption is provided under a tax treaty between India and the country of which the seller is a resident. Generally, Indian tax treaties do not limit India's ability to impose tax on capital gains. As a result, residents of other countries may be liable for tax in India as well as in their own jurisdictions on gains arising from a sale of the shares subject to relief available under the applicable tax treaty or under the laws of their own jurisdiction.

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

As stated in the reports of the Auditor included in this Prospectus under chapter "**Financial Statements as Restated**" beginning on page 180 the financial statements included in this Prospectus are based on financial information that is based on the audited financial statements that are prepared and presented in conformity with Indian GAAP and restated in accordance with the SEBI ICDR Regulations, and no attempt has been made to reconcile any of the information given in this Prospectus to any other principles or to base it on any other standards. Indian GAAP differs from accounting principles and auditing standards with which prospective investors may be familiar in other countries, such as U.S. GAAP and IFRS. Significant differences exist between Indian GAAP and U.S. GAAP and IFRS, which may be material to the financial information prepared and presented in accordance with Indian GAAP contained in this Prospectus. Accordingly, the degree to which the financial information included in this Prospectus will provide meaningful information is dependent on familiarity with Indian GAAP, the Companies Act and the SEBI ICDR Regulations. Any reliance by persons not familiar with Indian GAAP on the financial disclosures presented in this Prospectus should accordingly be limited.

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

The Government of India has traditionally exercised and continues to exercise influence over many aspects of the economy. Our business and the market price and liquidity of our Equity Shares may be affected by interest rates, changes in Government policy, taxation, social and civil unrest and other political, economic or other developments in or affecting India. The rate of economic liberalization could change, and specific laws and policies affecting the information

technology sector, foreign investment and other matters affecting investment in our securities could change as well. Any significant change in such liberalization and deregulation policies could adversely affect business and economic conditions in India, generally, and our business, prospects, financial condition and results of operations.

***64. Financial instability in Indian Financial Markets could adversely affect our Company's results of operation and financial condition.***

In this globalized world, the Indian economy and financial markets are significantly influenced by worldwide economic, financial and market conditions. Any financial turmoil, say in the United States of America, Europe, China or other emerging economies, may have a negative impact on the Indian economy. Although economic conditions differ in each country, investors' reactions to any significant developments in one country can have adverse effects on the financial and market conditions in other countries. A loss in investor confidence in the financial systems, particularly in other emerging markets, may cause increased volatility in Indian financial markets. Indian financial markets have also experienced the contagion effect of the global financial turmoil. Any prolonged financial crisis may have an adverse impact on the Indian economy, thereby resulting in a material and adverse effect on our Company's business, operations, financial condition, profitability and price of its Shares. Stock exchanges in India have in the past experienced substantial fluctuations in the prices of listed securities.

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

While facts and other statistics in this Prospectus relating to India, the Indian economy and our industry has been based on various government publications and reports from government agencies that we believe are reliable, we cannot guarantee the quality or reliability of such materials. While we have taken reasonable care in the reproduction of such information, industry facts and other statistics have not been prepared or independently verified by us or any of our respective affiliates or advisors and, therefore we make no representation as to their accuracy or completeness. These facts and other statistics include the facts and statistics included in the chapter titled "***Our Industry***" beginning on page 96 of this Prospectus. Due to possibly flawed or ineffective data collection methods or discrepancies between published information and market practice and other problems, the statistics herein may be inaccurate or may not be comparable to statistics produced elsewhere and should not be unduly relied upon. Further, there is no assurance that they are stated or compiled on the same basis or with the same degree of accuracy, as the case may be, elsewhere.

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

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

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

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

***68. 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.

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

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

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

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

**71. *Our business and activities are regulated by the Competition Act.***

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

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

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

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

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

## SECTION IV: INTRODUCTION

### THE ISSUE

Present Issue in Terms of this Prospectus:

Particulars	No. of Equity Shares
Equity Shares Offered through Public Issue <sup>(1) (2)</sup>	Issue of 24,30,000* Equity Shares of face value of ₹ 10.00 each fully paid of the Company for cash at price of ₹ 117.00 per Equity Share aggregating to ₹ 2,843.10 Lakhs
<b>Out of Which:</b>	
Reserved for Market Maker	1,22,400 Equity Shares of face value of ₹ 10.00 each fully paid of the Company for cash at price of ₹ 117.00 per Equity Share aggregating ₹ 143.21 Lakhs
Net Issue to the Public*	23,07,600 Equity Shares of face value of ₹ 10.00 each fully paid of the Company for cash at price of ₹ 117.00 per Equity Share aggregating ₹ 2,699.89 Lakhs
<b>Of which:</b>	
A. QIB Portion <sup>(3)(4)</sup>	Not more than 11,52,000 Equity Shares (not more the 50%) aggregating up to ₹ 1,347.84 Lakhs
<b>Of which:</b>	
i) Anchor Investor Portion	6,91,200 Equity Shares aggregating up to ₹ 808.70 lakhs
ii) Net QIB Portion	4,60,800 Equity Shares aggregating up to ₹ 539.14 lakhs
<b>Of which:</b>	
a) Available for allocation to Mutual Funds only (5% of the Net QIB Portion)	22,800 Equity Shares aggregating up to ₹ 26.68 lakhs
b) Balance of QIB Portion for all QIBs including Mutual Funds	4,38,000 Equity Shares aggregating up to ₹ 512.46 lakhs
B. Non-Retail Investors Portion	Not less than 3,46,800 Equity Shares aggregating up to ₹ 405.76 lakhs
C. Retail Investors Portion	Not less than 8,08,800 Equity Shares aggregating up to ₹ 946.30 lakhs
<b>Pre and Post Issue Share Capital of our Company:</b>	
Equity Shares outstanding prior to the Issue	45,12,651 Equity Shares
Equity Shares outstanding after the Issue	69,42,651 Equity Shares*
Use of Issue Proceeds	For details, please refer chapter titled ' <b>Objects of the Issue</b> ' beginning on page 77 of this Prospectus.

\* Subject to finalization of the Basis of Allotment

#### Notes:

- The Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time. This Issue is being made by our company in terms of Regulation of 229 (1) of SEBI ICDR Regulations read with Rule 19(2)(b)(i) of SCRR wherein not less than 25% of the post – issue paid up equity share capital of our company are being offered to the public for subscription.
- The Issue has been authorized by the Board of Directors vide a resolution passed at its meeting held on April 16, 2024 and by the Shareholder of our Company, vide a special resolution passed pursuant to Section 62(1c) of the Companies Act, 2013 at the Extra-Ordinary General Meeting held on May 08, 2024
- The SEBI ICDR Regulations permit the issue of securities to the public through the Book Building Process, which states that, not less than 15% of the Net Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Net Issue shall be available for allocation on a proportionate basis to Retail Individual Bidders and not more than 50% of the Net Issue shall be allotted on a proportionate basis to QIBs, subject to valid Bids being received at or above the Issue Price. Accordingly, we have allocated the Net Issue i.e., not more than 50% of the Net Issue to QIB and not less than 35% of the Net Issue shall be available for allocation to Retail Individual Investors and not less than 15% of the Net Issue shall be available for allocation to Non-institutional bidders.

4. Subject to valid Bids being received at or above the Issue Price, undersubscription, if any, in any category, except in the QIB Portion, would be allowed to be met with spill-over from any other category or combination of categories of Bidders at the discretion of our Company in consultation with the Book Running Lead Manager and the Designated Stock Exchange, subject to applicable laws. Our Company may, in consultation with the Book Running Lead Manager, allocate up to 49.92% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor.
5. Our Company, in consultation with the Book Running Lead Manager, allocate up to 49.92% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations. One-third of the Anchor Investor Portion was reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. Further, 5% of the Net QIB Portion was available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion was be available for allocation on a proportionate basis to all QIB Bidders (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Issue Price. For further details, please refer section titled ***“Issue Procedure”*** beginning on page 236 of this Prospectus.

## SUMMARY OF FINANCIAL STATEMENTS

<b>PARAMOUNT DYE TEC LIMITED</b> <b>STREET NO: 6, HARGOBINDPURA, LUDHIANA -141010, PUNJAB</b> <b>CIN: U13114PB2024PLC060422</b>						
<b>RESTATED STATEMENT OF ASSETS &amp; LIABILITIES</b> <b>Amount (₹ In Lakhs, unless otherwise stated)</b>						
		<b>Company</b>	<b>M/S. PARAMOUNT DYE TEC (PARTNERSHIP FIRM)</b>			
<b>Sr. No</b>	<b>Particulars</b>	<b>As at 31.03.2024</b>	<b>As at 03.01.2024</b>	<b>As at 31.03.2023</b>	<b>As at 31.03.2022</b>	<b>As at 31.03.2021</b>
<b>I</b>	<b>EQUITY AND LIABILITIES</b>					
<b>1</b>	<b>Shareholders' Funds</b>					
	(a) Share Capital	2.25	1.00	553.77	258.78	237.48
	(b) Reserves & Surplus	3,029.81	-	-	-	-
<b>2</b>	<b>Non-current liabilities</b>					
	(a) Long-Term Borrowings	75.82	88.88	233.61	269.32	158.42
	(b) Long-Term Provisions	4.44	1.38	1.38	0.74	0.36
<b>3</b>	<b>Current Liabilities</b>					
	(a) Short-Term Borrowings	1,551.54	2,158.89	735.58	628.85	393.08
	(b) Trade Payables:					
	(A) total outstanding dues of micro, small and medium enterprises; and	187.57	-	-	-	-
	(B) total outstanding dues of creditors other than micro, small and medium enterprises	359.68	1,013.00	69.09	259.95	117.07
	(c) Other Current Liabilities	50.76	59.89	33.39	36.98	26.53
	(d) Short-Term Provisions	287.79	167.04	203.03	3.77	8.69
	<b>TOTAL</b>	<b>5,549.65</b>	<b>3,490.07</b>	<b>1,829.84</b>	<b>1,458.40</b>	<b>941.64</b>
<b>II</b>	<b>ASSETS</b>					
<b>1</b>	<b>Non-Current Assets</b>					
	(a) Property, Plant & Equipment & Intangible Assets					
	(i) Property, Plant and Equipment	1,679.08	375.39	427.02	451.83	324.38
	(ii) Intangible Assets	-	-	-	-	-
	(b) Deferred Tax Assets	1.85	0.35	0.35	0.19	0.09
	(c) Other Non-Current Assets	11.73	8.96	8.96	11.78	4.60
<b>2</b>	<b>Current Assets</b>					
	(a) Inventories	1,756.92	1,694.48	627.31	573.50	237.66
	(b) Trade Receivables	605.35	1,314.11	667.27	204.47	175.27
	(c) Cash and Cash Equivalents	1,238.66	24.79	12.93	3.86	90.73
	(d) Short-Term Loans and Advances	225.47	15.37	19.40	130.93	75.82
	(e) Other Current Assets	30.59	56.63	66.61	81.84	33.09
	<b>TOTAL</b>	<b>5,549.65</b>	<b>3,490.07</b>	<b>1,829.84</b>	<b>1,458.40</b>	<b>941.64</b>

**PARAMOUNT DYE TEC LIMITED**  
**STREET NO: 6, HARGOBINDPURA, LUDHIANA - 141010, PUNJAB**  
**CIN: U13114PB2024PLC060422**

**RESTATED STATEMENT OF PROFIT & LOSS**

Amount (₹ In Lakhs, unless otherwise stated)

	Company	M/S. PARAMOUNT DYE TEC (PARTNERSHIP FIRM)			
Particulars	For the period from 04.01.2024 to 31.03.2024	For the period ended 03.01.2024	For the year ended 31.03.2023	For the year ended 31.03.2022	For the year ended 31.03.2021
I. Revenue from Operations	2,351.15	2,954.72	4,600.08	2,363.32	1,690.50
II. Other Income	16.75	1.19	0.15	3.99	-
<b>III. Total Income (I + II)</b>	<b>2,367.90</b>	<b>2,955.91</b>	<b>4,600.23</b>	<b>2,367.31</b>	<b>1,690.50</b>
<b>IV. Expenses:</b>					
Cost of Materials Consumed	742.23	932.52	1,856.52	596.46	379.64
Purchase of Trading Goods	1,033.81	2,152.15	2,153.46	1,530.85	1,230.03
Changes in Inventories of Finished Goods and Stock-in-trade	(5.44)	(721.19)	(208.62)	46.08	(30.75)
Employee Benefits Expense	24.69	29.31	36.79	33.21	26.92
Finance Costs	40.44	52.70	29.99	47.41	20.33
Depreciation and Amortisation Expense	17.41	40.93	59.43	54.89	16.87
Other Expenses	41.44	41.16	151.48	40.96	22.93
<b>IV. Total Expenses</b>	<b>1,894.57</b>	<b>2,527.59</b>	<b>4,079.05</b>	<b>2,349.87</b>	<b>1,665.97</b>
V. Profit before exceptional and extraordinary items and tax (III - IV)	473.32	428.32	521.17	17.44	24.54
VI. Exceptional items & Extraordinary Items	-	-	-	-	-
<b>VII. Profit before tax (V- VI)</b>	<b>473.32</b>	<b>428.32</b>	<b>521.17</b>	<b>17.44</b>	<b>24.54</b>
VIII. Tax expense:					
MAT credit entitlement	-	-	-	(2.18)	-
Current Tax	120.74	149.67	205.20	3.77	8.69
Deferred Tax	(1.50)	-	(0.16)	(0.09)	(0.09)
Total Tax Expense	119.23	149.67	205.03	1.50	8.60
<b>IX . Profit (Loss) for the period (VII-VIII)</b>	<b>354.09</b>	<b>278.65</b>	<b>316.14</b>	<b>15.94</b>	<b>15.94</b>
<b>X. Earnings per equity share:</b>					
(1) Basic	7.86	NA	NA	NA	NA
(2) Diluted	7.86	NA	NA	NA	NA

**PARAMOUNT DYE TEC LIMITED**  
**STREET NO: 6, HARGOBINDPURA, LUDHIANA -141010, PUNJAB**  
**CIN: U13114PB2024PLC060422**  
**RESTATED CASH FLOW STATEMENT**

Amount (₹ In Lakhs, unless otherwise stated)

	Compa ny	M/S. PARAMOUNT DYE TEC (PARTNERSHIP FIRM)			
PARTICULARS	For the period from 04.01.2 024 to 31.03.2 024	For the period ended 03.01.202 4	For the year ended 31.03.202 3	For the year ended 31.03.202 2	For the year ended 31.03.202 1
<b>A CASH FLOW FROM OPERATING ACTIVITIES:</b>					
Net Profit before tax	473.32	428.32	521.17	17.44	24.54
Depreciation & Amortisation	17.41	40.93	59.43	54.89	16.87
Interest Paid	40.44	52.70	29.99	47.41	20.33
Rental Income	(10.80)	-	-	-	-
Interest Income	-	-	(0.15)	(0.06)	-
Long term provisions	3.06	-	0.64	0.37	0.36
<b>Operating Profit before Working Capital Changes</b>	<b>523.43</b>	<b>521.96</b>	<b>611.09</b>	<b>120.05</b>	<b>62.10</b>
<b>Adjusted for:</b>					
Inventories	(62.44)	(1,067.18)	(53.81)	(335.84)	(107.65)
Trade receivables	708.76	(646.84)	(462.80)	(29.20)	41.56
Short Term Loans & Advances	(210.10)	4.03	111.54	(55.12)	(57.81)
Other Current Assets	26.04	9.99	15.22	(48.74)	(33.09)
Trade Payable	(465.75)	943.91	(190.86)	142.88	20.63
Other Current Liabilities	(9.13)	26.50	(3.60)	10.45	22.43
Short term provision	120.75	(35.99)	199.25	(4.92)	8.69
	<b>108.12</b>	<b>(765.58)</b>	<b>(385.05)</b>	<b>(320.49)</b>	<b>(105.23)</b>
Cash generated/(used) From Operations	<b>631.55</b>	<b>(243.62)</b>	<b>226.04</b>	<b>(200.44)</b>	<b>(43.13)</b>
Income Tax Paid	120.74	149.67	205.20	1.59	8.69
<b>Net Cash generated/(used in) from Operating Activities (A)</b>	<b>510.82</b>	<b>(393.29)</b>	<b>20.84</b>	<b>(202.03)</b>	<b>(51.83)</b>
<b>B CASH FLOW FROM INVESTING ACTIVITIES:</b>					
(Purchase)/Sale of Fixed Assets	(50.02)	10.70	(38.22)	(182.35)	(236.62)
Increase/(Decrease) in Non-Current Investments	-	-	-	-	-
Increase/(Decrease) in Other Non-Current Assets	(2.78)	-	2.82	(7.18)	(2.19)
Rental Income	10.80	-	-	-	-
Interest Received	-	-	0.15	0.06	-
Loss on Sale of Fixed Assets	-	-	3.59	0.01	-
<b>Net Cash used in Investing Activities (B)</b>	<b>(42.00)</b>	<b>10.70</b>	<b>(31.65)</b>	<b>(189.46)</b>	<b>(238.81)</b>
<b>C CASH FLOW FROM FINANCING ACTIVITIES:</b>					
Increase in share capital	1,405.89	(831.42)	(21.15)	5.37	8.02
Net Proceeds from long term borrowing	(13.06)	(144.73)	(35.72)	110.90	(8.05)
Net Proceeds from short term borrowing	(607.34)	1,423.31	106.73	235.77	393.08
IPO related expenses	-	-	-	-	-
Finance Cost	(40.44)	(52.70)	(29.99)	(47.41)	(20.33)
<b>Net Cash used in Financing Activities (C)</b>	<b>745.05</b>	<b>394.46</b>	<b>19.87</b>	<b>304.63</b>	<b>372.72</b>

Net Increase/(Decrease) in Cash and Cash Equivalents	1,213.87	11.87	9.06	-86.87	82.09
Cash and Cash Equivalents at the beginning of the year	24.79	12.93	3.86	90.73	8.64
Cash and Cash Equivalents at the end of the year	1,238.66	24.79	12.92	3.86	90.73

**Note:**

1. Components of Cash & Cash Equivalent

Particulars	For the period from 04.01.2024 to 31.03.2024	For the period ended 03.01.2024	For the year ended 31.03.2023	For the year ended 31.03.2022	For the year ended 31.03.2021
a. Balances with banks	469.39	-	0.07	0.07	84.77
b. Imprest Money	5.39	-	-	-	-
c. Cash in hand	22.18	24.79	12.85	3.79	5.96
d. Cheques in Hand	741.70				
<b>Total</b>	<b>1,238.66</b>	<b>24.79</b>	<b>12.93</b>	<b>3.86</b>	<b>90.73</b>

2. The above cash flow statement has been prepared under the indirect method set out in AS-3 issued by the Institute of Chartered Accountants of India.

3. Figures in Brackets represents outflow.

## SECTION V: GENERAL INFORMATION

Our Company was initially established as Partnership Firm under the Partnership Act, 1932 (“Partnership Act”) in the name and style of “Paramount Dye Tec” pursuant to Deed of Partnership dated January 03, 2014, effective from January 01, 2014. Paramount Dye Tec was thereafter converted from Partnership Firm to a Public Limited Company under Part I chapter XXI of the Companies Act, 2013 with the name and style of “Paramount Dye Tec Limited” and received a Certificate of Incorporation from the Registrar of Companies, Central Registration Centre dated January 04, 2024. The Corporate Identification Number of the Company is U13114PB2024PLC060422. For details in relation to the incorporation, Change in Registered Office and other details, please refer to the chapter titled “Our History and Certain Other Corporate Matters” beginning on page 144 of this Prospectus.

For details in relation to the incorporation, Registered Office and other details, please refer to the chapter titled “*Our History and Certain Other Corporate Matters*” beginning on 144 of this Prospectus.

BRIEF COMPANY AND ISSUE INFORMATION	
<b>Registration Number</b>	060422
<b>Corporate Identification Number</b>	U13114PB2024PLC060422
<b>Date of Incorporation as Public Limited Company</b>	January 04, 2024
<b>Address of Registered Office</b>	Village Mangarh, Machiwara Road, Kohara, Ludhiana - 141112, Punjab, India <b>Contact No.:</b> +91 9056855519 <b>Email:</b> <a href="mailto:info@paramountdyetec.com">info@paramountdyetec.com</a> <b>Website:</b> <a href="http://www.paramountdyetec.com">www.paramountdyetec.com</a>
<b>Address of Registrar of Companies</b>	<b>Registrar of Companies, Chandigarh</b> 1st Floor, Corporate Bhawan, Plot No.4-B, Sector 27-B, 160019, Chandigarh. <b>Contact No.:</b> 0172-2639415 / 2639416 <b>Email:</b> <a href="mailto:roc.chandigarh@mca.gov.in">roc.chandigarh@mca.gov.in</a> <b>Website:</b> <a href="http://www.mca.gov.in">www.mca.gov.in</a>
<b>Designated Stock Exchange</b>	<b>Emerge Platform of National Stock Exchange of India Limited (“NSE Emerge”)</b> Exchange Plaza, C/1, G Block, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051, Maharastra, India. <b>Website :</b> <a href="http://www.nseindia.com">www.nseindia.com</a>
<b>Issue Programme</b>	Anchor Portion Issue Opened / Closed on: Friday, September 27, 2024 Issue Opened on: Monday, September 30, 2024 Issue Closed on: Thursday, October 03, 2024
<b>Chief Financial Officer</b>	<b>Mr. Kunal Arora</b> Village Mangarh, Machiwara Road, Kohara, Ludhiana - 141112, Punjab, India <b>Contact No.:</b> +91 9056855519 <b>Email:</b> <a href="mailto:cfo@paramountdyetec.com">cfo@paramountdyetec.com</a> <b>Website:</b> <a href="http://www.paramountdyetec.com">www.paramountdyetec.com</a>
<b>Company Secretary and Compliance Officer</b>	<b>Ms. Chandni Jain</b> Village Mangarh, Machiwara Road, Kohara, Ludhiana - 141112, Punjab, India <b>Contact No.:</b> +91 9056855519 <b>Email:</b> <a href="mailto:cs@paramountdyetec.com">cs@paramountdyetec.com</a> <b>Website:</b> <a href="http://www.paramountdyetec.com">www.paramountdyetec.com</a>

## OUR BOARD OF DIRECTORS

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

Name	Designation	Address	DIN
Mr. Kunal Arora	Managing Director	H. No. 80 - F, SBS Nagar, Basant Avenue, Pakhowal Road, Ludhiana - 141013, Punjab, India	09791270
Ms. Palki Arora	Executive Director	H. No. 80 - F, SBS Nagar, Basant Avenue, Pakhowal Road, Ludhiana - 141013, Punjab, India	09791271
Mr. Rupesh	Executive Director	Village Ladana P.O. Barwara Teh Dehra, Gopipur, Kangra - 177101, Himachal Pradesh, India	10186268

Name	Designation	Address	DIN
Ms. Divya	Non- Executive Director	Flat No. K 1104, Jalandhar Heights, 66 Feet Road, Near Urban Estate Phase-2, Garha, Jalandhar -II, 144022, Punjab, India	07138228
Mr. Manish	Independent Director	304, Fourth Floor, Gali No. 2, Anand Parbat, Central Delhi - 110005, Delhi, India	10765627
Mr. Prabir Singh	Independent Director	DX - 127, Kendriya Vihar, Sector 56, Gurgaon - 122011, Haryana, India	01068303

For detailed profile of our Directors, refer “**Our Management**” on page 148 respectively of this Prospectus.

## INVESTOR GRIEVANCES

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

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

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

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

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

BOOK RUNNING LEAD MANAGER TO THE ISSUE	REGISTRAR TO THE ISSUE
<b>GRETEX CORPORATE SERVICES LIMITED</b> A-401, Floor 4th, Plot FP-616, (PT), Naman Midtown, Senapati Bapat Marg, Near Indiabulls, Dadar (W), Delisle Road, Mumbai-400013, Maharashtra, India. <b>Contact No.:</b> +91 96532 49863 <b>Email:</b> info@gretexgroup.com <b>Website:</b> www.gretexcorporate.com <b>Contact Person:</b> Ms. Prajakta Raut <b>SEBI Registration No:</b> INM000012177 <b>CIN:</b> L74999MH2008PLC288128	<b>BIGSHARE SERVICES PRIVATE LIMITED</b> S6-2, 6 <sup>th</sup> Pinnacle Business Park, Mahakali Caves Road, next to Ahura Centre, Andheri East, Mumbai- 400093, Maharashtra, India. <b>Contact No.:</b> +91 22 6263 8200; <b>Fax No.:</b> +91 22 6263 8299 <b>Email:</b> ipo@bigshareonline.com <b>Investor Grievance Email:</b> investor@bigshareonline.com; <b>Website:</b> www.bigshareonline.com <b>Contact Person:</b> Mr. Asif Sayyed <b>SEBI Registration No.:</b> INR000001385 <b>CIN:</b> U99999MH1994PTC076534
LEGAL ADVISOR TO THE ISSUE	STATUTORY AUDITOR OF THE COMPANY
<b>Zenith India Lawyers</b> D-49, First Floor, Sushant Lok III Extension Sector 57 Gurugram Haryana-122003, India. <b>Mobile No.:</b> +919899016169 <b>Email:</b> raj@zilawyers.com	<b>Rajesh Mehru &amp; Co., Chartered Accountants,</b> 2761/11, Gurdev Nagar, Imperial Hotel Street, Ludhiana, Punjab – 141001, India. <b>Contact No.:</b> 0161-4613428/4417849/4673428 <b>E-mail:</b> rajesh_mehru@yahoo.co.in

<b>Website:</b> www.zilawyers.com <b>Contact Person:</b> Ms. Raj Rani Bhalla	<b>Contact Person:</b> Mr. Rajesh Mehru <b>Membership No.:</b> 090725 <b>Firm Registration No.:</b> 011715N <b>Peer Review No:</b> 017312
<b>PEER REVIEW AUDITOR</b>	<b>BANKERS TO THE ISSUE / SPONSOR BANK</b>
<b>M/s. Jay Gupta and Associates</b> Imax Lohia Square, 23, Gangadhar Babu Lane, 3rd Floor, Room No. 3A, Kolkata- 700012 <b>Contact No.:</b> +91 9831012639 <b>E-mail:</b> guptaagarwal.associate@mail.com <b>Contact Person:</b> Mr. Jay Shanker Gupta <b>Membership No.:</b> 059535 <b>Firm Registration No.:</b> 329001E <b>Peer Review No:</b> 013306	<b>Axis Bank Limited</b> 81, Dev Kunj, Veer Savarkar Marg, Shivaji Park, Dadar, Mumbai- 400028, Maharashtra, India <b>Tel No.:</b> +91 9167103411 <b>Email:</b> shivajipark.branchhead@axisbank.com <b>Website:</b> www.axisbank.com <b>Contact Person:</b> Ms. Moumita Guha
<b>BANKER TO THE COMPANY</b>	<b>SYNDICATE MEMBER</b>
<b>Axis Bank Limited</b> Lower Ground Floor, Shop No.AG-01, 02, 03, 3 A, 04, 05,05-A, 06, 07, 08, 09, 10, 11. Unit No. 1 & 2, The Boulevard, Plot No.105, Mall Road, Ludhiana - 141001, Punjab <b>Mobile No.:</b> +918054700421 <b>Email:</b> ludhiana.branchhead@axisbank.com <b>Website:</b> www.axisbank.com <b>Contact Person :</b> Mr. Sanjeev Thukral	<b>Gretex Share Broking Limited</b> A-401, Floor 4th, Plot FP-616, (PT), Naman Midtown, Senapati Bapat Marg, Near Indiabulls, Dadar (w), Delisle Road, Mumbai-400013, Maharashtra, India. <b>Tel No.:</b> +91 022 6930 8500 <b>Email:</b> compliance@gretexbroking.com <b>Contact Person:</b> Mr. Deepak Navinchandra Shah <b>SEBI Registration No:</b> INZ000166934 <b>CIN:</b> U65900MH2010PLC289361

#### CHANGES IN AUDITORS DURING LAST THREE FINANCIAL YEARS

There has been no change in the auditors of our Company during the last 3 years since our Company was incorporated on January 04, 2024.

#### SELF-CERTIFIED SYNDICATE BANKS

The list of banks that have been notified by SEBI to act as SCSBs for the ASBA process is provided on the website of the SEBI (<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34>; <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35>) and updated from time to time. For details on Designated Branches of SCSBs collecting the Bid-cum-Application Forms, refer to the above-mentioned SEBI link.

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

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

#### SYNDICATE SCSB BRANCHES

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

#### INVESTORS BANKS OR ISSUER BANKS FOR UPI

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

## REGISTERED BROKERS

The list of the Registered Brokers eligible to accept ASBA forms, including details such as postal address, telephone number and e-mail address, is provided on the website of SEBI at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>, respectively, as updated from time to time.

## REGISTRAR AND SHARE TRANSFER AGENTS

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

## COLLECTING DEPOSITORY PARTICIPANTS

The list of the CDPs eligible to accept ASBA Forms at the Designated CDP Locations, including details such as name and contact details, is provided on the website of SEBI at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=19> for National Securities Depository Limited CDPs and at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=18> for Central Depository Services (India) Limited 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.

## BROKERS TO THE ISSUE

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

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

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

## CREDIT RATING

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

## IPO GRADING

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

## EXPERT OPINION

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

Our Company has received written consent dated May 21, 2024 from Peer Review Auditor namely, M/s. Jay Gupta and Associates, to include their name as required under Section 26(5) of the Companies Act 2013 read with SEBI ICDR Regulations in this Prospectus as an “expert” as defined under Section 2(38) of the Companies Act 2013 to the extent and in respect of its (i) examination report dated June 25, 2024 on our Restated Financial Information; and (ii) its report dated June 25, 2024 on the statement of Special Tax Benefits in this Prospectus. Aforementioned consents have not been withdrawn as on the date of this Prospectus. Further, has received written consent dated July 10, 2024 from Statutory Auditor namely, Rajesh Mehru & Co, Chartered Accountants to include their name as Statutory Auditor of the Company.

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

## TRUSTEES

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

## DEBENTURE TRUSTEES

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

## MONITORING AGENCY

As per Regulation 262(1) of the SEBI (ICDR) Regulations, 2018 as amended, the requirement of Monitoring Agency is not mandatory if the Issue size is below ₹ 10000.00 Lakhs.

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

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

## GREEN SHOE OPTION

No Green Shoe Option is applicable for this Issue.

## APPRAISAL AGENCY

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

## FILING OF ISSUE DOCUMENT

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

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

A copy of the Red Herring Prospectus / Prospectus, along with the documents required to be filed under Section 26 & 32 of the Companies Act, 2013 will be filed to the Registrar of Companies Office situated at Registrar of Companies, Chandigarh, 1st Floor, Corporate Bhawan, Plot No.4-B, Sector 27-B, 160019, Chandigarh.

## BOOK BUILDING PROCESS

Book Building, with reference to the Issue, refers to the process of collection of Bids on the basis of the Red Herring Prospectus within the Price Band. The Issue Price was determined by our Company, in consultation with the Book Running Lead Manager in accordance with the Book Building Process after the Bid / Issue Closing Date. Principal parties involved in the Book Building Process are: -

- Our Company;
- The Book Running Lead Manager in this case being Gretex Corporate Services Limited,

- The Syndicate Member(s) who are intermediaries registered with SEBI / registered as brokers with Exchanges and eligible to act as Underwriters. The Syndicate Member(s) will be appointed by the Book Running Lead Manager;
- The Registrar to the Issue and;
- The Designated Intermediaries and Sponsor bank

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

The Issue is being made through the Book Building Process wherein not more than 50% of the Net Issue was available for allocation on a proportionate basis to QIBs, provided that our Company in consultation with the Book Running Lead Manager allocate upto 49.92% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI (ICDR) Regulations (the “Anchor Investor Portion”), out of which one third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Issue Price. 5% of the QIB Portion was available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion was available for allocation on a proportionate basis to all QIB Bidders, including Mutual Funds, subject to valid Bids being received at or above the Issue Price. Further, not less than 15% of the Net Issue was available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Net Issue was available for allocation to Retail Individual Bidders, in accordance with the SEBI Regulations, subject to valid Bids being received at or above the Issue Price.

**All Bidders, except Anchor Investors, are mandatorily required to use the ASBA process for participating in the Issue. In accordance with the SEBI ICDR Regulations, QIBs bidding in the QIB Portion and Non-Institutional Bidders bidding in the Non-Institutional Portion are not allowed to withdraw or lower the size of their Bids (in terms of the quantity of the Equity Shares or the Bid Amount) at any stage. Retail Individual Bidders can revise their Bids during the Bid / Issue Period and withdraw their Bids until the Bid / Issue Closing Date. Further, Anchor Investors cannot withdraw their Bids after the Anchor Investor Bid / Issue Period. Allocation to the Anchor Investors will be on a discretionary basis.**

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

In terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, all the investors (except Anchor Investors) applying in a public issue shall use only Application Supported by Blocked Amount (ASBA) process for application providing details of the bank account which will be blocked by the Self-Certified Syndicate Banks (SCSBs) for the same. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018, Retail Individual Investors applying in public issue may use either Application Supported by Blocked Amount (ASBA) facility for making application or also can use UPI as a payment mechanism with Application Supported by Blocked Amount for making application. For details in this regards, specific attention is invited to the chapter titled “**Issue Procedure**” beginning on page 236 of this Prospectus.

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

For further details on the method and procedure for Bidding, please see section entitled “**Issue Procedure**” on page 236 of this Prospectus.

**Illustration of the Book Building and Price Discovery Process:** Bidders should note that this example is solely for illustrative purposes and is not specific to the Issue; it also excludes Bidding by Anchor Investors. Bidders can bid at any price within the Price Band. For instance, assume a Price Band of ₹20.00 to ₹24.00 per share, Issue size of 3,000 Equity Shares and receipt of five Bids from Bidders, details of which are shown in the table below. The illustrative book given below shows the demand for the Equity Shares of the Issuer at various prices and is collated from Bids received from various investors.

Bid Quantity	Amount (₹)	Cumulative Quantity	Subscription
500	24.00	500	16.67%
1000	23.00	1500	50.00%
1500	22.00	3000	100.00%
2000	21.00	5000	166.67%
2500	20.00	7500	250.00%

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

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

- Check eligibility for making a Bid (see section titled “**Issue Procedure**” on page 236 of this Prospectus);
- Ensure that you have a demat account and the demat account details are correctly mentioned in the Bid cum Application Form;
- Ensure correctness of your PAN, DP ID and Client ID mentioned in the Bid cum Application Form. Based on these parameters, the Registrar to the Issue will obtain the Demographic Details of the Bidders from the Depositories.
- Except for Bids on behalf of the Central or State Government officials, residents of Sikkim and the officials appointed by the courts, who may be exempt from specifying their PAN for transacting in the securities market, for Bids of all values ensure that you have mentioned your PAN allotted under the Income Tax Act in the Bid cum Application Form. The exemption for Central or State Governments and officials appointed by the courts and for investors residing in Sikkim is subject to the Depository Participant’s verification of the veracity of such claims of the investors by collecting sufficient documentary evidence in support of their claims.
- Ensure that the Bid cum Application Form is duly completed as per instructions given in this Prospectus and in the Bid cum Application Form;

#### Bid / Issue Program:

<b>Bid / Issue Opened on</b>	Monday, September 30, 2024
<b>Bid / Issue Closed on</b>	Thursday, October 03, 2024
<b>Finalization of Basis of Allotment with the Designated Stock Exchange</b>	On or about Friday, October 04, 2024
<b>Initiation of Allotment / Refunds / Unblocking of Funds from ASBA Account or UPI ID linked bank account*</b>	On or about Monday, October 07, 2024
<b>Credit of Equity Shares to Demat accounts of Allottees</b>	On or about Monday, October 07, 2024
<b>Commencement of trading of the Equity Shares on the Stock Exchange</b>	On or about Tuesday, October 08, 2024

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

The above timetable is indicative and does not constitute any obligation on our Company or the Book Running Lead Manager. Whilst our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchange are taken within 3 Working Days of the Bid / Issue Closing Date, the timetable may change due to various factors, such as extension of the Bid / Issue Period by our Company, revision of the Price Band or any delays in receiving the final listing and trading approval from the Stock Exchange. The Commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchange and in accordance with the applicable laws. Bid Cum Application Forms and any revisions to the same will be accepted only between 10.00 A.M. to 5.00 P.M. (IST) during the Issue Period (except for the Bid / Issue Closing Date). On the Bid / Issue Closing Date, the Bid Cum Application Forms will be accepted only between 10.00 A.M. to 3.00 P.M. (IST) for retail and non-retail Bidders. The time for applying for Retail Individual Applicant on Bid / Issue Closing Date maybe

extended in consultation with the the Book Running Lead Manager, RTA and Emerge Platform of National Stock Exchange of India Limited (“NSE Emerge”) taking into account the total number of applications received up to the closure of timings.

Due to the limitation of time available for uploading the Bid Cum Application Forms on the Bid / Issue Closing Date, Bidders are advised to submit their applications one (1) day prior to the Bid / Issue Closing Date and, in any case, not later than 3.00 P.M. (IST) on the Bid / Issue Closing Date. Any time mentioned in this Prospectus is IST. Bidders are cautioned that, in the event a large number of Bid Cum Application Forms are received on the Bid / Issue Closing Date, as is typically experienced in public Issue, some Bid Cum Application Forms may not get uploaded due to the lack of sufficient time. Such Bid Cum Application Forms that cannot be uploaded will not be considered for allocation under this Issue. Applications will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holidays). Neither our Company nor the Book Running Lead Manager is liable for any failure in uploading the Bid Cum Application Forms due to faults in any software / hardware system or otherwise. In accordance with SEBI ICDR Regulations, QIBs and Non-Institutional Applicants are not allowed to withdraw or lower the size of their Application (in terms of the quantity of the Equity Shares or the Application amount) at any stage. Retail Individual Applicants can revise or withdraw their Bid Cum Application Forms prior to the Bid / Issue Closing Date. Allocation to Retail Individual Applicants, in this Issue will be on a proportionate basis. In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical Bid Cum Application Form, for a particular Applicant, the details as per the file received from Stock Exchange may be taken as the final data for the purpose of Allotment. In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical or electronic Bid Cum Application Form, for a particular ASBA Applicant, the Registrar to the Issue shall ask the relevant SCSBs / RTAs / DPs / stock brokers, as the case may be, for the rectified data.

## WITHDRAWAL OF THE ISSUE

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

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

Further, the Stock Exchanges shall be informed promptly in this regard and the Book Running Lead Manager, through the Registrar to the Issue, shall notify the SCSBs to unblock the Bank Accounts of the ASBA Applicants within one Working Day from the date of receipt of such notification.

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

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

## UNDERWRITING AGREEMENT

This Issue is 100% Underwritten. The Underwriting agreement is dated May 21, 2024. Pursuant to the terms of the Underwriting Agreement the obligations of the Underwriters are several and are subject to certain conditions specified therein.

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

Details of the Underwriter	No. of shares underwritten	Amount Underwritten (₹ in Lakh)	% of the Total Issue Size Underwritten
<b>Gretex Corporate Services Limited</b> A-401, Floor 4th, Plot FP-616, (PT), Naman Midtown, Senapati Bapat Marg, Near Indiabulls, Dadar (w), Delisle Road, Mumbai - 400013 Maharashtra, India.	Upto 12,14,400	1,420.85	49.98

<b>Contact No.:</b> +91 96532 49863 <b>Email:</b> info@gretexgroup.com <b>Website:</b> www.gretexcorporate.com <b>Contact Person :</b> Ms. Prajakta Raut <b>SEBI Registration No.:</b> INM000012177 <b>CIN:</b> L74999MH2008PLC288128			
<b>Gretex Share Broking Limited</b> A-401, Floor 4th, Plot FP-616, (PT), Naman Midtown, Senapati Bapat Marg, Near Indiabulls, Dadar (w), Delisle Road, Mumbai - 400013 Maharashtra, India. <b>Contact No.:</b> +91 22 6930 8500 <b>Email:</b> compliance@gretexbroking.com <b>Contact Person:</b> Mr. Deepak Navinchandra Shah <b>SEBI Registration No:</b> INZ000166934 <b>Market Maker Member Code:</b> 90287	Upto 12,15,600	1,422.25	50.02
<b>TOTAL</b>	<b>Upto 24,30,000</b>	<b>2843.10</b>	<b>100.00</b>

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

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

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

Our Company has entered into Market Making Agreement dated May 21, 2024 with the Book Running Lead Manager and Market Maker to fulfil the obligations of Market Making:

The details of Market Maker are set forth below:

<b>Name</b>	<b>Gretex Share Broking Limited</b>
<b>Address</b>	A-401, Floor 4th, Plot FP-616, (PT), Naman Midtown, Senapati Bapat Marg, Near Indiabulls Dadar (W), S V S Marg, Mumbai- 400013, Maharashtra, India
<b>Contact No.</b>	+91 22 6930 8500
<b>Email</b>	<a href="mailto:compliance@gretexbroking.com">compliance@gretexbroking.com</a>
<b>Contact Person</b>	Mr. Deepak Navinchandra Shah
<b>CIN</b>	U65900MH2010PLC289361
<b>SEBI Registration No.</b>	INZ000166934
<b>Market Maker Member code</b>	90287

Gretex Share Broking Limited, registered with SME Platform of BSE Limited and Emerge Platform of National Stock Exchange of India Limited will act as the Market Maker and has agreed to receive or deliver the specified securities in the Market Making process for a period of three years from the date of listing of our Equity Shares or for a period as may be notified by amendment to SEBI (ICDR) Regulations.

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

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

- 1) The Market Maker (individually or jointly) shall be required to provide a 2-way quote for 75% of the time in a day. The same shall be monitored by the Stock Exchange. Further, the Market Maker shall inform the Stock Exchange in advance for each and every black out period when the quotes are not being offered by the Market Maker.
- 2) The prices quoted by Market Maker shall be in compliance with the Market Maker Spread Requirements and other particulars as specified or as per the requirements of the NSE Emerge (Emerge platform of National Stock Exchange of India Limited) and SEBI from time to time.
- 3) The Market Maker shall not sell in lots less than the minimum contract size allowed for trading on the Emerge platform of National Stock Exchange of India Limited (in this case currently the minimum trading lot size is 1,200 equity shares; however, the same may be changed by the Emerge platform of National Stock Exchange of India Limited from time to time).
- 4) The minimum depth of the quote shall be ₹1.00 Lakhs. However, the investors with holdings of value less than ₹1.00 Lakhs shall be allowed to offer their holding to the Market Maker in that scrip provided that they sell their entire holding in that scrip in one lot along with a declaration to the effect to the selling broker.
- 5) After a period of three (3) months from the market making period, the market maker would be exempted to provide quote if the Shares of market maker in our Company reaches to 25% (Including the 5% of Equity Shares of the Issue). Any Equity Shares allotted to Market Maker under this Issue over and above 25% of Equity Shares would not be taken in to consideration of computing the threshold of 25%. As soon as the Shares of market maker in our Company reduce to 24%, the market maker will resume providing 2-way quotes.
- 6) There shall be no exemption / threshold on downside. However, in the event the market maker exhausts his inventory through market making process, the concerned stock exchange may intimate the same to SEBI after due verification.
- 7) Execution of the order at the quoted price and quantity must be guaranteed by the Market Maker, for the quotes given by him.
- 8) There would not be more than five Market Makers for a script at any point of time and the Market Makers may compete with other Market Makers for better quotes to the investors. At this stage, Gretex Share Broking Limited is acting as the sole Market Maker.
- 9) The shares of the Company will be traded in continuous trading session from the time and day the company gets listed at Emerge Platform of National Stock Exchange of India Limited ("NSE Emerge") and Market Maker will remain present as per the guidelines mentioned under the National Stock Exchange of India Limited and SEBI circulars.
- 10) There will be special circumstances under which the Market Maker may be allowed to withdraw temporarily / fully from the market – for instance due to system problems, any other problems. All controllable reasons require prior approval from the Exchange, while *force-majeure* will be applicable for non-controllable reasons. The decision of the Exchange for deciding controllable and non-controllable reasons would be final.
- 11) The Market Maker shall have the right to terminate said arrangement by giving a three-month notice or on mutually acceptable terms to the Merchant Banker, who shall then be responsible to appoint a replacement Market Maker.
- 12) In case of termination of the above-mentioned Market Making Agreement prior to the completion of the compulsory Market Making Period, it shall be the responsibility of the Book Running Lead Manager to arrange for another Market Maker(s) in replacement during the term of the notice period being served by the Market Maker but prior to the date of releasing the existing Market Maker from its duties in order to ensure compliance with the requirements of Regulation 261 of the SEBI (ICDR) Regulations. Further the Company and the Book Running Lead Manager reserve the right to appoint other Market Maker(s) either as a replacement of the current Market Maker or as an additional Market Maker subject to the total number of Designated Market Makers does not exceed 5 (five) or as specified by the relevant laws and regulations applicable at that particular point of time. The Market Making Agreement is available for inspection at our Registered Office from 11.00 a.m. to 5.00 p.m. on working days.
- 13) Emerge Platform of National Stock Exchange of India Limited ("NSE Emerge") will have all margins which are applicable on the NSE Main Board viz., Mark-to-Market, Value-At-Risk (VAR) Margin, Extreme Loss Margin, Special Margins and Base Minimum Capital etc. National Stock Exchange of India Limited can impose any other margins as deemed necessary from time-to-time.

- 14) Emerge Platform of National Stock Exchange of India Limited (“NSE Emerge”) will monitor the obligations on a real time basis and punitive action will be initiated for any exceptions and / or non-compliances. Penalties / fines may be imposed by the Exchange on the Market Maker, in case he is not able to provide the desired liquidity in a particular security as per the specified guidelines. These penalties / fines will be set by the Exchange from time to time. The Exchange will impose a penalty on the Market Maker in case he is not present in the market (offering two-way quotes) for at least 75% of the time. The nature of the penalty will be monetary as well as suspension in market making activities / trading membership.
- 15) The Department of Surveillance and Supervision of the Exchange would decide and publish the penalties / fines / suspension for any type of misconduct / manipulation / other irregularities by the Market Maker from time to time.
- 16) Price Band and Spreads: SEBI Circular bearing reference no: CIR/MRD/DP/ 02/2012 dated January 20, 2012, has laid down that for issue size up to ₹250 crores the applicable price bands for the first day shall be:
- 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.
  - In case equilibrium price is not discovered in the Call Auction, the price band in the normal trading session shall be 5% of the issue price.

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

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

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

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

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

**On the first day of listing, there will be a pre-open session (call auction) and there after trading will happen as per the equity market hours. The circuits will apply from the first day of the listing on the discovered price during the pre-open call auction. The securities of the Company will be placed in SPOS and would remain in Trade for Trade settlement for 10 days from the date of listing of Equity Shares on the Stock Exchange.**

## SECTION VI: CAPITAL STRUCTURE

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

Sr. No.	Particulars	Amount	
		(₹ in Lakh except share data)	
		Aggregate Nominal Value	Aggregate value at Issue Price
<b>A.</b>	<b>Authorised Share Capital <sup>(1)</sup></b>		
	1,20,00,000 Equity Shares of ₹ 10.00 each	1,200.00	-
<b>B.</b>	<b>Issued, Subscribed and Paid-Up Share Capital before the Issue</b>		
	45,12,651 Equity Shares of ₹ 10.00 each	451.27	-
<b>C.</b>	<b>Present Issue in terms of this Prospectus <sup>(2)</sup></b>		
	Issue of 24,30,000* Equity Shares of ₹ 10.00 each fully paid-up of our Company for cash at a price of ₹ 117.00 per Equity Share (including premium of ₹ 107.00 per Equity Share) *Subject to finalization of the Basis of Allotment	243.00	2,843.10
	<b>Which comprises:</b>		
<b>D.</b>	<b>Reservation for Market Maker portion</b>		
	1,22,400 Equity Shares of ₹ 10.00 each fully paid-up of our Company for cash at a price of ₹ 117.00 per Equity Share (including premium of ₹ 107.00 per Equity Share)	12.24	143.21
<b>E.</b>	<b>Net Issue to the Public <sup>(3)</sup></b>		
	23,07,600 Equity Shares of ₹ 10.00 each fully paid-up of our Company for cash at a price of ₹ 117.00 per Equity Share (including premium of ₹ 107.0000 per Equity Share)	230.76	2,699.89
	<b>Of which <sup>(2)</sup>:</b>		
	8,08,800 Equity Shares of ₹ 10.00 each fully paid-up of our Company for cash at a price of ₹ 117.00 per Equity Share (including premium of ₹ 107.00 per Equity Share) will be available for allocation to Retail Individual Investors of up to ₹ 2.00 Lakh	Not less than 80.88	946.30
	3,46,800 Equity Shares of ₹ 10.00 each fully paid-up of our Company for cash at a price of ₹ 117.00 per Equity Share (including premium of ₹ 107.00 per Equity Share) will be available for allocation to Non-Institutional Investors of above ₹ 2.00 Lakh	Not more than 34.68	405.76
	11,52,000 Equity Shares of ₹ 10.00 each fully paid-up of our Company for cash at a price of ₹ 117.00 per Equity Share (including premium of ₹ 107.00 per Equity Share) will be available for allocation to Qualified Institutional Buyers of above ₹ 2.00 Lakhs	Not less than 115.20	1,347.84
<b>F.</b>	<b>Issued, Subscribed and Paid-up Share Capital after the Issue</b>		
	Upto 69,42,651 Equity Shares of ₹ 10.00 each	Upto 694.27	-
<b>G.</b>	<b>Securities Premium Account</b>		
	Before the Issue	2,226.70	
	After the Issue	4826.80	

\* Subject to finalization of the Basis of Allotment

<sup>(1)</sup> For details in relation to the changes in the authorised share capital of our Company, please refer to section titled “History and Certain Other Corporate Matters – Amendments to our Memorandum of Association” on page 144.

<sup>(2)</sup> The Issue has been authorized by a resolution of our Board of Directors through their meeting dated April 16, 2024 and by a special resolution of our Shareholders at Extra-ordinary General Meeting dated May 08, 2024.

<sup>(3)</sup> Allocation to all categories was made on a proportionate basis subject to valid Applications received at or above the Issue Price. Under subscription, if any, in any of the categories, would be allowed to be met with spill-over from any of the other categories or a combination of categories at the discretion of our Company in consultation with the Book Running Lead Manager and Designated Stock Exchange. Such inter-se spill over, if any, would be affected in accordance with applicable laws, rules, regulations and guidelines.

## CLASS OF SHARES

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

## NOTES TO CAPITAL STRUCTURE

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

Sr. No.	Particulars of increase	Cumulative No. of Equity Shares	Face Value (₹)	Cumulative Authorized Share Capital	Date of Meeting	Whether AGM / EGM
1.	On Incorporation	10,000	10.00	1,00,000.00	Incorporation	N.A.
2.	Increase in Authorise Capital	10,00,000	10.00	1,00,00,000.00	January 27, 2024	EGM
3.	Increase in Authorise Capital	1,20,00,000	10.00	12,00,00,000.00	February 12, 2024	EGM

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

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

Date of allotment	Number of Equity Shares allotted	Face value (₹)	Issue Price (₹)	Nature of Consideration	Nature of allotment	Cumulative number of Equity Shares	Cumulative paid-up Equity Share capital (₹)	Cumulative Securities Premium (₹)
Upon Incorporation	10,000	10.00	10.00	Other than Cash*	Subscriber to the Memorandum of Association (I)	10,000	1,00,000	0.00
February 28, 2024	5,912	10.00	21,500.00	Other than Cash	Allotment pursuant to Conversion of Land into Equity (II)	15,912	1,59,120	12,70,48,880.00
February 28, 2024	6,539	10.00	21,500.00	Other than Cash	Allotment pursuant to Conversion of Loan into Equity (III)	22,451	2,24,510	26,75,71,990.00
June 07, 2024	44,90,200	10.00	0.00	Other than Cash	Bonus Issue (IV)	45,12,651	4,51,26,510	22,26,69,990.00

*\*Pursuant to the Conversion of Partnership Firm into Company*

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

Sr. No	Names of Allottees	Number of Equity Shares
1	Mr. Kunal Arora	6,997
2	Ms. Palki Arora	2,997
3	Mr. Rupesh	1
4	Mr. Pawan Kumar	1
5	Mr. Vikram Singh	1
6	Mr. Sanjeev Kumar	1
7	Mr. Harminder Singh	2
	<b>Total</b>	<b>10,000</b>

- ii. **Allotment of 5,912 Equity Shares on February 28, 2024 having Face Value of ₹10.00 each pursuant to conversion of Land to Equity as per details given below:**

Sr. No	Names of Allottees	Number of Equity Shares
1	Mr. Kunal Arora	5,912
	<b>Total</b>	<b>5,912</b>

- iii. **Allotment of 6,539 Equity Shares on February 28, 2024 having Face Value of ₹10.00 each pursuant to conversion of Loan to Equity as per details given below:**

Sr. No	Names of Allottees	Number of Equity Shares
1	Mr. Kunal Arora	4,952
2	Ms. Palki Arora	1,587
	<b>Total</b>	<b>6,539</b>

- iv. **Allotment of Bonus of 44,90,200 Equity Shares on June 07, 2024 having Face Value of ₹10.00 each in the ratio of 200:1 i.e., 200 (Two hundred) Bonus Equity Shares for 1 (One) equity share held as per details given below:**

Sr. No	Names of Allottees	Number of Equity Shares
1	Mr. Kunal Arora	35,72,200
2	Ms. Palki Arora	9,16,800
3	Mr. Rupesh	200
4	Mr. Pawan Kumar	200
5	Mr. Vikram Singh	200
6	Mr. Sanjeev Kumar	200
7	Mr. Harminder Singh	400
	<b>Total</b>	<b>44,90,200</b>

- Except mentioned in point i, ii, iii and iv above, we have not issued any Equity Shares for consideration other than cash.
- Our Company has not allotted any Equity Shares pursuant to any scheme approved under Section 391-394 of the Companies Act, 1956 and Section 230-234 of the Companies Act, 2013.
- We have not re-valued our assets since inception and have not issued any equity shares (including bonus shares) by capitalizing any revaluation reserves.
- 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.
- Issue of Equity Shares at price lower than the Issue Price during the preceding 1 (one) year

Our Company has not issued any Equity Shares at a price lower than the Issue Price during a period of one year preceding the date of this Prospectus, except as disclosed below:

Date of Allotment	No. of Equity Shares	Face Value (₹)	Issue Price (₹)	Reasons of Allotment	Benefits accrued to company	Allottees	No. of Shares Allotted
June 07, 2024	44,90,200	10.00	-	Bonus Issue (IV)	Capitalization of Reserves & Surplus**	Ms. Palki Arora	9,16,800
						Mr. Kunal Arora	35,72,200
						Mr. Rupesh	200
						Mr. Pawan Kumar	200
						Mr. Vikram Singh	200
						Mr. Sanjeev Kumar	200
						Mr. Harminder Singh	400
Total							44.90.200

*\*Above allotment of shares has been made out of Securities Premium Account and no part of revaluation reserve has been utilized for the purpose.*

## 8. Our Shareholding Pattern

- a) The table below presents the current shareholding pattern of our Company as on the date of this Prospectus

Category (I)	Category of shareholder (II)	Nos. of shareholders (III)	No. of fully paid-up equity shares held (IV)	No. of Partly paid-up equity shares held (V)	No. 7of 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 Underlying Outstanding convertible securities (including Warrants) (X)	Shareholding as a % assuming full convertible securities (as a percentage of diluted share capital) (XI)=	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)*
								No of Voting Rights			Total as a % of (A+B+C)			No (a)	As a % of total Shares held (b)	No (a)	As a % of total Shares held (b)	
								Class-Equity	Class	Total								
A	Promoters & Promoter Group	2	45,11,445	-	-	45,11,445	99.97	45,11,445	-	45,11,445	99.97	-	99.97	-	-	-	-	45,11,445
B	Public	5	1,206	-	-	1,206	0.03	1,206	-	1,206	0.03	-	0.03	-	-	-	-	1,206
C	Non Promoter Non Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
C1	Shares underlying DRs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
C2	Shares held by Employee Trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total	7	45,12,651	-	-	45,12,651	100.00	45,12,651	-	45,12,651	100.00	-	100.00	-	-	-	-	45,12,651

**Notes:**

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

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

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

Sr. No.	Name of Shareholder	No. of Equity Shares	% of Pre-Issue Capital	No. of Equity Shares	% of Post-Issue Capital*
1	Mr. Kunal Arora	35,90,061	79.56	35,90,061	51.71
2	Ms. Palki Arora	9,21,384	20.42	9,21,384	13.27
3	Mr. Rupesh	201	0.00	201	0.00
	<b>Total</b>	<b>45,11,646</b>	<b>99.97</b>	<b>45,11,646</b>	<b>64.98</b>

\* Subject to finalization of Basis of Allotment

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

Sr. No.	Name of Shareholder	No. of Equity Shares	% of Pre-Issue Capital
1	Mr. Kunal Arora	35,90,061	79.56%
2	Ms. Palki Arora	9,21,384	20.42%
	<b>Total</b>	<b>45,11,445</b>	<b>99.97%</b>

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

Sr. No.	Name of Shareholder	No. of Equity Shares	% of Pre-Issue Capital
1	Mr. Kunal Arora	35,90,061	79.56%
2	Ms. Palki Arora	9,21,384	20.42%
	<b>Total</b>	<b>45,11,445</b>	<b>99.97%</b>

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

Not Applicable as our company was incorporated on January 04, 2024.

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

Not Applicable as our company was incorporated on January 04, 2024.

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

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

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 Prospectus until the Equity Shares of our Company have been listed or application money unblocked on account of failure of Issue.

12. Our Company does not intend to alter its capital structure within six months from the date of opening of the issue, by way of split / consolidation of the denomination of Equity Shares. However, our Company may further issue equity shares (including issue of securities convertible into Equity Shares) whether preferential or otherwise after the date of the listing of equity shares to finance an acquisition, merger or joint venture or for regulatory compliance or such other scheme of arrangement or any other purpose as the Board of Directors may deem fit, if an opportunity of such nature is determined by the Board of Directors to be in the interest of our Company.

### 13. Details of our Promoters Shareholding.

As on the date of this Prospectus, our Promoters, Mr. Kunal Arora and Ms. Palki Arora holds 99.97% of the pre-issued, subscribed and paid-up Equity Share capital of our Company.

Build-up of our Promoters' shareholding in our Company:

Date of Allotment / Transfer	Number of Equity Shares	Face Value (₹)	Issue / Acquisition / Transfer Price (₹)	Nature of Consideration	Nature of transaction	% of pre-Issue equity share capital	% of post Issue equity share capital#
<b>Mr. Kunal Arora</b>							
January 04, 2024	6,997	10.00	10.00	Other than Cash*	Subscriber to Memorandum of Association	0.16%	0.10%
February 28, 2024	5,912	10.00	21,500.00	Other than Cash	Allotment pursuant to Conversion of Land into Equity	0.13%	0.19%
February 28, 2024	4,952	10.00	21,500.00	Other than Cash	Allotment pursuant to Conversion of Loan into Equity	0.11%	0.26%
June 07, 2024	35,72,200	10.00	-	Other than Cash	Bonus Allotment	79.16%	51.71%
	<b>35,90,061</b>					<b>79.56%</b>	<b>52.26%</b>
<b>Ms. Palki Arora</b>							
January 04, 2024	2,997	10.00	10.00	Other than Cash*	Subscriber to Memorandum of Association	0.07%	0.04%
February 28, 2024	1,587	10.00	21,500.00	Other than Cash	Allotment pursuant to Conversion of Loan into Equity	0.04%	0.07%
June 07, 2024	9,16,800	10.00	-	Other than Cash	Bonus Allotment	20.32%	13.27%
	<b>9,21,384</b>					<b>20.42%</b>	<b>13.38%</b>

\*Pursuant to the Conversion of Partnership Firm into Company

#Subject to Basis of Allotment

#### Notes:

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

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

Sr. No.	Particulars	Pre-Issue		Post-Issue	
		No. of Shares	% Holding	No. of Shares	% Holding*
<b>A)</b>	<b>Promoters</b>				
1.	Mr. Kunal Arora	35,90,061	79.56%	35,90,061	51.71
2.	Ms. Palki Arora	9,21,384	20.42%	9,21,384	13.27
	<b>Total (A)</b>	<b>45,11,445</b>	<b>99.97%</b>	<b>45,11,445</b>	<b>64.98</b>
<b>B)</b>	<b>Promoter Group</b>				
1.	NA	NA	NA	NA	NA
	<b>Total (B)</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>
	<b>Total (A+B)</b>	<b>45,11,445</b>	<b>99.97%</b>	<b>45,11,445</b>	<b>64.98</b>

\*Subject to Basis of Allotment

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

Sr. No.	Name of the Promoter	No. of Shares held	Average cost of Acquisition (in ₹)
1.	Mr. Kunal Arora	35,90,061	65.08
2.	Ms. Palki Arora	9,21,384	37.06

15. We have 7 (Seven) Shareholders as on the date of this Prospectus.

16. We hereby confirm that:

There has been no acquisition, sale or transfer of Equity Shares by our Promoter, Promoter Group, Directors and their immediate relatives in the last 6 months preceding the date of filing of this Prospectus other than the following:

Date of Allotment / Transfer	Name of Shareholder	No. of Equity Shares allotted / Transferred / Acquired	% of Pre-Issue Capital	Subscribed / Acquired / Transfer	Category of Allottees (Promoters / Promoter Group)
January 04, 2024	Ms. Palki Arora	2,997	0.07	Subscriber to Memorandum of Association	Promoter
January 04, 2024	Mr. Kunal Arora	6,997	0.16	Subscriber to Memorandum of Association	Promoter
January 04, 2024	Mr. Rupesh	1	0.00	Subscriber to Memorandum of Association	Director
February 28, 2024	Mr. Kunal Arora	5,912	0.13	Allotment pursuant to Conversion of Land into Equity	Promoter
February 28, 2024	Mr. Kunal Arora	4,952	0.11	Allotment pursuant to Conversion of Loan into Equity	Promoter
February 28, 2024	Ms. Palki Arora	1,587	0.04	Allotment pursuant to Conversion of Loan into Equity	Promoter
June 07, 2024	Ms. Palki Arora	9,16,800	20.32	Bonus Issue	Promoter
June 07, 2024	Mr. Kunal Arora	35,72,200	79.18	Bonus Issue	Promoter
June 07, 2024	Mr. Rupesh	200	0.00	Bonus Issue	Director

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

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

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

As on the date of this Prospectus, our Promoters hold 45,11,445 Equity Shares constituting 64.98% of the Post-Issued, subscribed and paid-up Equity Share Capital of our Company, which are eligible for the Promoter's contribution.

Our Promoters have given written consent to include #13,89,000 Equity Shares held by them and subscribed by them as part of Promoters' Contribution constituting 20.01% of the post issue Equity Shares of our Company. Further, they have agreed not to sell or transfer or pledge or otherwise dispose of in any manner, the Promoter's contribution, for a period of three years from the date of allotment in the Issue.

Date of Allotment / transfer and made fully paid up	No. of Equity Shares locked in#	Face Value Per Share (₹)#	Issue / Acquisition / Transfer Price (₹) #	Nature of transaction	Post-Issue Shareholding %	Lock in Period
<b>Mr. Kunal Arora</b>						
February 28, 2024	4,952	10.00	21,500.00	Allotment pursuant to Conversion of Loan into Equity	0.07%	3 years
June 07, 2024	11,00,369	10.00	-	Bonus Allotment	15.85%	3 years
<b>Total</b>	<b>11,05,321</b>				<b>15.92%</b>	
<b>Ms. Palki Arora</b>						
February 28, 2024	1,587	10.00	21,500.00	Allotment pursuant to Conversion of Loan into Equity	0.02%	3 years
June 07, 2024	2,82,092	10.00	-	Bonus Allotment	4.06%	3 years
<b>Total</b>	<b>2,83,679</b>				<b>4.09%</b>	

# Subject to finalization of Basis of Allotment

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

- The Equity Shares offered for minimum 20% Promoter's Contribution have not been acquired in the three years preceding the date of this Prospectus for consideration other than cash and revaluation of assets or capitalization of intangible assets nor resulted from a bonus issue out of the revaluation reserves or unrealized profits of the Company or against Equity Shares which are otherwise ineligible for computation of Promoter's contribution;
- The minimum Promoter's contribution does not include Equity Shares acquired during the one year preceding the date of this Prospectus at a price lower than the Issue Price;
- The minimum Promoter's contribution does not consist of such specified securities, allotted to promoters against capital existing in such firms for a period of more than one year on a continuous basis.
- The Equity Shares held by the Promoters and offered for minimum Promoter's contribution are not subject to any pledge;
- All the Equity Shares of our Company held by the Promoters are in dematerialized form and
- The Equity Shares offered for Promoter's contribution do not consist of Equity Shares for which specific written consent has not been obtained from the Promoters for inclusion of its subscription in the Promoters contribution subject to lock-in.

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

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

In terms of Regulation 238(b) and 239 of the SEBI (ICDR) Regulations, 2018, in addition to the Minimum Promoter's contribution which is locked in for three years, as specified above, the entire pre-issue equity share capital constituting 31,23,651# Equity Shares shall be locked in for a period of one year from the date of allotment of Equity Shares in this Issue.

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

*# Subject to finalization of Basis of Allotment*

## **19. Inscription or Recording of non-transferability**

In terms of Regulation 241 of the SEBI (ICDR) Regulations, 2018, our Company confirms that certificates of Equity Shares 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.

## **20. Pledge of Locked in Equity Shares**

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

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

if the specified securities are locked-in in terms of clause (b) of Regulation 238 and the pledge of specified securities is one of the terms of sanction of the loan.

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

## **21. Transferability of Locked in Equity Shares**

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

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

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

22. Our Company, our Directors and the Book Running Lead Manager to this Issue have not entered into any buy-back or similar arrangements with any person for purchase of our Equity Shares issued by our Company.
23. As on date of this Prospectus, there are no partly paid-up equity shares and all the Equity Shares of our Company are fully paid up. Further, since the entire money in respect of the Issue is being called on application, all the successful applicants will be issued fully paid-up equity shares.
24. As on the date of filing of this Prospectus, there are no outstanding warrants, options or rights to convert debentures, loans or other instruments which would entitle Promoters or any shareholders or any other person any option to acquire our Equity Shares after this Initial Public Offer.

25. As on the date of this Prospectus, the Book Running Lead Manager and their respective associates (as defined under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992) do not hold any Equity Shares of our Company. The Book Running Lead Manager and their affiliates may engage in the transactions with and perform services for our Company in the ordinary course of business or may in the future engage in commercial banking and investment banking transactions with our Company for which they may in the future receive customary compensation.
26. Investors may note that in case of over-subscription, allotment will be on proportionate basis as detailed under **“Basis of Allotment”** in the chapter titled **“Issue Procedure”** beginning on page 236 of this Prospectus. In case of over-subscription in all categories the allocation in the Issue shall be as per the requirements of Regulation 253 (2) of SEBI (ICDR) Regulations, as amended from time to time.
27. An over-subscription to the extent of 10% of the Net Issue can be retained for the purpose of rounding off to the nearest integer during finalizing the allotment, subject to minimum allotment, which is the minimum application size in this Issue. Consequently, the actual allotment may go up by a maximum of 10% of the Issue, as a result of which, the post Issue paid up capital after the Issue would also increase by the excess amount of allotment so made. In such an event, the Equity Shares held by the Promoters and subject to lock-in shall be suitably increased; so as to ensure that 20% of the post Issue paid-up capital is locked in.
28. Our Company has not raised any bridge loan against the proceeds of this Issue. However, depending on business requirements, we might consider raising bridge financing facilities, pending receipt of the Net Proceeds.
29. Our Company undertakes that at any given time, there shall be only one denomination for our Equity Shares, unless otherwise permitted by law.
30. The unsubscribed portion in any reserved category (if any) may be added to any other reserved category.
31. The unsubscribed portion if any, after such inter se adjustments among the reserved categories shall be added back to the net issue to the public portion.
32. Our Company shall comply with such accounting and disclosure norms as specified by SEBI from time to time.
33. There are no Equity Shares against which depository receipts have been issued.
34. As per RBI regulations, OCBs are not allowed to participate in this issue
35. This Issue is being made through Book Built Method.
36. In terms of Rule 19(2)(b)(i) of the Securities Contracts (Regulation) Rules, 1957, as amended, (the SCRR) the Issue is being made for at least 25% of the post-issue paid-up Equity Share capital of our Company. Further, this Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time. No payment, direct or indirect in the nature of discount, commission, allowances or otherwise shall be made either by us or our Promoters to the persons who receive allotments, if any, in this Issue.
37. No person connected with the Issue shall offer any incentive, whether direct or indirect, in the nature of discount, commission, and allowance, or otherwise, whether in cash, kind, services or otherwise, to any Applicant.
38. None of our Promoters and Promoter Group will participate in the Issue.

Our Company shall ensure that transactions in the Equity Shares by the Promoters and the Promoter Group between the date of filing this Prospectus and the Issue Closing Date shall be reported to the Stock Exchange within twenty-four hours of such transaction.

## SECTION VII: PARTICULARS OF THE ISSUE

### OBJECT OF THE ISSUE

The Issue includes a fresh Issue of 24,30,000 Equity Shares at an Issue Price of ₹ 117.00 per Equity Share.

#### FRESH ISSUE

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

(₹ in Lakhs)

Particulars	Amount
Gross Proceeds from the Fresh Issue	2,843.10
Less: Issue related expenses*	281.45
Net Proceeds of the Fresh Issue	2,561.65

\*These expenses do not include any GST chargeable or TDS deductible.

#### REQUIREMENTS OF FUNDS

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

- Setting up of Manufacturing Unit
- Repayment/Prepayment of Certain Debt Facilities availed by our Company
- Expenses towards Registration of Land purchased from Promoter
- General Corporate Purposes

In addition to the aforementioned objects, our Company intends to strengthen its capital base and expects to receive the benefits of listing of the Equity Shares on the Stock Exchange, including among other things, enhancing the visibility of our brand and our Company among our existing and potential customers.

We believe that listing will enhance our corporate image and brand name and create a public market for Equity Share of our Company in India and will further enable us to avail future growth opportunities. Our company specializes in the production of synthetic yarn derived from recycled synthetic fibres, which are manufactured by the company by sourcing the synthetic waste generated by the manufacturers of synthetic fibres worldwide. The main object clause and the ancillary object clause of the Memorandum of Association of our Company enable us to undertake our existing activities and the activities for which we are raising funds through the Issue. The existing activities of our Company are within the object clause of our Memorandum. The Fund requirement and deployment is based on internal management estimates and has not been appraised by any bank and financial institution.

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

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

(₹ in lakhs)

Sr. No.	Particulars	Total Estimated Expenditure	Amount Deployed till Date of Filing this Document	Amount to be utilized from Internal Accruals	Amount to be Financed and deployed from Net Proceeds by the Financial Year ended March 31, 2025
1	Setting up of Manufacturing Unit	2,402.42	297.52	504.90	1,600.00
2	Repayment/Prepayment of Certain Debt Facilities availed by our Company	451.35	0.00	1.35	450.00
3	Expenses towards Registry of Land purchased from Promoter	114.42	0.00	14.42	100.00
4	General Corporate Purposes*	411.65	--	--	411.65
	<b>Total</b>	<b>3,379.84</b>	<b>--</b>	<b>520.67</b>	<b>2,561.65</b>

*\*General Corporate Purpose shall not exceed 25% of the Net Issue Proceeds*

## Means of Finance:

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

*Since the fund requirements set out for the aforesaid Objects of the Issue are proposed to be met entirely from the Net Proceeds and internal accruals. Accordingly, we confirm that we are in compliance with the requirement to make firm arrangements of finance under Regulation 230(1)(e) of the SEBI (ICDR) Regulations, 2018 through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised through the Net Proceeds and existing identifiable internal accruals.*

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

In case of any increase in the actual utilization of funds earmarked for the Objects, such additional funds for a particular activity will be met by way of means available to our Company, including from internal accruals. If the actual utilization towards any of the Objects is lower than the proposed deployment such balance will be used for future growth opportunities including funding existing objects, if required. In case of delays in raising funds from the Issue, our Company may deploy certain amounts towards any of the above-mentioned Objects through an Internal Accruals or Unsecured Loans or a combination of both.

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

For further details on the risks involved in our business plans and executing our business strategies, please see the chapter titled "**Risk Factors**" beginning on page 29 of this Prospectus.

## 1) Setting up of Manufacturing Unit

As an anticipated plan of expansion and tapping the market of textile industry and to expand our manufacturing facilities in order to cater to the increasing demand, our Company intends to set up an additional manufacturing facility at Village Koom Khurd, Jhalan Road, Koom Kalan, Ludhiana- 141126, Punjab. The said property is purchased from Mr. Kunal Arora, Promoter-Director of our company in lieu of Equity shares of our company. For details of transfer and allotment, please refer Chapter titled "**Capital Structure**" beginning on page 66 of this Prospectus.

Setting up of additional manufacturing unit is an initiative of expansion of the current business activity of the company. This will increase the capacity of overall facility, thereby increasing production and increase in revenue. With increase in production, the company will also aim at achieving economies of scale, thereby increasing profit margins.

Our Company intends to make capital expenditure towards construction and civil work and setting up additional plant & machineries on the aforementioned land. We intend to deploy ₹ 1,600.00 Lakhs towards civil construction and purchase of Machineries in order to set up the said facility. We have prepared a cost estimate for executing, designing, supervision and procuring all relevant construction and installation, detailed break-down of the same along with details of the quotation, as applicable, is set forth below:

Sr No.	Vendor Name	Product Description	Amount (₹ in Lakhs)	Quotation details	Validity
1.	Super Machine Works Private Limited	Super RS-1 Rotar Spinning Machine with Automatic Joint	927.02	<b>Proforma Invoice</b> received from M/s. Super Machine Works Private Limited for ₹ 1,093.11 Lakhs	Since order is already placed, there is no

Sr • N o.	Vendor Name	Product Description	Amount (₹ in Lakhs )	Quotation details	Validity
		Spinning		dated 12.02.2024 for which advance payment of ₹ 165 Lakhs is already made.	requirement of any quotation.
2.	Super Machine Works Private Limited	Super D1 Plus with Inbuilt Vacuum Cleaner System, Airjet Cleaner System for Inverter Control Cleaning System	114.21	<b>Proforma Invoice</b> received from M/s. Super Machine Works Private Limited for ₹ 129.34 Lakhs dated 21.02.2024 for which advance payment of ₹ 15 Lakhs is already made.	Since order is already placed, there is no requirement of any quotation.
3.	Lakshmi Machine Works Limited	Blowroom Line Bale Openers	16.44	<b>Proforma Invoice</b> received from M/s. Lakshmi Machine Works Limited for ₹ 427.75 Lakhs dated 12.02.2024 for which advance payment of ₹ 17.30 Lakhs is already made and payment of ₹ 18.91 lakhs is adjusted with earnest money deposit of another vendor.	Since order is already placed, there is no requirement of any quotation.
		Unimix Model LB 7/4	24.66		
		Flexiclean Fan Model LB 5/6	7.61		
		Auto Blend LA 10	56.87		
		Gravitas LA 1	0.87		
		Bend Metal Extractor DIA 350mm	0.67		
		Ventilator Model LA 5/4 with Invertor	1.14		
		Ventilator Model LA 5/4	1.17		
		Ventilator Model LA 5/6	2.92		
		Stationary Condenser LA 2/5	1.52		
		Feed Distributor LA 4/5	1.06		
		Control Panel Blow Room Interlinking Panel	3.82		
		Carding Machine LC 363/OE	183.23		
		Fine Feed LA 7/6	43.64		
		Draw Frame Auto Leveler LDF3 E	45.50		
4.	Neelkanth Textile Industries	Can 40"x48"x3MM	3.02	<b>Quotation</b> received from M/s. Neelkanth Textile Industries for ₹ 64.02 Lakhs dated 14.02.2024 for which advance payment of ₹ 2 Lakhs is already made.	Since <b>advance is paid</b> and the same is validated by bank statement, quotation is not required. Also, Proforma Invoice is also issued
		Can Size 16"x36"x2MM	59.00		
5.	Comibatore Air Control Systems Private Limited	Waste Collection System for Blowroom & Carding line	82.31	<b>Quotation</b> received from Comibatore Air Control Systems Private Limited for ₹ 82.31 Lakhs dated 15.05.2024 having validity of 6 months.	14.11.2024
6.	Comibatore Air Control Systems Private	Humidification System CMH Supply Air Plant	52.93	<b>Quotation</b> received from Comibatore Air Control Systems	Since advance is

Sr No.	Vendor Name	Product Description	Amount (₹ in Lakhs)	Quotation details	Validity
	Limited	with CMH Exhaust Air Plant		Private Limited for ₹ 54.93 Lakhs dated 15.05.2024 for which advance payment of ₹ 2 lakhs is already made.	paid and the same is validated by bank statement, quotation is not required
7.	Premier Evolvics Private Limited	Evenness Tester iQ2	43.28	<b>Proforma Invoice</b> received from M/s. Premier Evolvics Private Limited for ₹ 45.78 Lakhs dated 26.04.2024 for which advance payment of ₹ 2.50 Lakhs is already made.	Since advance is paid and the same is validated by bank statement, quotation is not required
8.	Vetal Hitech Machines Private Limited	Control Panel (8 zone)	1.27	<b>Quotation</b> received from Vetal Hitech Machines Private Limited for ₹ 27.53 Lakhs dated 18.09.2024 having validity of 15 weeks.	31.12.2024
		Metal Extraction Machine	7.65		
		Spark Detactor Dia 220-350 MM	4.25		
		Spark Diverter Dia 220-350 MM	2.42		
		Spark Detactor Dia 375-650 MM	2.17		
		Spark Diverter Dia 375-650 MM	1.40		
		Pneumatic Control Panel	0.47		
		Fire Extraction Machines	6.43		
		Ventilator Fan	1.48		
9.	Arya Engineers & Associates	Energy efficient German made Kaesar Screw Air Compressor	10.90	<b>Quotation</b> received from Arya Engineers & Associates for ₹ 16.50 Lakhs dated 15.05.2024 having validity of 8 months	31.10.2024
		Refrigerator Air Dyer TCH 45	2.61		
		Mico Filter Ke Coalescence Extra F46 KE	0.47		
10.	Swastik Televentures Private Limited	Transformer 1000 KVA	31.86	<b>Proforma Invoice</b> received from M/s. Swastik Televentures Private Limited for ₹ 31.86 Lakhs dated 16.05.2024 with validity of 3 months.	Since order is already placed, there is no requirement of any quotation.
11.	Deol Electrical Works	Main Lt Panel	16.47	<b>Proforma Invoice</b> received from M/s. Deol Electrical Works for ₹ 23.60 Lakhs dated 15.05.2024 with validity of 4 months.	Since order is already placed, there is no requirement of any quotation.
		Distribution Panel (Card + DF Panel)	1.11		
		Distribution Panel (Blow Room Panel)	1.26		
		Distribution Panel (Starter Panel)	4.77		
12	Deol Electrical Works	Cables	28.32	<b>Proforma Invoice</b> received from	Since order

Sr No.	Vendor Name	Product Description	Amount (₹ in Lakhs)	Quotation details	Validity
.		Labour Charges	5.90	M/s. Deol Electrical Works for ₹ 34.22 Lakhs dated 15.05.2024.	is already placed, there is no requirement of any quotation.
13	Roop Construction Co.	Construction of h Plant (Area: 3800 Sq ft 1st Floor, G.F. 2555 Sq ft	96.29	<b>Quotation</b> received from Roop Construction Co. for ₹ 171.10 lakhs dated 19.04.2024 out of which ₹ 74.81 lakhs have been already paid in advance.	Since advance is paid and the same is validated by bank statement, quotation is not required
14	Roop Construction Co.	Shed A 8050sqft x850	80.74	<b>Quotation</b> received from Roop Construction Co. for ₹ 171.10 lakhs dated 11.03.2024 having validity of 4 months.	Since advance is paid and the same is validated by bank statement, quotation is not required
		Shed B (2450sqft X 1050)	30.35		
		RCC Building A (2100 sq ft X1800)	44.60		
		RCC Building B (1400sqft X 1800)	29.74		
		Path/Road (25 X 260= 6500sqft X 180)	13.81		
15	Ocean Trading Company	Hydraulic Bailing Press -75ton	5.31	<b>Quotation</b> received from Ocean Trading Co. for ₹ 5.31 lakhs dated 15.05.2024 having validity of 8 months.	14-01-2025

\*Above estimates are inclusive of GST

Notes:

1. We have considered the above quotations for the budgetary estimate purpose and have not placed orders for them. The actual cost of procurement and actual supplier/dealer may vary.
2. All quotations received from the vendors mentioned above are valid as on the date of this Prospectus. However, except as stated above, we have not entered into any definitive agreements with any of these vendors and there can be no assurance that the same vendors would be engaged to eventually supply the machineries/equipments or at the same costs.
3. 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 equipments) 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, equipments or utilities, as required. Furthermore, if any surplus from the proceeds remains after meeting the total cost of machineries, equipments and utilities for the aforesaid purpose, the same will be used for our general corporate purposes, subject to limit of 25% of the amount raised by our Company through this Issue.
4. We are not acquiring any second-hand machinery.

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.

Further, the new manufacturing unit proposed to be set up from the IPO proceeds shall be used for manufacture of yarn from fibre.

The installed capacity of the unit shall be 7000 kg per day or 7.00 MT per day.

The details of overall installed capacity of yarn manufacturing facility shall be as follows:

Particulars	Installed Capacity
Existing Yarn Manufacturing Unit	4.8 MT/day or 4800 kg per day
Proposed New Manufacturing Unit*	7.0 MT/day or 7000 kg per day
<b>Total</b>	<b>11.8 MT/day or 11,800 kg per day</b>

*\*the capacity of proposed new manufacturing unit of 7MT/day or 7000 kg per day is based on the assumption that we produce the thicker variant of yarn. If the company produces thinner version (based on orders received on real time basis) the time taken will be longer the capacity production per day will decrease down to 5 MT/day or 5000 kg per day.*

### Proposed Schedule of Implementation

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

Particulars	Estimated Month of	
	Commencement	Completion
Order of Plant & Machinery	October 2024	October 2024
Delivery of Machineries	November 2024	December 2024
Installation & Erection of Machineries	December 2024	January 2025
Trial Run and R&D	January 2025	
Commercial Production	March 2025	

*\*Assuming we receive the IPO Proceeds in the month of October 2024.*

## 2) Repayment/Prepayment of Certain Debt Facility availed by our Company

Our Company has entered into various financing arrangements with bank. The loan facilities entered into by our Company include borrowings in the form of term loans and fund-based facilities. For further details, including indicative terms and conditions of such loan facilities, see “**Statement of Financial Indebtedness**” beginning on page 199 of this Prospectus. Our Company proposes to utilise an aggregate amount of ₹ 450.00 Lakh from the Net Proceeds towards full or partial repayment or prepayment of certain borrowing availed by our Company from bank.

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

Given the nature of these borrowings and the terms of repayment, the aggregate outstanding amounts under these loans may vary from time to time and our Company may, in accordance with the relevant repayment schedule, repay or refinance some of its existing borrowings prior to Allotment. Accordingly, our Company may utilise the Net Proceeds for part prepayment of any such refinanced loans or repayment of any additional loan facilities obtained by it. However, the aggregate amount to be utilised from the Net Proceeds towards prepayment or repayment of loans (including refinanced or additional loans availed, if any), in part or full, would not exceed ₹ 450.00 Lakh.

The prepayment or repayment will help reduce our outstanding indebtedness and debt servicing costs, assist us in maintaining a favourable debt to equity ratio and enable utilisation of our internal accruals for further investment in business growth and expansion. In addition, we believe that the leverage capacity of our Company will improve our ability to raise further resources in the future to fund potential business development opportunities and plans to grow and expand our business in the future. The following table provides details of loan availed by our Company as on March 31, 2024 which is proposed to be prepaid or repaid, in full or in part, from the Net Proceeds to the extent of an aggregate amount of ₹ 450.00 Lakhs:

Name of Lender	Date of Sanction	Purpose	Fixed Rate of Interest	Outstanding as on March 31, 2024 (₹ in Lakhs)
Indian Infotech & Software Limited	March 08, 2024	Loan for Capital Expansion	10.00% p.a.	451.35

As certified by M/s. Jay Gupta and Associates, Chartered Accountants, in accordance with Clause 9(A)(2)(b) of Part A of Schedule VI of the SEBI ICDR Regulations, pursuant to their certificate dated July 12, 2024 the above-mentioned loans have been deployed towards the purposes mentioned in the respective loan agreements. In due course of business, due to various operational benefits, our Company may explore possibilities of other banks participating in existing loans either in full or in part, including the loans mentioned above. Some of our financing agreements provide for the levy of prepayment penalties. In the event that there are any prepayment penalties required to be paid under the terms of the relevant financing agreements, such prepayment penalties shall be paid by our Company out of its internal accruals.

### 3) Expenses towards Registry of Land

The expenses towards registration of sale deed for transfer of land from Mr. Kunal Arora to our company for the property below mentioned shall be approximately ₹ 114.42 Lakhs in pursuance to Clause 4 of the “Agreement for Allotment of Shares for Consideration otherwise than Cash” dated February 21, 2024. We intend to deploy the Issue Proceeds to the extent of ₹ 100.00 Lakhs towards such expenses and any cost over and above shall be borne by our company from its internal accruals/ short-term borrowings. The details of such land and expenses thereto is as follows:

Particulars	Details of Land	Value (Amount in ₹ Lakhs)	Estimated Expenses (In ₹ Lakhs)*
<b>Land-1:</b> Village Koom Khurd, Jhalan Road, Koom Kalan, Ludhiana – 141126, Punjab	Land measuring 11647 Sq. Yards comprised in Khasara no. 50/19, 22/1, 18/2/2, 23/1/1, 56/3/1, 4/1/1	815.29	73.38
<b>Land-2:</b> Village Maangarh, H.B.No. 233, Tehsil Sahnewal, Ludhiana- 141126, Punjab	Land measuring 3040 Sq. Yards comprised in Khasara No.22/19, 21, 22, Khata no. 263/313	456.00	41.04
<b>Total</b>		<b>1,271.29</b>	<b>114.42</b>

*\*The registration expenses have been determined as per the prevailing government rates in the jurisdiction where our company is located and the actual expenses may vary upon execution of the same.*

### 4) General Corporate Purpose

Our management will have flexibility to deploy ₹411.65 lakhs, aggregating to 14.48% of the Gross Proceeds towards general corporate purposes, including but not restricted to strategic initiatives, partnerships, joint ventures and strategic entity/ business acquisitions, branding, marketing, new client referral fees meeting exigencies which our Company may face in the ordinary course of business, to renovate and refurbish certain of our existing Company owned/leased and operated facilities or premises, towards brand promotion activities or any other purposes as may be approved by our Board, subject to compliance with the necessary provisions of the Companies Act.

Our management, in accordance with the policies of the Board, will have flexibility in utilizing any amounts for general corporate purposes under the overall guidance and policies of our Board. The quantum of utilization of funds towards any of the purposes will be determined by the Board, based on the amount actually available under this head and the business requirements of our Company, from time to time.

We confirm that any offer related expenses shall not be considered as a part of General Corporate Purpose. Further, we confirm that in terms of Regulation 230(2) of the SEBI ICDR Regulations, the extent of the Net Proceeds according to this Prospectus, proposed to be used for general corporate purposes, shall not exceed 25% of the amount raised by our Company through the Issue of Equity Shares.

### Proposed Year wise Deployment of Funds / Schedule of Implementation

The entire Net Fresh Issue Proceeds are proposed to be deployed in the Financial Year 2024 – 25 and 2025-26.

### Public Issue Expense

The estimated Issue related expenses include Issue Management Fee, Marketing Fee, Underwriting and Selling Commissions, Printing and Distribution Expenses, Legal Fee, Advertisement Expenses, Registrar's Fees, Depository Fee, Listing Fee, etc. The total expenses for this Issue are estimated to be approximately ₹ 281.45 Lakhs. All the Issue related expenses shall be met out of the proceeds of the Issue and the break-up of the same is as follows:

Particulars	Expenses (₹ In Lakh) <sup>(1)</sup>	% of Total Offer Expenses <sup>(1)</sup>	% of Total Offer size <sup>(1)</sup>
Payment to the Lead Managers	28.00	9.95%	0.98%
Underwriting Fees	113.73	40.41%	4.00%
Market Making Fees	123.73	43.96%	4.35%
Fees payable to Registrar to Issue	3.00	1.07%	0.11%
Fees to Legal Advisor	1.75	0.62%	0.06%
Advertisement Expenses	4.50	1.60%	0.16%
Fees payable to Regulators including Stock Exchange	3.00	1.07%	0.11%
Printing & Distribution Expenses	0.75	0.27%	0.03%
Marketing & Selling Expenses	1.00	0.36%	0.04%
Payment to Sponsor Bank	0.50	0.18%	0.02%
Statutory & Other Reports	1.50	0.53%	0.05%
<b>Total</b>	<b>281.45</b>	<b>100.00%</b>	<b>9.90%</b>

<sup>(1)</sup> Will be incorporated at the time of filing of the Prospectus and on determination of Offer Price and other details.

Selling commission payable to the SCSBs on the portion for QIBS, Retail Individual Bidders, Non-Institutional Bidders, which are directly procured by the SCSBs, would be as follows:

Portion for Retail Individual Bidders	0.001% of the Amount Allotted* (plus applicable taxes) or ₹ 50.00 whichever is less on the Applications wherein shares are allotted
Portion for Non-Institutional Bidders	
Portion for QIB	

\*Amount Allotted is the product of the number of Equity Shares Allotted and the Offer Price

No additional processing fees shall be payable to the SCSBs on the applications directly procured by them.

The Selling commission payable to the SCSBs will be determined on the basis of the bidding terminal id as captured in the bid book of National Stock Exchange of India Limited.

Processing fees payable to the SCSBs of ₹ 1.00 per valid application (plus applicable taxes) for processing the Bid cum Application of Retail Individual Bidders, Non-Institutional Bidders and Eligible Employees procured by the Syndicate Member/ Sub-Syndicate Members/ Registered Brokers / RTAs / CDPs and submitted to SCSBs for blocking. In case the total ASBA processing charges payable to SCSBs exceeds ₹ 1.00 lakhs, the amount payable to SCSBs would be proportionately distributed based on the number of valid applications such that the total ASBA processing charges payable does not exceed ₹ 1.00 lakhs.

**For Syndicate (including their Sub-Syndicate Members), RTAs and CDPs**

**Brokerages, selling commission and processing/uploading charges** on the portion for Retail Individual Bidders (using the UPI mechanism), portion for Non-Institutional Bidders and Eligible Employees which are procured by members of Syndicate (including their Sub-Syndicate Members), RTAs and CDPs or for using 3-in-1 type accounts-linked online trading, demat and bank account provided by some of the brokers which are members of Syndicate (including their Sub-Syndicate Members) would be as follows:

Portion for Retail Individual Bidders	0.001% of the Amount Allotted* (plus applicable taxes) or ₹ 50.00 whichever is less on the Applications wherein shares are allotted
Portion for Non-Institutional Bidders	
Portion for QIB	

\*Amount Allotted is the product of the number of Equity Shares Allotted and the Offer Price

The selling commission payable to the Syndicate/ Sub-Syndicate Members will be determined on the basis of the application form number/ series, provided that the application is also bid by the respective Syndicate/ Sub-Syndicate Member. For clarification, if a Syndicate ASBA application on the application form number/ series of a Syndicate/ Sub-

*Syndicate Member, is bid by an SCSB, the selling commission will be payable to the SCSB and not the Syndicate/ Sub-Syndicate Member.*

*The payment of selling commission payable to the sub-brokers/ agents of Sub-Syndicate Members are to be handled directly by the respective Sub-Syndicate Member.*

*The Selling commission payable to the RTAs and CDPs will be determined on the basis of the bidding terminal id as captured in the bid book of National Stock Exchange of India Limited.*

*Uploading charges/ processing charges of ₹ 1.00 valid application (plus applicable taxes) is applicable only in case of Bid uploaded by the members of the Syndicate, RTAs and CDPs: for applications made by Retail Individual Investors using the UPI Mechanism. In case the total processing charges payable under this head exceeds ₹ 1.00 lakhs., the amount payable would be proportionately distributed based on the number of valid applications such that the total processing charges payable does not exceed ₹ 1.00 lakhs.)*

*Uploading charges/processing charges of ₹ 1.00 valid applications (plus applicable taxes) are applicable only in case of Bid uploaded by the members of the Syndicate, RTAs and CDPs: (a) for applications made by Retail Individual Bidders using 3-in-1 type accounts; and (b) for Non-Institutional Bids using Syndicate ASBA mechanism / using 3-in-1 type accounts. (In case the total processing charges payable under this head exceeds ₹ 1.00 lakhs., the amount payable would be proportionately distributed based on the number of valid applications such that the total processing charges payable does not exceed ₹ 1.00 lakhs.*

*The Bidding/uploading charges payable to the Syndicate/ Sub-Syndicate Members, RTAs and CDPs will be determined on the basis of the bidding terminal id as captured in the bid book of National Stock Exchange of India Limited.*

#### **For Registered Brokers:**

*Selling commission payable to the registered brokers on the portion for Retail Individual Bidders and Non-Institutional Bidders which are directly procured by the Registered Brokers and submitted to SCSB for processing would be as follows:*

<i>Portion for Retail Individual Bidders and Non-Institutional Bidders</i>	<i>0.001% of the Amount Allotted* (plus applicable taxes) or ₹ 50.00 whichever is less on the Applications wherein shares are allotted</i>
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*\*Based on valid applications.*

#### **For Sponsor Bank:**

*Processing fees for applications made by Retail Individual Bidders using the UPI mechanism will be ₹ 5.50 per valid Bid cum Application Form\* (plus applicable taxes). The Sponsor Bank shall be responsible for making payments to the third parties such as remitter bank, NPCI and such other parties as required in connection with the performance of its duties under the SEBI Circulars, the Syndicate Agreement and other applicable laws.*

*\* For each valid application*

#### **Appraisal by Appraising Fund**

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

#### **Shortfall of Funds**

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

#### **Bridge Financing Facilities**

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

## **Monitoring Utilization of Funds**

As the size of the Fresh Issue does not exceed ₹10,000 Lakhs, in terms of Regulation 262 of the SEBI (ICDR) Regulations, 2018, our Company is not required to appoint a monitoring agency for the purposes of this Issue. Our Board and Audit Committee shall monitor the utilization of the Net Proceeds.

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

## **Interim Use of Proceeds**

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

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

## **Variation in Objects**

In accordance with Section 27 of the Companies Act, 2013, our Company shall not vary the objects of the Issue without our Company being authorized to do so by the Shareholders by way of a special resolution. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution shall specify the prescribed details as required under the Companies Act and shall be published in accordance with the Companies Act and the rules there under. As per the current provisions of the Companies Act, our Promoters or controlling Shareholders would 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**

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

## **APPROVALS & LICENSES**

The company is expanding its business by constructing a new shed to enhance its manufacturing capacity, the said shed will be constructed at the adjacent land to the existing Factory of the Company. The Company has already obtained a Factory License bearing License Number LDH/N70/00065372 for the existing Factory of the Company. The Company will make an application for amendment in the existing factory license to add the unit of new shed, which shall be done upon construction and assembling of machines in the new unit. The company undertake to modify the Licenses / Approvals that is applicable to the Company for the proposed expansion of the Company.

## BASIS OF ISSUE PRICE

**Investors should read the following summary with the chapter titled “Risk Factors”, the details about our Company under the chapter titled “Our Business” and its financial statements under the chapter titled “Financial Statements as Restated” beginning on pages 29, 110 and 180 respectively of this Prospectus. The trading price of the Equity Shares of Our Company could decline due to these risks and the investor may lose all or part of his investment.**

The Issue Price has been determined by the Company in consultation with the Book Running Lead Manager on the basis of the key business strengths of our Company. The face value of the Equity Shares is ₹10.00 each and the Issue Price is ₹ 117.00 which is 11.7 times of the face value.

### Qualitative Factors

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

1. Use of recycled synthetic waste as raw materials
2. Margin Benefits
3. Custom Solutions
4. Value Addition through Enhanced Spinning Capacity
5. Cost-effective products
6. Tailored solutions
7. Quality assurance
8. Simplified supply chain

For further details, see “**Risk Factors**” and “**Our Business**” beginning on pages 29 and 110 respectively. Some of the information presented in this chapter is derived from the Restated Financial Information. For further information, see “**Financial Information**” beginning on page 180.

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

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

#### As per Restated Financial Statements (Pre-Bonus)

Period	Basic and Diluted EPS (in ₹)	Weight
Period from January 04, 2024 to March 31, 2024 (Non-Annualized)	2,405.05	1

#### As per Restated Financial Statements (Post-Bonus)

Period	Basic and Diluted EPS (in ₹)	Weight
Period from January 04, 2024 to March 31, 2024 (Non-Annualized)	7.86	1

\*Notes:

- i. *Basic and diluted earnings/ (loss) per equity share: Basic and diluted earnings per equity share are computed in accordance with Accounting Standard 20 – “Earnings per Share” issued by the Institute of Chartered Accountants of India.*
- ii. *The ratios have been computed as below:*
  1. *Basic EPS is calculated as Profit/(loss) for the year/period attributable to owners of parent divided by the adjusted weighted average number basic equity shares outstanding during the year/period.*
  2. *Diluted EPS is calculated as Profit/(loss) for the year/period attributable to owners of parent divided by the adjusted weighted average number of adjusted diluted equity shares outstanding during the year/period.*
- iii. *Weighted average number of equity shares is the number of equity shares outstanding at the beginning of the year/period adjusted by the number of equity shares issued during the year/period multiplied by the time weighting factor. The time weighting factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the year/period. For further details, see “Other Financial Information” on page 180.*

**Price/Earning (“P/E”) Ratio in relation to the Price Band of ₹ 111.00 to ₹ 117.00 per Equity Share:**

Particulars	P/E at Floor Price (no. of times)	P/E at Cap Price (no. of times)
<b>Based on Restated Financial Statements</b>		
P/E ratio based on the Basic & Diluted EPS, as restated for FY 2023-24	14.12	14.89
P/E ratio based on the Weighted Average Basic & Diluted EPS, as restated	N.A.	N.A.

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

#### Return on Networth as per Restated Financial Statements

Period	RONW (%)	Weight
Period from January 04, 2024 to March 31, 2024 (Non-Annualized)	11.68	1

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

#### Net Asset Value (NAV) per Equity Share

##### As per Restated Financial Statements – Pre-Bonus

Sr. No.	Particulars	On the basis of Restated Financial Statements (₹)
a)	As on March 31, 2024	20,594.30

##### As per Restated Financial Statements – Post-Bonus

Sr. No.	Particulars	On the basis of Restated Financial Statements (₹)
a)	As on March 31, 2024	67.31
b)	<b>Net Asset Value per Equity Share after the Issue at Issue Price</b>	<b>80.57</b>
c)	<b>Issue Price*</b>	<b>117.00</b>

Notes:

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

For further details, see “Other Financial Information” on page 180.

#### Comparison with Listed Industry Peer:

Since the performance data of our company is available only for 3 months, it cannot be compared to other listed peers in the industry.

#### Key Performance Indicators

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

The KPIs disclosed below have been approved by a resolution of our Audit Committee dated July 12, 2024 and the members of the Audit Committee have verified the details of all KPIs pertaining to our Company. Further, the members of the Audit Committee have confirmed that there are no KPIs pertaining to our Company that have been disclosed to any investors at any point of time during the three years period prior to the date of filing of this Prospectus. Further, the KPIs herein have been certified by Jay Gupta & Associates, Chartered Accountants, by their certificate dated July 12, 2024.

The KPIs of our Company have been disclosed in the sections titled “***Our Business***” and “***Management’s Discussion and Analysis of Financial Condition and Results of Operations – Key Performance Indicators***” on pages 110 and 181 respectively.

Our Company confirms that it shall continue to disclose all the KPIs included in this section on a periodic basis, at least once in a year (or any lesser period as determined by the Board of our Company), for a duration of one year after the date of listing of the Equity Shares on the Stock Exchange or till the complete utilization of the proceeds of the Issue as per the disclosure made in the Objects of the Issue Section, whichever is later or for such other duration as may be required under the SEBI ICDR Regulations.

### Key Performance Indicators of Our Company

(₹ In lakhs)

Key Financial Performance	For the period ended	For the period ended	For the Financial Year ended		
	March 31, 2024	January 03, 2024	March 31, 2023	March 31, 2022	March 31, 2021
	Company	Partnership Firm			
Revenue from operations <sup>(1)</sup>	2,351.15	2,954.72	4,600.08	2,363.32	1,690.50
EBITDA <sup>(2)</sup>	514.43	520.77	610.44	115.75	61.74
EBITDA Margin <sup>(3)</sup>	21.88	17.63	13.27	4.90	3.65
PAT	354.09	278.65	316.14	15.94	15.94
PAT Margin <sup>(4)</sup>	15.06	9.43	6.87	0.67	0.94
Networth <sup>(5)</sup>	3,032.06	1.00	553.77	258.78	237.48
RoE % <sup>(6)</sup>	11.68%	-	-	-	-
RoCE% <sup>(7)</sup>	16.53%	535.20%	70.00%	12.28%	11.33%

#### Notes:

<sup>(1)</sup> Revenue from Operations means the Revenue from Operations as appearing in the Restated Financial Statements

<sup>(2)</sup> EBITDA is calculated as Profit before tax + Depreciation + Interest Expenses - Other Income

<sup>(3)</sup> ‘EBITDA Margin’ is calculated as EBITDA divided by Revenue from Operations

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

<sup>(5)</sup> Networth means the aggregate value of the paid-up share capital and reserves and surplus of the company less deferred tax assets.

<sup>(6)</sup> Return on Equity is ratio of Profit after Tax and Average Shareholder Equity

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

### Explanations for KPI Metrics

KPI	Explanation
Revenue from Operation	Revenue from Operations is used by our management to track the revenue profile of the business and in turn helps to assess the overall financial performance of our Company and volume of our business in key verticals
EBITDA	EBITDA provides information regarding the operational efficiency of the business
EBITDA Margin (%)	EBITDA Margin (%) is an indicator of the operational profitability and financial performance of our business
PAT	Profit after tax provides information regarding the overall profitability of the business
PAT Margin (%)	PAT Margin (%) is an indicator of the overall profitability and financial performance of our business.
Networth	Networth is used by the management to ascertain the total value created by the entity and provides a snapshot of current financial position of the entity.
RoE%	RoE provides how efficiently our Company generates profits from Shareholders’ Funds

KPI	Explanation
RoCE%	ROCE provides how efficiently our Company generates earnings from the capital employed in the business.

### Comparison of key performance of indicators with our listed industry peers:

Since the company has taken over the existing business of M/s. Paramount Dye Tech from Jan 04, 2024, there were no operations for the financial years ended March 31, 2023, 2022 and 2021. Hence, it cannot be compared with results of peers for those periods.

### Weighted Average Cost of Acquisition

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

Except as disclosed below, there has been no issuance of Equity Shares, other than Equity Shares issued pursuant to a bonus issue allotted on June 07, 2024 during the 18 months preceding the date of this 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	No. of equity Shares allotted	Face value per Equity share (₹)	Issue price per Equity share (₹)	Nature of allotment	Nature of consideration	Total Consideration (in ₹ lakhs)
February 28, 2024	5,912	10.00	21,500	Allotment pursuant to conversion of land into equity	Other than cash	1,271.08
February 28, 2024	6,539	10.00	21,500	Allotment pursuant to conversion of loan into equity	Other than cash	1,405.88

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

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

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

Types of transactions	Weighted average cost of acquisition (₹ per Equity Shares)	Floor price (i.e. ₹ 111.00)	Cap price (i.e. ₹ 117.00)
Weighted average cost of acquisition of primary issuance as per paragraph (a) above	21,500	193.69 times	183.76 times
Weighted average cost of acquisition for secondary transaction as per paragraph (b) above	Nil	Nil	Nil

The Company in consultation with the Book Running Lead Manager believes that the Issue Price of ₹ 117.00 per share for the Public Issue is justified in view of the above parameters. Investor should read the above-mentioned information along with the chapter titled “**Risk Factors**” beginning on page 29 of this Prospectus and the financials of our Company including important profitability and return ratios, as set out in the chapter titled “**Financial Statements as Restated**” beginning on page 180 of this Prospectus.

## STATEMENT OF POSSIBLE TAX BENEFITS

To

**The Board of Directors**

**PARAMOUNT DYE TEC LIMITED**

Village Mangarh, Machiwarra Road,

Kohara, Ludhiana - 141112, Punjab, India

Dear Sir,

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

We hereby report that this certificate along with the annexure (hereinafter referred to as "**The Statement**") states the possible special tax benefits available to the Company and the shareholders of the Company under the Income Tax Act, 1961 ('IT Act') (read with Income Tax Rules, Circulars and Notifications) as amended by the Finance Act, 2024 (*proposed*) (i.e. applicable to F.Y. 2024-25 relevant to A.Y. 2025-26) (hereinafter referred to as the "IT Regulations") and under the Goods And Service Tax Act, 2017 (read with Goods And Service Tax[GST] Rules, Circulars and Notifications), presently in force in India. The Statement has been prepared by the management of the Company in connection with the proposed Public Issue, which we have initialed for identification purposes only.

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

The benefits discussed in the enclosed annexure cover only special tax benefits available to the Company and its shareholders and do not cover any general tax benefits available to the Company or its shareholders. Further, the Preparation of enclosed statement and the contents stated therein is not exhaustive and is the responsibility of the Company's management. This statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. A shareholder is advised to consult his/ her/ its own tax consultant with respect to the tax implications arising out of his/her/its participation in the proposed issue, particularly in view of ever-changing tax laws in India. Further, we give no assurance that the income tax authorities/ other indirect tax authorities/courts will concur with our views expressed herein.

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

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

The contents of this annexure are based on information, explanations and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company and the provisions of the tax laws.

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

The following overview is not exhaustive or comprehensive and is not intended to be a substitute for professional advice. Investors are advised to consult their own Tax Consultant with respect to the tax implications of an investment in the

shares particularly in view of the fact that certain recently enacted legislation may not have a direct legal precedent or may have a different interpretation on the benefits, which an investor can avail.

This certificate along with the annexure is provided solely for the purpose of assisting the addressee Company in discharging its responsibility under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 for inclusion in the Draft Red Herring Prospectus/Red Herring Prospectus/Prospectus in connection with the proposed issue of equity shares and is not to be used, referred to or distributed for any other purpose without our written consent.

**For Jay Gupta & Associates,  
(Erstwhile Gupta Agarwal & Associates)  
Chartered Accountants,  
Firm Registration No.: 329001E**

**Sd/-  
Jay Shanker Gupta  
Partner  
Membership No.: 059535  
UDIN: 24059535BKBJAX2744**

**Date: June 25, 2024  
Place: Kolkata**

## **ANNEXURE TO THE STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS AVAILABLE TO PARAMOUNT DYE TEC LIMITED (“THE COMPANY”) AND IT’S SHAREHOLDERS UNDER THE APPLICABLE TAX LAWS IN INDIA**

Outlined below are the possible special tax benefits available to the Company and its shareholders as per the Income tax Act, 1961 (“IT Act”) as amended from time to time and applicable for financial year 2024-25 relevant to assessment year 2025-26 (AY 2025-26) and Indirect Tax Laws as amended from time to time and applicable for financial year 2024-25. It is not exhaustive or comprehensive and is not intended to be a substitute for professional advice. Investors are advised to consult their own tax consultant with respect to the tax implications of an investment in the Equity Shares particularly in view of the fact that certain recently enacted legislation may not have a direct legal precedent or may have a different interpretation on the benefits, which an investor can avail.

### **I. Under the IT Act**

#### **1. Special Tax Benefits to the Company**

There are no Special Tax Benefits available to the Company.

#### **2. Special Tax Benefits available to Shareholders**

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

### **NOTES:**

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

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

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

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

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

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

Deduction under section 35CCD (Expenditure on skill development)

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

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

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

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

## **II. Under the Indirect Tax Laws**

### **3. Special Indirect Tax Benefits available to the Company**

There are no indirect tax benefits available to the Company.

### **4. Special Tax Benefits available to Shareholders**

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

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

#### **NOTES:**

1. All the above benefits are as per the current tax laws and will be available only to the sole / first name holder where the shares are held by joint holders.
2. The above statement covers only certain relevant direct tax law benefits and does not cover any indirect tax law benefits or benefit under any other law.
3. The above statement of possible special tax benefits are as per the current direct tax laws relevant for the F.Y.2024-25 relevant to A.Y. 2025-26.
4. 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.

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

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

**For Jay Gupta & Associates,  
(Erstwhile Gupta Agarwal & Associates)  
Chartered Accountants,  
Firm Registration No.: 329001E**

Sd/-

**Jay Shanker Gupta**  
**Partner**  
**Membership No.: 059535**  
**UDIN: 24059535BKBJAX2744**

**Date: June 25, 2024**  
**Place: Kolkata**

## SECTION VIII: ABOUT THE ISSUER COMPANY

### OUR INDUSTRY

*The information in this section has been extracted from various websites and publicly available documents from various industry sources. The data may have been re-classified by us for the purpose of presentation. Neither we nor any other person connected with the issue has independently verified the information provided in this section. Industry sources and publications, referred to in this section, generally state that the information contained therein has been obtained from sources generally believed to be reliable, but 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.*

### GLOBAL ECONOMY AT LARGE

#### The Global Economy in a Sticky Spot

Global activity and world trade firmed up at the turn of the year, with trade spurred by strong exports from Asia, particularly in the technology sector. First quarter growth surprised on the upside in many countries, although downside surprises in Japan and the United States were notable. In the United States, after a sustained period of strong outperformance, a sharper-than-expected slowdown in growth reflected moderating consumption and a negative contribution from net trade. In Japan, the negative growth surprise stemmed from temporary supply disruptions linked to the shutdown of a major automobile plant in the first quarter. In contrast, shoots of economic recovery materialized in Europe, led by an improvement in services activity. In China, resurgent domestic consumption propelled the positive upside in the first quarter, aided by what looked to be a temporary surge in exports belatedly reconnecting with last year's rise in global demand. These developments have narrowed the output divergences somewhat across economies, as cyclical factors wane and activity becomes better aligned with its potential.

#### Global financial conditions remain accommodative

Although longer-term yields have generally drifted upward, in tandem with the repricing of policy paths, buoyant corporate valuations have kept financial conditions accommodative. The increase in yields is likely to put pressure on fiscal discipline, however, which in some countries is already strained by the inability to rein in spending or raise taxes.

Energy commodity prices are expected to fall by about 4.6 percent in 2024, reflecting elevated oil prices from deep cuts by OPEC+ (the Organization of the Petroleum Exporting Countries, including Russia and other non-OPEC oil exporters) and reduced, but still present, price pressure from the Middle East conflict. Monetary policy rates of major central banks are still expected to decline in the second half of 2024, with divergence in the pace of normalization reflecting varied inflation circumstances.

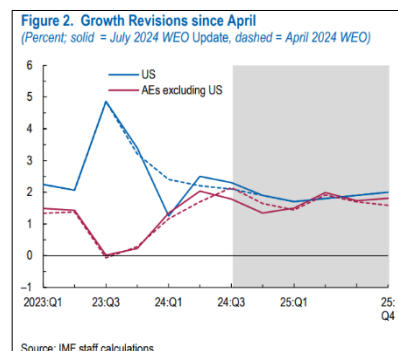
#### Growth is expected to remain stable

At 3.2 percent in 2024 and 3.3 percent in 2025, the forecast for global economic growth is broadly unchanged from that in April. Under the hood, however, offsetting growth revisions have shifted the composition.

Among advanced economies, growth is expected to converge over the coming quarters (Figure 2). In the *United States*, projected growth is revised downward to 2.6 percent in 2024 (0.1 percentage point lower than projected in April), reflecting the slower-than-expected start to the year. Growth is expected to slow to 1.9 percent in 2025 as the labor market cools and consumption moderates, with fiscal policy starting to tighten gradually. By the end of 2025, growth is projected to taper to potential, closing the positive output gap.

In the *euro area*, activity appears to have bottomed out. In line with the April 2024 projection, a modest pickup of 0.9 percent is expected for 2024 (an upward revision of 0.1 percentage point), driven by stronger momentum in services and higher-than-expected net exports in the first half of the year; growth is projected to rise to 1.5 percent in 2025. Continued weaknesses in manufacturing suggest a more sluggish recovery in countries such as *Germany*.

In *Japan*, the strong shunto wage settlement is expected to support a turnaround in private consumption starting in the second half. But the expectation for 2024 growth is revised downward by 0.2 percentage point, with the downward adjustment largely reflecting temporary supply disruptions and weak private investment in the first quarter.



The forecast for growth in emerging market and developing economies is revised upward; the projected increase is powered by stronger activity in Asia, particularly China and India. For *China*, the growth forecast is revised upward to 5 percent in 2024, primarily on account of a rebound in private consumption and strong exports in the first quarter. The forecast for growth in *India* has also been revised upward, to 7.0 percent, this year, with the change reflecting carryover from upward revisions to growth in 2023 and improved prospects for private consumption, particularly in rural areas.

### ***Trade makes a recovery***

World trade growth is expected to recover to about 3¼ percent annually in 2024–25 (from quasi stagnation in 2023) and align with global GDP growth again. The uptick in the first quarter of this year is expected to moderate as manufacturing remains subdued. Although cross border trade restrictions have surged, harming trade between geopolitically distant blocs, the global trade-to-GDP ratio is expected to remain stable in the projection.

### ***Global inflation will continue to decline***

In advanced economies, the revised forecast is for the pace of disinflation to slow in 2024 and 2025. That is because inflation in prices for services is now expected to be more persistent and commodity prices higher. However, the gradual cooling of labor markets, together with an expected decline in energy prices, should bring headline inflation back to target by the end of 2025. Inflation is expected to remain higher in emerging market and developing economies (and to drop more slowly) than in advanced economies. However, partly thanks to falling energy prices, inflation is already close to prepandemic levels for the median emerging market and developing economy.

### **Not Yet in the Clear**

Overall, risks remain balanced, but some near-term risks have gained prominence. These include upside risks to inflation that stem from a lack of progress on services disinflation and price pressures emanating from renewed trade or geopolitical tensions. Risks of persistent inflation in the services sector are tied to both wage and price setting, given that labor accounts for a high share of the costs in that sector. Higher nominal wage growth, which in some cases reflects the catch-up of real wages, if accompanied by weak productivity, could make it difficult for firms to moderate price increases, especially when profit margins are already squeezed. This could lead to further stickiness in wage and price inflation. The escalation of trade tensions could further raise near-term risks to inflation by increasing the cost of imported goods along the supply chain. Bumpiness along the remaining disinflation path could destabilize the return to price stability if short term expectations spike upward as a result of disappointing inflation data.

The risk of elevated inflation has raised the prospects of higher-for-even-longer interest rates, which in turn increases external, fiscal, and financial risks. Prolonged dollar appreciation arising from rate disparities could disrupt capital flows and impede planned monetary policy easing, which could adversely impact growth. Persistently high interest rates could raise borrowing costs further and affect financial stability if fiscal improvements do not offset higher real rates amid lower potential growth.

### **Future-Proofing the Economy**

As output gaps start to close and inflation recedes, policymakers face two tasks: persevering with restoring price stability and addressing the legacies of recent crises, including replenishing lost buffers and durably uplifting growth. In the near term, this will require careful calibration and sequencing of the policy mix. In countries where upside risks to inflation—including those arising through external channels—have materialized, central banks should refrain from easing too early and remain open to further tightening should it become necessary. Where inflation data encouragingly signal a durable return to price stability, monetary policy easing should proceed gradually, which would simultaneously provide room for the required fiscal consolidation to take place. Fiscal slippages over the past year in some countries could require a stance significantly tighter than envisaged. As the space for fiscal maneuver narrows, commitments to achieving fiscal consolidation targets should be earnestly adhered to, aided by sound fiscal frameworks and resource mobilization.

### **Global Financial Stability Update**

- Persistently elevated uncertainty around the inflation outlook has led central banks in major advanced economies to become somewhat more cautious about the pace of policy easing, compared with their positions at the end of the first quarter.
- Emerging market economies have been resilient overall, although the performance of emerging market currencies has varied some.
- Risk assets have appreciated from elevated levels of the first quarter, driven in part by resilient corporates.
- Overall, buoyant corporate valuations have kept financial conditions accommodative.

(Source : <https://www.imf.org/en/Publications/WEO/Issues/2024/07/16/world-economic-outlook-update-july-2024> )

## INDIAN INDUSTRY OVERVIEW

Strong economic growth in the first quarter of FY23 helped India overcome the UK to become the fifth-largest economy after it recovered from the COVID-19 pandemic shock. Nominal GDP or GDP at Current Prices in the year 2023-24 is estimated at Rs. 295.36 lakh crores (US\$ 3.54 trillion), against the First Revised Estimates (FRE) of GDP for the year 2022-23 of Rs. 269.50 lakh crores (US\$ 3.23 trillion). The growth in nominal GDP during 2023-24 is estimated at 9.6% as compared to 14.2% in 2022-23. Strong domestic demand for consumption and investment, along with Government's continued emphasis on capital expenditure are seen as among the key driver of the GDP in the second half of FY24. During the period April-June 2025, India's exports stood at US\$ 109.11 billion, with Engineering Goods (25.35%), Petroleum Products (18.33%) and electronic goods (7.73%) being the top three exported commodity. Rising employment and increasing private consumption, supported by rising consumer sentiment, will support GDP growth in the coming months.



Future capital spending of the government in the economy is expected to be supported by factors such as tax buoyancy, the streamlined tax system with low rates, a thorough assessment and rationalisation of the tariff structure, and the digitization of tax filing. In the medium run, increased capital spending on infrastructure and asset-building projects is set to increase growth multipliers. The contact-based services sector has demonstrated promise to boost growth by unleashing the pent-up demand. The sector's success is being captured by a number of HFIs (High-Frequency Indicators) that are performing well, indicating the beginnings of a comeback.

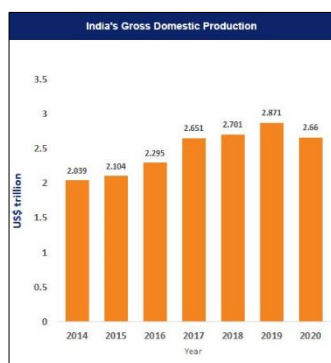
India has emerged as the fastest-growing major economy in the world and is expected to be one of the top three economic powers in the world over the next 10-15 years, backed by its robust democracy and strong partnerships.

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

## MARKET SIZE

Real GDP or GDP at Constant (2011-12) Prices in the year 2023-24 is estimated at Rs. 173.82 lakh crores (US\$ 2.08 trillion), against the First Revised Estimates (FRE) of GDP for the year 2022-23 of Rs. 160.71 lakh crores (US\$ 1.92 trillion). The growth in real GDP during 2023-24 is estimated at 8.2% as compared to 7.0% in 2022-23. There are 113 unicorn startups in India, with a combined valuation of over US\$ 350 billion. As many as 14 tech startups are expected to list in 2024 Fintech sector poised to generate the largest number of future unicorns in India. With India presently has the third-largest unicorn base in the world. The government is also focusing on renewable sources by achieving 40% of its energy from non-fossil sources by 2030. India is committed to achieving the country's ambition of Net Zero Emissions by 2070 through a five-pronged strategy, 'Panchamrit'. Moreover, India ranked 3rd in the renewable energy country attractive index.

According to the McKinsey Global Institute, India needs to boost its rate of employment growth and create 90 million non-farm jobs between 2023 to 2030 in order to increase productivity and economic growth. The net employment rate needs to grow by 1.5% per annum from 2023 to 2030 to achieve 8-8.5% GDP growth between same time periods. India's current account deficit (CAD) narrowed to 0.7% of GDP in FY24. The CAD stood at US\$ 23.2 billion for the 2023-24 compared to US\$ 67.0 billion or 2.0% of GDP in the preceding year. This was largely due to decrease in merchandise trade deficit.



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

## RECENT DEVELOPMENTS

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

- According to HSBC Flash India PMI report, business activity surged in April to its highest level in about 14 years as well as sustained robust demand. The composite index reached 62.2, indicating continuous expansion since August 2021, alongside positive job growth and decreased input inflation, affirming India's status as the fastest-growing major economy.
- As of July 5, 2024, India's foreign exchange reserves stood at US\$ 657.15 billion.
- Merchandise exports in June 2024 stood at US\$ 35.20 billion, with total merchandise exports of US\$ 109.96 billion during the period of April 2024 to June 2024.
- In June 2024, the gross Goods and Services Tax (GST) stood at highest monthly revenue collection at Rs. 1.74 lakh crore (US\$ 20.83 billion) vs Rs. 1.73 lakh crore (US\$ 20.71 billion).
- In May 2024, India saw a total of US\$ 6.9 billion in PE-VC investments.
- India was also named as the 48th most innovative country among the top 50 countries, securing 40th position out of 132 economies in the Global Innovation Index 2023. India rose from 81st position in 2015 to 40th position in 2023. India ranks 3rd position in the global number of scientific publications.
- In 2023, India saw a total of US\$ 49.8 billion in PE-VC investments.
- Between April 2000–March 2024, cumulative FDI equity inflows to India stood at US\$ 97 billion.
- In May 2024, the overall IIP (Index of Industrial Production) stood at 154.2. The Indices of Industrial Production for the mining, manufacturing and electricity sectors stood at 136.5, 149.7 and 229.3, respectively, in May 2024.
- According to data released by the Ministry of Statistics & Programme Implementation (MoSPI), India's Consumer Price Index (CPI) based retail inflation reached 5.08% (Provisional) for June 2024.
- Foreign Institutional Investors (FII) inflows between April-July (2023-24) were close to Rs. 80,500 crore (US\$ 9.67 billion), while Domestic Institutional Investors (DII) sold Rs. 4,500 crore (US\$ 540.56 million) in the same period. As per depository data, Foreign Portfolio Investors (FPIs) invested (US\$ 13.89 billion) in India during January- (up to 15th July) 2024.
- The wheat procurement during Rabi Marketing Season (RMS) 2024-25 (till May) was estimated to be 266 lakh metric tonnes (LMT) and the rice procured in Kharif Marketing Season (KMS) 2024-25 was 400 LMT.

## **GOVERNMENT INITIATIVES**

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

- In February 2024, the Finance Ministry announced the total expenditure in Interim 2024-25 estimated at Rs. 47,65,768 crore (US\$ 571.64 billion) of which total capital expenditure is Rs. 11,11,111 crore (US\$ 133.27 billion).
- On January 22, 2024, Prime Minister Mr. Narendra Modi announced the 'Pradhan Mantri Suryodaya Yojana'. Under this scheme, 1 crore households will receive rooftop solar installations.

- On September 17th, 2023, Prime Minister Mr. Narendra Modi launched the Central Sector Scheme PM-VISHWAKARMA in New Delhi. The new scheme aims to provide recognition and comprehensive support to traditional artisans & craftsmen who work with their hands and basic tools. This initiative is designed to enhance the quality, scale, and reach of their products, as well as to integrate them with MSME value chains.
- On August 6th, 2023, Amrit Bharat Station Scheme was launched to transform and revitalize 1309 railway stations across the nation. This scheme envisages development of stations on a continuous basis with a long-term vision.
- On June 28th, 2023, the Ministry of Environment, Forests, and Climate Change introduced the 'Draft Carbon Credit Trading Scheme, 2023'.
- From April 1st, 2023, Foreign Trade Policy 2023 was unveiled to create an enabling ecosystem to support the philosophy of 'Atma Nirbhar Bharat' and 'Local goes Global'.
- In order to enhance India's manufacturing capabilities by increasing investment and production in the sector, the government of India has introduced the Production Linked Incentive Scheme (PLI) for Pharmaceuticals.
- Prime Minister's Development Initiative for North-East Region (PM-DevINE) was announced in the Union Budget 2022-23 with a financial outlay of Rs. 1,500 crore (US\$ 182.35 million).
- Prime Minister Mr Narendra Modi has inaugurated a new food security scheme for providing free food grains to Antodaya Ann Yojna (AAY) & Primary Household (PHH) beneficiaries, called Pradhan Mantri Garib Kalyan Ann Yojana (PMGKAY) from January 1st, 2023.
- To boost competitiveness, Budget 2022-23 has announced reforming the 16-year-old Special Economic Zone (SEZ) act.
- The Government of India is expected to increase public health spending to 2.5% of the GDP by 2025

## **ROAD AHEAD**

In the second quarter of FY24, the growth momentum of the first quarter was sustained, and high-frequency indicators (HFIs) performed well in July and August of 2023. India's comparatively strong position in the external sector reflects the country's generally positive outlook for economic growth and rising employment rates. India ranked 5th in foreign direct investment inflows among the developed and developing nations listed for the first quarter of 2022.

India's economic story during the first half of the current financial year highlighted the unwavering support the government gave to its capital expenditure, which, in 2023-24, stood 37.4% higher than the same period last year. In the budget of 2023-24, capital expenditure took lead by steeply increasing the capital expenditure outlay by 37.4 % in BE 2023-24 to Rs.10 lakh crore (US\$ 120.12 billion) over Rs. 7.28 lakh crore (US\$ 87.45 billion) in RE 2022-23. The ratio of revenue expenditure to capital outlay increased by 1.2% in the current year, signalling a clear change in favour of higher-quality spending. Stronger revenue generation because of improved tax compliance, increased profitability of the company, and increasing economic activity also contributed to rising capital spending levels. In February 2024, the Finance Ministry announced the total expenditure in Interim 2024-25 estimated at Rs. 47,65,768 crore (US\$ 571.64 billion) of which total capital expenditure is Rs. 11,11,111 crore (US\$ 133.27 billion).

Since India's resilient growth despite the global pandemic, India's exports climbed at the second-highest rate with a year-over-year (YoY) growth of 8.39% in merchandise exports and a 29.82% growth in service exports till April 2023. With a reduction in port congestion, supply networks are being restored. The CPI-C inflation reduction from June 2022 already reflects the impact. In September 2023 (Provisional), CPI-C inflation was 5.02%, down from 7.01% in June 2022. With a proactive set of administrative actions by the government, flexible monetary policy, and a softening of global commodity prices and supply-chain bottlenecks, inflationary pressures in India look to be on the decline overall.

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

## **SPINNING MARKET SIZE & SHARE ANALYSIS - GROWTH TRENDS & FORECASTS (2024-2029)**

The Global Spinning Machinery Market is expected to grow at a CAGR of 4.6% over the forecast period of 2022-2027. The COVID-19 outbreak has compelled government officials to take drastic measures. To prevent the virus from spreading, several emerging and developed countries imposed partial or total lockdowns. Under the lockdown, the manufacture of spinning machinery and the provision of related services were limited to permissible limits.

Spinning machinery is intended to produce yarn from textile fibers, comprising natural, synthetic, or blended fibers. These machines were manufactured during the Industrial Revolution in order to mass-produce cotton textile products. Presently, the spinning machinery setup involves considerable capital investment along with prominent infrastructure, as it includes installing a line of machines with an intention to carry out a series of functions from fiber stage to yarn stage. Major production centers of cotton yarn manufacturing are concentrated in China, India, the U.S., Pakistan, Indonesia, Brazil, Turkey, South Korea, Italy, Egypt, and Japan. Accordingly, the top spinning machinery suppliers focus on catering to these regions.

A macro-level factor driving factor in the spinning machinery market is the rising contribution of the fashion industry to the overall GDP. Another factor driving the technical textiles industry across the globe such as automotive textiles and geotextiles, which demand high-end performance from industrial yarns. A prominent issue facing the industry is that very few new players are involved in manufacturing yarn. New sales that account on the yearly basis are the result of the expansion of plant capacity or replacements of older machines. Accordingly, the buyers of spinning machinery have higher bargaining power.

However, the yarn industry still requires mass production of different types of yarns, and accordingly, manufacturers of spinning machinery are consistently working on innovations in order to cater to customers with better productivity.

### **Spinning Machinery Market Trends**

This section covers the major market trends shaping the Spinning Machinery Market according to our research experts:

#### *Growing Demand of Non-Woven Fabric*

The impact of the COVID-19 pandemic was minimal on the growth of the non-woven fabric market. As governments provided economic packages for SMEs and other benefits, consumers worldwide are now focussing on essential commodities and personal protective equipment. Over the short term, the growing application base in the healthcare and personal care industry, along with increasing demand for electric vehicles, is expected to drive the market studied.

The spun-bond segment dominated the market by technology, and it is also likely to witness the highest CAGR during the forecast period. Asia-Pacific dominated the market across the world, where the demand for non-woven fabric is majorly driven by the increasing application and demand from industries like construction, healthcare, etc.

In India, it is currently estimated that over ~60% of Indian women do not use sanitary care products. This is majorly due to the high amount of population residing in rural areas. With the increase in the penetration rate of sanitary care products, owing to the increasing hygiene precautions, the market for non-wovens in the country is expected to grow rapidly.

In China, the market for feminine products and baby diapers has been growing at a rapid rate due to increasing hygiene-related concerns. The leading diaper manufacturers in the country include Quanzhou Diaborn Hygiene Products Co. Ltd, Chiaus, BBG Sanitary Commodity Limited, AAB China Co. Ltd, InSoft, Yamaza, and Baron China Co. Ltd. Other factors like population growth, increasing aging population, and the COVID-19 outbreak across the world are driving the demand for non-woven fabrics.

Source: <https://www.mordorintelligence.com/industry-reports/global-spinning-machinery-market>)

Non-Woven Fabric Market. Revenue (%). By End User. Global. 2021

Report Attribute	Key Statistics
Base Year	2023
Forecast Years	2024-2032
Historical Years	2018-2023
Market Size in 2023	US\$ 318.8 Million
Market Forecast in 2032	US\$ 418.2 Million
Market Growth Rate 2024-2032	3%

## INDIA TEXTILE RECYCLING MARKET REPORT

The India textile recycling market size reached US\$ 318.8 Million in 2023. Looking forward, IMARC Group expects the market to reach US\$ 418.2 Million by 2032, exhibiting a growth rate (CAGR) of 3% during 2024-2032.

Textile recycling refers to the method of reprocessing and reusing fibrous waste materials, scraps, and old clothes. The most common sources of these materials are carpets, discarded clothes, tires, furniture, footwear, and other non-durable goods like sheets and towels. Textile recycling offers economic and environmental benefits, such as preventing the use of chemical dyes, reducing water and land pollution, and minimizing dependence on virgin fibers. As a result, it finds extensive application in various end-use industries across India.

Rising environmental concerns, in confluence with the escalating demand for recycled textiles to reduce waste incineration, depletion of raw materials and heavy industrial discharges from textile mills, represent one of the primary factors bolstering the market growth in India. Moreover, various recycling companies, along with non-government organizations (NGOs), are undertaking initiatives to promote textile recycling in the country. However, the outbreak of the coronavirus disease (COVID-19) and subsequent lockdown restrictions imposed by the Government of India has halted operations temporarily. The market in the country is anticipated to recover once normalcy is regained.

### Key Market Segmentation:

IMARC Group provides an analysis of the key trends in each sub-segment of the India textile recycling market report, along with forecasts at the country and regional level from 2024-2032. Our report has categorized the market based on product type, textile waste, distribution channel and end use.

(Source: <https://www.imarcgroup.com/india-textile-recycling-market>)

## TEXTILES INDUSTRY IN INDIA

### INTRODUCTION

India's textiles sector is one of the oldest industries in the Indian economy, dating back to several centuries. The industry is extremely varied, with hand-spun and hand-woven textiles sectors at one end of the spectrum, with the capital-intensive sophisticated mills sector at the other end. The fundamental strength of the textile industry in India is its strong production base of a wide range of fibre/yarns from natural fibres like cotton, jute, silk and wool, to synthetic/man-made fibres like polyester, viscose, nylon and acrylic.

The decentralised power looms/ hosiery and knitting sector form the largest component of the textiles sector. The close linkage of textiles industry to agriculture (for raw materials such as cotton) and the ancient culture and traditions of the country in terms of textiles makes it unique in comparison to other industries in the country. India's textiles industry has a capacity to produce a wide variety of products suitable for different market segments, both within India and across the world.

In order to attract private equity and employee more people, the government introduced various schemes such as the Scheme for Integrated Textile Parks (SITP), Technology Upgradation Fund Scheme (TUFS) and Mega Integrated Textile Region and Apparel (MITRA) Park scheme.

## MARKET SIZE

The market for Indian textiles and apparel is projected to grow at a 10% CAGR to reach US\$ 350 billion by 2030. Moreover, India is the world's 3rd largest exporter of Textiles and Apparel. India ranks among the top five global exporters in several textile categories, with exports expected to reach US\$ 100 billion.

The textiles and apparel industry contributes 2.3% to the country's GDP, 13% to industrial production and 12% to exports. The textile industry in India is predicted to double its contribution to the GDP, rising from 2.3% to approximately 5% by the end of this decade.

The Manufacturing of Textiles Index for the month of August 2023 is 106.9 which has shown a growth of 1.6 % as compared to August 2022.

The Indian Technical Textile market has a huge potential of a 10% growth rate, increased penetration level of 9-10% and is the 5th largest technical textiles market in the world. India's sportech industry is estimated around US\$ 1.17 billion in 2022-23.

The Indian Medical Textiles market for drapes and gowns is around US\$ 9.71 billion in 2022 and is expected to grow at 15% to reach US\$ 22.45 billion by 2027.

The Indian composites market is expected to reach an estimated value of US\$ 1.9 billion by 2026 with a CAGR of 16.3% from 2021 to 2026 and the Indian consumption of composite materials will touch 7,68,200 tonnes in 2027.

India is the world's largest producer of cotton. In the first advances, the agriculture ministry projected cotton output for 2023-24 at 31.6 million bales. According to the Cotton Association of India (CAI), the total availability of cotton in the 2023-24 season has been pegged at 34.6 million bales, against 31.1 million bales of domestic demand, including 28 million bales for mills, 1.5 million for small-scale industries, and 1.6 million bales for non-mills. Cotton production in India is projected to reach 7.2 million tonnes (~43 million bales of 170 kg each) by 2030, driven by increasing demand from consumers. It is expected to surpass US\$ 30 billion by 2027, with an estimated 4.6-4.9% share globally.

In 2022-23, the production of fibre in India stood at 2.15 million tonnes. While for yarn, the production stood at 5,185 million kgs during the same period. Natural fibres are regarded as the backbone of the Indian textile industry, which is expected to grow from US\$ 138 billion to US\$ 195 billion by 2025.

India's textile and apparel exports stood at US\$ 20.01 billion in FY24 (April-October). Exports of textiles (RMG of all textiles, cotton yarns/fabs/made-ups/handloom products, man-made yarns/fabs. /made-ups, handicrafts excl. handmade carpets, carpets and jute mfg. including floor coverings) stood at US\$ 12.47 billion in FY24 (April-November).

Exports for 247 technical textile items stood at Rs. 5,946 crore (US\$ 715.48 million) between April-June (2023-24).

India's textiles industry has around 4.5 crore employed workers including 35.22 lakh handloom workers across the country.

## INVESTMENT AND KEY DEVELOPMENT

Total FDI inflows in the textiles sector stood at US\$ 4.34 billion between April 2000-September 2023. The textile sector has witnessed a spurt in investment during the last five years.

- DS Group's luxury menswear division, Brioni inaugurates its first boutique in India in November 2023.
- In November 2023, Reliance Foundation launched the first 'Swadesh' handicrafts store in Hyderabad, aimed at supporting and promoting Indian craftwork.
- Industry bodies to host the largest global mega textiles event, Bharat Tex 2024 from February 26-29, 2024, in New Delhi. According to Union Minister, Mr. Piyush Goyal, Bharat Tex 2024 Expo is a testament to India's commitment to becoming a global textile powerhouse.

- In September 2023, the Khadi and Village Industries Commission signed 3 MoUs to promote Khadi Products.
- In September 2023, Grasim Industries plans to open nearly 120 retail stores over the upcoming 2 years, by expanding its footprint in smaller cities and towns.
- In September 2023, Reliance Retail Ventures Ltd. (RRVL) announced the acquisition of Ed-a-Mamma for a 51% stake.
- In September 2023, Shadowfax inaugurated a 1.5 lakh sq. ft. fulfilment centre in Surat with 10 lakh orders per day processing capacity.
- In August 2023, the Ministry of Textiles approved 26 engineering institutions for the introduction of Technical Textiles under the National Technical Textiles Mission.
- In July 2023, PM MITRA Park, Amravati expected to attract investment of Rs. 10,000 crore (US\$ 1.20 billion) and create employment for 300,000 individuals.
- In May 2023, an investment of around Rs. 6,850 crore (US\$ 824.25 million) is expected in the PM MITRA Park in Madhya Pradesh and Rs. 8,675 crore (US\$1.04 billion) in other parts of the state.
- In May 2023, Aditya Birla Fashion and Retail Ltd. announced the acquisition of TCNS Clothing with a deal size of US\$ 198.54 million.



## GOVERNMENT INITIATIVES

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

Other initiatives taken by the Government of India are:

- Mr. Piyush Goyal also discussed the roadmap to achieve the target of US\$ 250 billion in textiles production and US\$ 100 billion in exports by 2030.
- In July 2023, 43 new implementing partners were empanelled under the SAMARTH scheme and an additional target of training around 75,000 beneficiaries has been allocated.
- 1,83,844 beneficiaries trained across 1,880 centres under Samarth.
- In June 2023, the Government approved R&D projects worth US\$ 7.4 million (Rs. 61.09 crore) in the textile sector.
- In February 2023, the union government approved 1,000 acres for setting up a textile park in Lucknow.
- In February 2023, according to the Union Budget 2023-24, the total allocation for the textile sector was Rs. 4,389.24 crore (US\$ 536.4 million). Out of this, Rs. 900 crore (US\$ 109.99 million) is for Amended Technology Upgradation Fund Scheme (ATUFS), Rs. 450 crore (US\$ 54.99 million) for National Technical Textiles Mission, and Rs. 60 crore (US\$ 7.33 million) for Integrated Processing Development Scheme.
- In December 2022, a total of 44 R&D projects were started, and 23 of them were successfully completed. 9777 people were trained in a variety of activities relating to the silk industry.
- In December 2022, a total of US\$ 75.74 million (Rs. 621.41 crore) in subsidies was distributed in 3,159 cases under the Amended Technology Upgradation Fund Scheme, with special campaigns held in significant clusters to settle backlog cases.
- In December 2022, a total of 73,919 people (SC: 18,194, ST: 8,877, and Women: 64,352) have received training, out of which 38,823 have received placement under SAMARTH.
- The establishment of 7 (seven) PM Mega Integrated Textile Region and Apparel (PM MITRA) Parks with a total investment of US\$ 541.82 million (Rs. 4,445 crore) for the years up to 2027–28 was approved by the government.

- In the academic year 2022–23, the opening of a new campus of the National Institute of Fashion Technology (NIFT) in Daman. Moreover, new campus buildings are being constructed in Bhopal and Srinagar.

## ROAD AHEAD

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

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

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

The technical textiles market for automotive textiles is projected to increase to US\$ 3.7 billion by 2027, from US\$ 2.4 billion in 2020. Similarly, the industrial textiles market is likely to increase at an 8% CAGR from US\$ 2 billion in 2020 to US\$ 3.3 billion in 2027. The overall Indian textiles market is expected to be worth more than US\$ 209 billion by 2029.

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

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



## MANUFACTURING SECTOR IN INDIA

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

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

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

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

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

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

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

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

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

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

India's mobile phone manufacturing industry anticipates creating 150,000 to 250,000 direct and indirect jobs within the next 12-16 months, driven by government incentives, and increased global demand. Major players like Apple and its contract manufacturers, along with Dixon Technologies, are expanding their workforce to meet growing production needs.

## MARKET SIZE

Manufacturing exports have registered their highest ever annual exports of US\$ 447.46 billion with 6.03% growth during FY23 surpassing the previous year (FY22) record exports of US\$ 422 billion. By 2030, Indian middle class is expected to have the second-largest share in global consumption at 17%.

India's gross value added (GVA) at current prices was estimated at US\$ 770.08 billion as per the quarterly estimates of the first quarter of FY24.

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

India has potential to become a global manufacturing hub and by 2030, it can add more than US\$ 500 billion annually to the global economy. As per the economic survey reports, estimated employment in manufacturing sector in India was 5.7 crore in 2017-18, 6.12 crore in 2018-19 which was further increased to 6.24 crore in 2019-20. India's display panel market is estimated to grow from ~US\$ 7 billion in 2021 to US\$ 15 billion in 2025.

The manufacturing GVA at current prices was estimated at US\$ 110.48 billion in the first quarter of FY24.

## INVESTMENT

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

- According to the Department for Promotion of Industry and Internal Trade (DPIIT), India received a total foreign direct investment (FDI) inflow of US\$ 48.03 billion in FY23.
- Between April 2000-December 2023:
  - The automobile sector received FDI inflows of US\$ 35.65 billion.
  - The chemical manufacturing sector (excluding fertilisers) received FDI inflows worth US\$ 22.07 billion.
  - The drug and pharmaceutical manufacturing sector received FDI inflows worth US\$ 22.37 billion.
  - The Food Processing Industries received FDI inflows worth US\$ 12.46 billion.
- India's manufacturing sector activity continued to expand in November 2023, with the S&P Global Purchasing Managers' Index (PMI) reaching 56.
- During the financial year 2022-23, around 1.39 crore net members were added by EPFO with an increase of 13.22% compared to the previous financial year 2021-22 wherein EPFO had added approximately 1.22 crore net members.

- In February 2024, the Manufacturing Purchasing Managers' Index (PMI) in India stood at 56.9.
- In FY23, the Manufacturing Purchasing Managers' Index (PMI) in India stood at 55.6.
- For the month of January 2024, the Quick Estimates of Index of Industrial Production (IIP) with base 2011-12 stands at 153.0. The Indices of Industrial Production for the Mining, Manufacturing and Electricity sectors for the month of January 2024 stand at 144.1, 150.1 and 197.1, respectively.
- The Index of Industrial Production (IIP) from April-January 2024 stood at 143.4.
- The combined index of eight core industries stood at 150.3 for April-November 2023 against 139.4 for April-November 2022.
- The cumulative index of eight core industries increased by 8.6% during April-October 2023-24 over the corresponding period of the previous year.
- India's manufacturing sector, driven by pharmaceuticals, motor vehicles, and cement, demonstrated resilience despite weak global demand in July-August 2023. PMI remained robust, reflecting domestic economic strength. Capacity utilization in manufacturing trended upwards, signalling positive investment prospects. RBI MPC maintained policy repo rate to control inflation.
- At the aggregate level, the capacity utilization (CU) in the manufacturing sector increased to 74.0% in Q2:2023-24 from 73.6% in the previous quarter.
- In FY23, the export of the top 6 major commodities (Engineering goods, Petroleum products, Gems and Jewellery, Organic and Inorganic chemicals, and Drugs and Pharmaceuticals) stood at US\$ 295.21 billion.
- India's overall exports during the April-February period of 2023-24 are estimated to be US\$ 709.81 billion, reflecting a marginal positive growth of 0.83% over the April-February period of 2022-23. In February 2024 alone, exports stood at US\$ 73.55 billion, showing a growth of 14.20% compared to the same month in the previous year.
- The Employees' Provident Fund Organization (EPFO) added 8.41 lakh people in December 2023.
- The latest payroll data shows a significant increase in female workforce participation. Out of 8.41 lakh new members, around 2.09 lakh are female, the highest in three months. This marks a 7.57% increase from November 2023. Additionally, the net female member addition stood at approximately 2.90 lakh, up by about 3.54% from the previous month.
- Amazon Inc's cloud computing division, Amazon Web Services, became the latest company to invest in India. The company has planned to invest US\$ 13 billion (over Rs 1 lakh crore) in India by 2030 to build its cloud infrastructure and create thousands of jobs.
- On February 29, 2024, India approved the construction of three semiconductor plants with investments exceeding US\$ 15 billion. These plants aim to establish India as a major chip hub, with Tata Electronics, Tata Semiconductor Assembly and Test Private Limited, and CG Power spearheading the projects in Gujarat and Assam. This initiative aligns with India's goal to bolster its semiconductor ecosystem and create numerous advanced technology jobs.



## GOVERNMENT INITIATIVES

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

- In the Interim Union Budget 2024-2025:
  - In the interim budget 2024, the allocation for the Production Linked Incentive (PLI) Scheme for various sectors saw a substantial increase, with notable examples including a 360% rise to Rs 6,903 crore (US\$ 830 million)

for the Semiconductors and Display Manufacturing Ecosystem and a 623% surge to Rs 3,500 crore (US\$ 421 million) for the Automobile sector.

- In the interim budget 2024, there was commendable fiscal responsibility demonstrated alongside significant investments in infrastructure, including emphasis on affordable housing, clean energy, and technological advancement. Additionally, the budget allocated funds for the creation of a Rs 1-lakh crore (US\$ 12 billion) innovation fund for sunrise domains, providing a substantial boost for the startup industry. Moreover, there was a notable focus on promoting the shift to electric vehicles (EV) through the expansion of EV charging networks, thereby offering opportunities for small vendors in manufacturing and maintenance.
- In the Interim Union Budget 2024-25, the Ministry of Defence has been allocated Rs. 621,541 crore (US\$ 74.78 billion), marking a significant increase of approximately 4.72% from the previous allocation of Rs. 593,538 crore (US\$ 71.41 billion).
- Under the Skill India mission, Pradhan Mantri Kaushal Vikas Yojana (PMKVY) has trained over 1.40 crore candidates since 2015, as per Skill India Digital data until December 13, 2023. Notably, in the Short-term Training (STT) program, 42% of certified candidates found placement opportunities, with 24.39 lakh candidates successfully placed out of 57.42 lakh certified.
- In the Union Budget 2023-24:
  - Startups incorporated within a time-period and meeting other conditions can deduct up to 100% of their profits; the end of this period has been extended from March 31, 2023, to March 31, 2024. In addition, the period within which losses of startups may be carried forward has been extended from seven to ten years.
  - As per the Union Budget 2023 – 24, the income tax rate for new co-operative societies engaged in manufacturing activities has been lowered from 22% to 15% (plus 10% surcharge).
  - The upper limit on turnover for MSMEs to be eligible for presumptive taxation has been raised from Rs. 2 crore (US\$ 2,43,044) to Rs. 3 crore (US\$ 3,64,528). The upper limit on gross receipts for professionals eligible for presumptive taxation has been raised from Rs. 50 lakh (US\$ 60,754) to Rs. 75 lakh (US\$ 91,132).
  - Expenditure on fertilizer subsidy is estimated at Rs. 1,75,100 crore (US\$ 21.2 billion) in 2023-24. This is a decrease of Rs. 50,120 crore (US\$ 6.09 billion) (22.3%) from the revised estimate of 2022-23. Fertilizer subsidy for 2022-23 was increased substantially in response to a sharp increase in international prices of raw materials used in the manufacturing of fertilizers.
  - The Centre will facilitate one crore farmers to adopt natural farming. For this, 10,000 Bio-Input Resource Centres will be set-up, creating a national-level distributed micro-fertilizer and pesticide manufacturing network.
  - To avoid cascading of taxes on blended compressed natural gas, excise duty on GST-paid compressed biogas contained in it has been exempted from excise duty. Customs duty exemption has been extended to import of capital goods and machinery required for manufacture of lithium-ion cells for batteries used in electric vehicles.
  - To further deepen domestic value addition in manufacture of mobile phones, the finance minister announced relief in customs duty on import of certain parts and inputs like camera lens. The concessional duty on lithium-ion cells for batteries will continue for another year. Basic customs duty on parts of open cells of TV panels has been reduced to 2.5%. The Budget also proposes changes in the basic customs duty to rectify inversion of duty structure and encourage manufacturing of electrical kitchen chimneys.
  - Basic customs duty on seeds used in the manufacture of Lab Grown Diamonds has also been reduced.
- Ministry of Defence has set a target of achieving a turnover of US\$ 25 million in aerospace and defence Manufacturing by 2025, which includes US\$ 5 billion exports. Till October 2022, a total of 595 Industrial Licences have been issued to 366 companies operating in Defence Sector.
- A new category of capital procurement 'Buy {Indian-IDD (Indigenously Designed, Developed and Manufactured)}' has been introduced in Defence Procurement Procedure (DPP)-2016
- By 2030, the Indian government expects the electronics manufacturing sector to be worth US\$ 300 billion.

- Initiatives like Make in India, Digital India and Startup India have given the much-needed thrust to the Electronics System Design and Manufacturing (ESDM) sector in India.
- Moreover, the government's endeavours such as Modified Special Incentive Scheme (M-SIPS), Electronics Manufacturing Clusters, Electronics Development Fund and National Policy on Electronics 2019 (NPE 2019) have been a huge success.
- The Scheme for Promotion of Manufacturing of Electronic Components and Semiconductors (SPECs) has been notified with an aim to strengthen the value chain for the manufacturing of electronic products in India.
- In the Union Budget 2022-23:
  - Ministry of Defence was allocated Rs. 525,166 crore (US\$ 67.66 billion)
  - The government allocated Rs. 2,403 crore (US\$ 315 million) for Promotion of Electronics and IT Hardware Manufacturing.
- The PLI for semiconductor manufacturing is set at Rs. 760 billion (US\$ 9.71 billion), with the goal of making India one of the world's major producers of this crucial component.
- The government approved a PLI scheme for 16 plants for key starting materials (KSMs)/drug intermediates and active pharmaceutical ingredients (APIs). The establishment of these 16 plants would result in a total investment of Rs. 348.70 crore (US\$ 47.01 million) and generation of ~3,042 jobs. The commercial development of these plants is expected to begin by April 2023.

## ROAD AHEAD

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

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

**References:** Central Statistics Office, FICCI, Economic Survey of India, DPIIT, Media sources, Ministry of Skill Development and Entrepreneurship, Economic Survey 2022-23, Union Budget 2023-24, Press Information Bureau, News Articles

(Source: <https://www.ibef.org/industry/manufacturing-sector-india> )

## OUR BUSINESS

The following information is qualified in its entirety by, and should be read together with, the detailed financial and other information included in this Prospectus, including the information contained in the section titled “**Risk Factors**”, beginning on page 29 of this Prospectus.

This section should be read in conjunction with, and is qualified in its entirety by, the detailed information about our Company and its financial statements, including the notes thereto, in the section titled “**Risk Factors**”, “**Financial Statement**” beginning on page 29 and 180 respectively, of this Prospectus.

Unless otherwise stated or the context otherwise requires, in relation to business operations, in this section of this Prospectus, all references to “we”, “us”, “our” and “our Company” are to “Paramount Dye Tec Limited”. Unless otherwise stated or the context otherwise requires, the financial information used in this section is derived from our Restated Financial Statements.

### OVERVIEW OF OUR BUSINESS

We, ‘PD TL’ are a Ludhiana, Punjab-based company, specializing in the manufacturing of yarns by recycling waste synthetic fiber (recycling synthetic waste), serving the B2B segment of the textile industry. We offer a range of products including synthetic fiber and yarns which includes acrylic yarn, polyester yarn, nylon yarn, wool yarn, hand-knitting yarn and acrylic blend yarn with quality, finer impact, and lasting excellence.

At PD TL, we utilize synthetic waste fibers as our primary raw material, transforming them into quality yarn. This process not only enhances industry sustainability but also boosts economic efficiency. Our commitment to environmental responsibility and economic benefits is evident through our innovative approach. Through continuous R&D, we have developed advanced technology to recycle pre-consumer waste into premium yarn and fiber. This capability allows us to meet the growing demand for sustainable and circular fashion, solidifying our market presence.

We operate from our manufacturing facility located in Village Mangarh & Village Koom Khurd, Punjab. This facility is equipped with advanced processing capabilities and staffed with industry experts. We prioritize quality assurance through rigorous testing of both raw materials and finished goods, ensuring adherence to the highest standards.

As an ISO 9001:2015 and Good Manufacturing Practice (GMP) certified organization, we adhere to a robust Quality Management System. Our dedication lies in providing work of such quality that aligns with project standards and specifications for materials, workmanship, schedules, and public service. We are committed to profitability and competitiveness while ensuring continual improvement through quality processes overseen by our management team. Our quality control process guarantees high standards of safety and environmental protection, meeting client expectations and adhering to their defined standards and specifications.

Spearheading our company's strategic direction and operational oversight are Mr. Kunal Arora & Ms. Palki Arora, the Promoters who are dedicated to steering the company towards sustainable success through comprehensive leadership and management which is the guiding force behind all the strategic decisions of our Company. Their industry knowledge and understanding also gives us the key competitive advantage enabling us to expand our customer presence in existing as well as target markets, while exploring new growth avenues.

**Our Mission:** To maximize the shareholder wealth by becoming pioneer in the field of recycling synthetic waste fibers to manufacture yarns which are at par in quality and standards with that of the Virgin Fibers while ensuring consistent quality and low operating costs for a competitive edge.

**Our Vision:** To emerge as a premier manufacturer of synthetic textiles, producing globally recognized products, prioritizing customer satisfaction through rigorous quality assurance, while fostering ongoing innovation.

Our company has established itself as a key player in the winter apparel market by producing quality yarns specifically designed for products such as caps, gloves, mufflers, and thermal innerwear. This specialization has enabled us to build a strong reputation for reliability and excellence. However, to diversify our product range and reduce the seasonal dependency of our business, we have undertaken a comprehensive upgrade of our machinery and production processes.

This upgrade will enable us to manufacture yarns suitable for summer season products, transforming our business into an all-season operation and ensuring consistent revenue streams throughout the year. The upgrade stems from our commitment to meet the evolving demands of the market. With this upgrade, we will expand our product portfolio to include yarns consisting blends of acrylic cotton, cotton polyester, polyester viscose and acrylic suitable for heavy GSM

t-shirts, shorts, polos, and lowers. This strategic expansion will not only broaden our market reach but also enhance our ability to serve a diverse range of customers, from SMEs to high-fashion multinational companies. By catering to both winter and summer apparel manufacturers, we will mitigate the risks associated with seasonality and establish a more stable and diversified revenue base.

We have been operating in the textile industry since our inception, with a strong focus on synthetic fibers and threads. Initially established as a partnership, our early activities predominantly revolved around trading synthetic fibers and threads, along with a limited scope of manufacturing lower-quality synthetic wastes and fibers.

During our formative years, we prioritized trading, which allowed us to establish a solid foothold in the market. Despite the initial emphasis on trade, we gradually expanded and refined our manufacturing capabilities. Over time, we invested in enhancing production processes and improving the quality of our synthetic products.

As we evolved, we maintained a balanced approach by continuing to leverage trading opportunities. This strategic decision enabled us to maximize profits and capitalize on market dynamics, ensuring sustained growth and profitability.

Our commitment to trade has been a consistent and integral aspect of our business strategy, allowing us to adapt to changing market conditions and maintain a competitive edge.

Thus, our journey from early days of trading and limited manufacturing to our current state of enhanced production capabilities demonstrates our ability to adapt and thrive in the textile industry. Our comprehensive involvement in trade and consistent improvement in manufacturing have been pivotal to our success and continued relevance in the market.

Main focus of our Company is to expand manufacturing unit, however, in order to maintain old relations with our customers, or in case we receive any bulk order, we deal into trading activity rationally.

In case if we have surplus raw material, we may allocate such products into trading business. Currently, we majorly trade acrylic cloth along with other products such as Blended Yarn, Nylon, Polyester Yarns including Acrylic Yarn. Also, we have traded into Knitted cloth and Raw wool as per the requirement of the market and customers.

The same can be better explained from the below mentioned table:

(₹ In lakhs)

Particulars	For the Period ended		For the Financial Year ended		
	March 31, 2024	Jan 03, 2024	March 31, 2023	March 31, 2022	March 31, 2021
	Company		Partnership Firm		
Manufacturing	1,663.76	1,615.74	2,126.83	686.94	395.77
Manufacturing as a % of Sales	77.56	55.29	46.66	29.53	23.41
Trading	481.38	1,306.59	2,430.90	1,639.10	1,294.73
Trading as a % of Sales	22.44	44.71	53.34	70.47	76.59
<b>Total</b>	<b>2,145.14</b>	<b>2,922.33</b>	<b>4,557.73</b>	<b>2,326.04</b>	<b>1,690.50</b>
<b>Total %</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>

## OUR CLIENTELE

Our current clientele consists of SME manufacturers who use our yarn to produce a variety of quality products, including gloves, mufflers, and thermal wear.

The State Wise Breakup of Our Revenue is as follows:

(₹ In lakhs)

Particulars	For the Period Ended on	For the Period Ended on	For financial year ended on		
	March 31, 2024	January 03, 2024	March 31, 2023	March 31, 2022	March 31, 2021
	Company		Partnership Firm		
Punjab	2,145.14	2,922.32	4,557.72	2,326.04	1,690.50
<b>Total</b>	<b>2,145.14</b>	<b>2,922.32</b>	<b>4,557.72</b>	<b>2,326.04</b>	<b>1,690.50</b>

**Bifurcation of revenue from trading and manufacturing:**

(₹ In lakhs)

Particulars	For the Period Ended on	For the Period Ended on	For financial year ended on		
	March 31, 2024	January 03, 2024	March 31, 2023	March 31, 2022	March 31, 2021
	Company	Partnership Firm			
Trading	481.38	1,306.59	1,937.71	1,639.10	1,294.73
Manufacturing	1,663.76	1,615.74	2,126.83	686.94	395.77
<b>Total</b>	<b>2145.14</b>	<b>2,922.33</b>	<b>4,064.54</b>	<b>2,326.04</b>	<b>1,690.50</b>

#### Bifurcation of raw materials procured locally and internationally

(₹ In lakhs)

Particulars	For the Period Ended on	For the Period Ended on	For financial year ended on		
	March 31, 2024	January 03, 2024	March 31, 2023	March 31, 2022	March 31, 2021
	Company	Partnership Firm			
Domestic (In Rupees)	1816.37	3376.41	3747.64	2172.17	1479.76
Domestic (%)	100 %	100 %	100 %	93.34%	90.64%
International (In Rupees)	Nil	Nil	Nil	155.19	152.91
International (%)	0.00%	0.00%	0.00%	6.66%	9.36%
<b>Total</b>	<b>1816.37</b>	<b>3376.41</b>	<b>3747.64</b>	<b>2327.36</b>	<b>1632.67</b>

#### OUR JOURNEY

##### ➤ Established (2014)

- Initially established as a partnership firm in the name and style of “M/s. Paramount Dye Tec” on January 01, 2014.
- Initially, we focused on manufacturing and trading basic fibers for products such as cushions, blankets, carpets, and mats.

##### ➤ Expansion (2018)

- Observed steady growth in business

##### ➤ Recycling of Waste Fiber (2022-2023)

- Began recycling synthetic waste to make recycled fibers.
- Used these recycled fibers to manufacture yarn, the quality of which was at par with the yarns manufactured from the virgin fibers.
- This breakthrough in recycling was a monumental step for our company's future.

##### ➤ Achievements (2022-2023)

- Achieved a turnover of more than ₹ 45.00 crores for the Financial Year 2022-23.
- Set up of a spinning unit to use the fibers from the recycling plant.
- The yarns manufactured from recycled synthetic fibers were further used in production of thermal wear, undergarments, and clothing etc.
- Further saw a steep increase in sales of this recycled yarn for the year 2023-24.

##### ➤ Conversion (2024)

- M/s. Paramount Dye Tec was thereafter converted from Partnership Firm to a Public Limited Company under Part I chapter XXI of the Companies Act, 2013 with the name and style of “Paramount Dye Tec Limited”.

## KEY PERFORMANCE INDICATORS OF OUR COMPANY

(₹ In lakhs)

Key Financial Performance	For the period ended	For the period ended	For the Financial Year ended		
	March 31, 2024	January 03, 2024	March 31, 2023	March 31, 2022	March 31, 2021
	Company		Partnership Firm		
Revenue from operations <sup>(1)</sup>	2,351.15	2,954.72	4,600.08	2,363.32	1,690.50
EBITDA <sup>(2)</sup>	514.43	520.77	610.44	115.75	61.74
EBITDA Margin <sup>(3)</sup>	21.88	17.63	13.27	4.90	3.65
PAT	354.09	278.65	316.14	15.94	15.94
PAT Margin <sup>(4)</sup>	15.06	9.43	6.87	0.67	0.94
Networth <sup>(5)</sup>	3,032.06	1.00	553.77	258.78	237.48
RoE % <sup>(6)</sup>	11.68%	-	-	-	-
RoCE% <sup>(7)</sup>	16.53%	535.20%	70.00%	12.28%	11.33%

Notes:

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

(2) EBITDA is calculated as Profit before tax + Depreciation + Interest Expenses - Other Income

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

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

(5) Networth means the aggregate value of the paid-up share capital and reserves and surplus of the company less deferred tax assets.

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

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

## OUR PRODUCTS

### SYNTHETIC FIBERS:

Acrylic fiber, a synthetic fiber derived from polymers, is renowned for its durability and versatility, providing a cost-effective and sustainable alternative to natural fibers. Made primarily from acrylonitrile, acrylic fibers are soft, lightweight, durable, and retain their shape and color after washing. The term "acrylic" refers to fibers with a chemical base of acrylonitrile, comprising 35-85% of the fiber. The unique properties of acrylic fibers are attributed to the minor components blended with the acrylonitrile.

We manufacture recycled synthetic fiber at our Unit 1 facility in Village Mangarh. Our raw material consists of waste produced by manufacturers of virgin synthetic fibers, sourced both internationally and locally. While this waste is often used in India to produce inferior quality goods, PDTL procures it from local vendors and traders, processing it further to create high-quality recycled synthetic fiber.

The yarns produced from our recycling process are commonly used in sweaters, caps, gloves, mufflers, and socks. These yarns offer durability, warmth, and a soft feel, while their synthetic nature makes them resistant to shrinkage and wrinkling, ensuring longevity and easy maintenance.

### YARNS

Yarns are long, continuous strands of interlocked fibers that are used in the production of textiles, such as fabrics, knitting, weaving, and sewing. They are made from a variety of natural or synthetic fibers and are an essential component in creating different types of clothing and household items.

We at PDDL manufacture various types of yarns at Unit 2 at Village Koom Khurd, Punjab.

Following is the breakdown of yarn produced with recycled synthetic fiber manufactured at Unit 1:



#### ➤ Acrylic Yarns:

Acrylic yarns are synthetic fibers known for their softness, warmth, and colorfastness. They closely mimic the properties of wool but are typically more affordable and easier to care for. Acrylic yarns are widely used in knitwear, blankets, home decor items, and accessories. They offer versatility in terms of color, texture, and weight, making them suitable for a wide range of projects and designs.

#### ➤ Polyester Yarns:

Polyester yarns are synthetic fibers known for their strength, durability, and resistance to stretching and shrinking. They are commonly used in apparel, home furnishings, and industrial applications. Polyester yarns offer excellent color retention and are quick drying, making them suitable for outdoor and active wear. They can also be blended with other fibers to enhance their performance characteristics.

#### ➤ Wool yarns:

Wool yarns are renowned for their natural warmth, softness, and versatility. Our wool yarns provide quality and durability for all your textile needs. Wool yarns are widely used in knitwear, blankets, and home decor projects. They are breathable and moisture-wicking, providing comfort in any season.

#### ➤ Hand Knitting Yarn:

Hand knitting yarns are meticulously crafted to meet the needs of artisans and hobbyists, providing materials for creating handmade knitted items.

We manufacture the below stated yarns, with counts ranging from 4NM to 32NM. These yarns offer versatility and flexibility for various knitting projects. A higher ply count typically results in a thicker yarn, while a lower ply count indicates a finer yarn.



- 2-Ply Yarn: Two strands of yarn are twisted together to form a single strand. These two strands can be of the same material and color or different, depending on the desired characteristics of the final yarn.

Features: 2-ply yarn tends to be finer and lighter compared to higher ply counts. It is commonly used for delicate and lightweight knitted items such as scarves, shawls, and lacework. Due to its lighter weight, it may require more stitches or rows to achieve the desired size or thickness in a project.

- 4-Ply Yarn: Four strands of yarn are twisted together to form a single, thicker strand. Similar to 2-ply yarn, these strands can be uniform or varied in material and color.

Features: 4-ply yarn is thicker and more robust compared to 2-ply yarn, making it suitable for heavier and warmer knitted items such as sweaters, blankets, and hats. It provides more structure and density to knitted fabric, resulting in garments with better insulation and durability. While it may be heavier than 2-ply yarn, it often requires fewer stitches or rows to achieve the desired size or thickness in a project due to its thicker nature.

Therefore, having options ranging from 4NM to 32NM allows our customers to choose the appropriate yarn thickness based on their specific knitting or crafting needs. Whether in dyed or raw white forms, we ensure diverse options to cater to unique preferences and design requirements.

## ➤ Acrylic Blend Yarns

Seamlessly blending strength and softness, acrylic blend yarns provide versatile options for creating premium textiles. Whether for knitting, crocheting, or weaving, these yarns offer a harmonious balance of durability and comfort, catering to a wide range of creative pursuits and skill levels. We offer Ply ranging from single to 4-ply acrylic blend yarns, ensuring there's a suitable option for every project. The acrylic blend yarns come in various materials, including Acrylic Wool, Acrylic Polyester, Acrylic Blend Yarn NM 240, Acrylic Nylon, and 100% Nylon, providing a diverse palette for artisans and manufacturers to explore and express their creativity. Customized yarn refers to yarn that is tailored to specific requirements or preferences, such as color, texture, weight, or performance characteristics. This may involve blending different fibers, adjusting spinning techniques, or incorporating special additives or treatments. Customized yarns allow for greater flexibility and creativity in textile design and production, enabling manufacturers to meet the unique needs of their customers or create innovative products for niche markets.



Following is the breakdown of acrylic blend yarn included in your company's collection:

- **Acrylic Wool:** Acrylic wool is a blend of acrylic fiber and wool, combining the best qualities of both materials. Acrylic provides durability, colorfastness, and resistance to stretching and shrinking, while wool contributes warmth, softness, and moisture-wicking properties. The blend results in a yarn that is easy to care for, retains its shape well, and offers excellent insulation. Acrylic wool yarns are known for their soft hand-feel, lightweight nature, and versatility, making them suitable for a wide range of knitting and crocheting projects, including sweaters, scarves, hats, and blankets.
- **Acrylic Polyester:** Acrylic polyester yarn blends acrylic fiber with polyester, combining the benefits of both materials. Acrylic provides softness, warmth, and vibrant color options, while polyester adds strength, durability, and resistance to wrinkles and fading. The blend results in a yarn that is easy to care for, retains its shape, and offers excellent color retention. Acrylic polyester yarns are often used in projects where durability and colorfastness are essential, such as outerwear, upholstery, and accessories.
- **Acrylic Nylon:** Acrylic nylon yarn blends acrylic fiber with nylon, offering a combination of softness, durability, and strength. Acrylic provides softness, warmth, and vibrant color options, while nylon adds durability, resilience, and abrasion resistance. The blend results in a yarn that is both soft and strong, making it suitable for a variety of projects, including socks, sweaters, hats, and gloves. Acrylic nylon yarns are known for their stretchiness, resilience, and ability to retain their shape over time.

## ➤ Nylon Yarns

We trade quality nylon yarns, ensuring exceptional strength, durability, and elasticity. Although these yarns are not manufactured in-house, we integrate them seamlessly into our business process. Our nylon yarns are used for a variety of applications, including apparel, upholstery, and industrial materials, offering excellent abrasion resistance and moisture-wicking properties.

The Product Wise Breakup of Our Revenue is as follows:

### Manufacturing Activity

(₹ In lakhs)

Products	For the Period ended	For the Period ended	For financial year ended on		
	March 31, 2024	January 03, 2024	March 31, 2023	March 31, 2022	March 31, 2021
	Company	Partnership Firm			
Acrylic Yarn	1,599.51	421.72	1,290.65	565.66	359.58
Polyster Yarn	2.85	578.78	352.14	0	0
Nylon Yarn	-	365.35	484.05	121.28	36.19
Wool Yarns	61.40	249.9	-	-	-
<b>Total</b>	<b>1,663.76</b>	<b>1,615.74</b>	<b>2,126.83</b>	<b>686.94</b>	<b>395.77</b>

## Trading Activity

(₹ In lakhs)

Products	For the Period ended	For the Period ended	For Financial Year ended		
	March 31, 2024	January 03, 2024	March 31, 2023	March 31, 2022	March 31, 2021
	Company	Partnership Firm			
Blended Yarn	57.34	0	0	0	11.11
Knitted Cloth	-	236.00	794.86	1,546.53	501.71
Nylon Yarn	0	253.17	514.65	0	0
Polyester Yarn	12.91	271.35	902.28	21.53	3.63
Cloth	-	-	-	-	7.03
Raw Wool	-	-	-	71.04	-
Acrylic Yarn	411.13	546.07	219.10	0	771.24
<b>Total</b>	<b>481.38</b>	<b>1,306.59</b>	<b>2,430.90</b>	<b>1,639.10</b>	<b>1,294.73</b>

## OUR MANUFACTURING PROCESS

Our process ensures delivery of quality yarns to our clients. It begins with procuring raw material sourcing, where we procure synthetic fiber waste as our raw materials from local vendors/traders. Utilizing technology, we process these materials, ensuring the production of quality fiber. The Raw Material for the same is the waste produced by the manufacturers of the virgin synthetic fibres. This waste is generated internationally and locally and is procured and utilised in India by various Manufacturers to produce inferior quality goods. In an endeavour to source the product locally the PDTL procures this raw material from these local vendors/traders and then further processes the same to produce the Recycled synthetic Fiber. Throughout the process, quality control measures are implemented, with checks at each stage of yarn production, testing for strength, durability, and other parameters. The result is a diverse range of high-quality yarns ready for distribution.

### A. FIBERS:



#### 1. Opening & Sorting:

Raw material arrives in bales or packages and needs to be opened to prepare them for further processing. Our workers initiate the sorting process by segregating them based into different grades such as textile, hosiery and on basis of color. The fibers are then opened and detangled to bring uniformity in texture making it easier to handle in subsequent processing stages. Once the waste is opened, they are sorted based on various criteria such as grade, color, fineness, or quality. Sorting is performed manually by our workers.

## 2. Crimping:

For staple fibers to be spun into yarn, they must have a waviness, or crimp, similar to that of Virgin Synthetic Fiber. This is introduced mechanically by passing the filament between gear like rolls. Crimping introduces intentional waves or crinkles into the fibers, elevating their texture and resilience to meet the diverse demands of various applications, ranging from textiles, carpet and hosiery grade. With a keen focus on enhancing the fibers' properties like elasticity and bulkiness, our technicians utilize our crimping machinery and techniques to achieve precise results. By carefully controlling the crimping process, we ensure that the fibers attain optimal characteristics essential for their intended end-use like imparting softness and comfort in clothing fabrics.

## 3. Auto Clave Structuring:

The annealing process for polymer setting is a crucial step to enhance the physical properties of the polymer, such as its strength, elasticity, and thermal stability. This process involves heating the polymer to a specific temperature, maintaining that temperature for a certain period, and then gradually cooling it down.

Steps in the Annealing Process:

### i. Annealing (Heat Setting):

- **Heating:** The drawn fibers are heated to a specific temperature, which is below the melting point of the polymer but high enough to allow for molecular mobility.
- **Retention:** The fibers are maintained at this elevated temperature for a specific period. The time can range from a few minutes to several hours, depending on the type of polymer and desired properties.
- **Cooling:** After the retention process, the fibers are gradually cooled down to room temperature. This slow cooling process is essential to relieve internal stresses and to ensure the fibers attain the desired crystalline structure.

It relieves internal stresses accumulated during drawing and stretching, promoting the growth of crystalline regions that enhance the polymer's dimensional stability and mechanical properties. This process improves the thermal stability of the fibers, making them more resistant to high temperatures. Effective process control and monitoring during annealing are utmost to our business operations. We employ systems with precise temperature sensors to ensure optimal temperature control throughout the process. Our time control measures guarantee that fibers are adequately developed for the desired properties without risk of degradation. Furthermore, we meticulously manage the cooling rate to prevent internal stresses and maintain a uniform crystalline structure, ensuring the highest quality in our final products.

We not only enhance the mechanical properties of the fiber but also improve their overall performance in end products. Our team of experts oversees every aspect of the annealing process, adhering to strict quality standards to ensure that the fibers attain the desired characteristics essential for their intended applications.

## 4. Hydro Extracting:

Following the annealing process of fiber, the next crucial step involves removing excess water by using hydro-extraction machine. By swiftly removing excess water post-annealing, it accelerates subsequent drying stages, enhancing overall production speed. Moreover, the decreased water content not only translates to energy savings during drying but also upholds fiber integrity, ensuring a high-quality end product.

## 5. Separating in Tow Opener:

After removing the excess water from the material, it often becomes tangled. The tow opener is used to help untangle this material. This machine works by gently separating the fibers, making them easier to manage. The goal is to transform the tangled mass into smooth, even layers of fibers. This step is essential to ensure the fibers are ready for the next stages of processing, like cutting and spinning into yarns.

## 6. Hot Air Drying:

The utilization of specialized drying machines, known as hot air dryers, stands as a basis for efficiency and quality. Following processes like hydro-extraction to remove excess water from the fibers, these dryers play a key role in expediting drying times significantly and enhancing the overall production compared to traditional air-drying methods. With controlled temperature and airflow, these machines ensure uniform drying of the waste, thus maintaining consistent product quality throughout. By removing moisture, we not only improve the handling and processing characteristics of

the fibers but also minimize the risk of microbial growth or degradation during storage and transportation. Furthermore, the product is shrunk, which involves controlling the shrinkage to predetermined levels, ensuring the final product meets quality standards. By stabilizing the dimensions of the fibers, we mitigate the risk of subsequent changes during processing or use, ensuring consistent product quality. Additionally, the relaxation of fibers during shrinking enhances their mechanical properties, including strength and elasticity, bolstering the durability of our textiles. Furthermore, properly shrunk fibers present a smoother and more uniform appearance, elevating the overall quality of our finished textile products.

## 7. Cutting in Desired Lengths:

The cutting of fibers is a critical step in textile manufacturing, where fibers are trimmed to specific lengths to meet desired product requirements. It guarantees precision and consistency in fiber length, which is crucial for maintaining product quality and performance standards. This precision ensures that each fiber meets the desired specifications, leading to uniformity across the final product. Additionally, semi-automated cutting processes enhance efficiency and minimize material waste. Moreover, cutting machines are versatile tools that can be adapted to accommodate a wide range of fiber types and lengths, making them suitable for various textile manufacturing applications.

Process of Cutting Fibers After Shrinking:

### i. Loading into Cutting Machine:

The prepared fibers are either manually fed into the cutting machine or loaded through an automated feeding system.

### ii. Cutting Mechanism:

Various cutting mechanisms are employed to trim the fibers to the desired length. Common cutting methods include rotary blades, guillotine blades, or laser cutting, depending on the fiber type and application. The cutting mechanism ensures precise and uniform cuts across the fibers.

### iii. Length Adjustment:

The cutting machine allows for adjustment of cutting lengths to meet specific product requirements. This involves programming the machine for automated length control based on predetermined parameters.

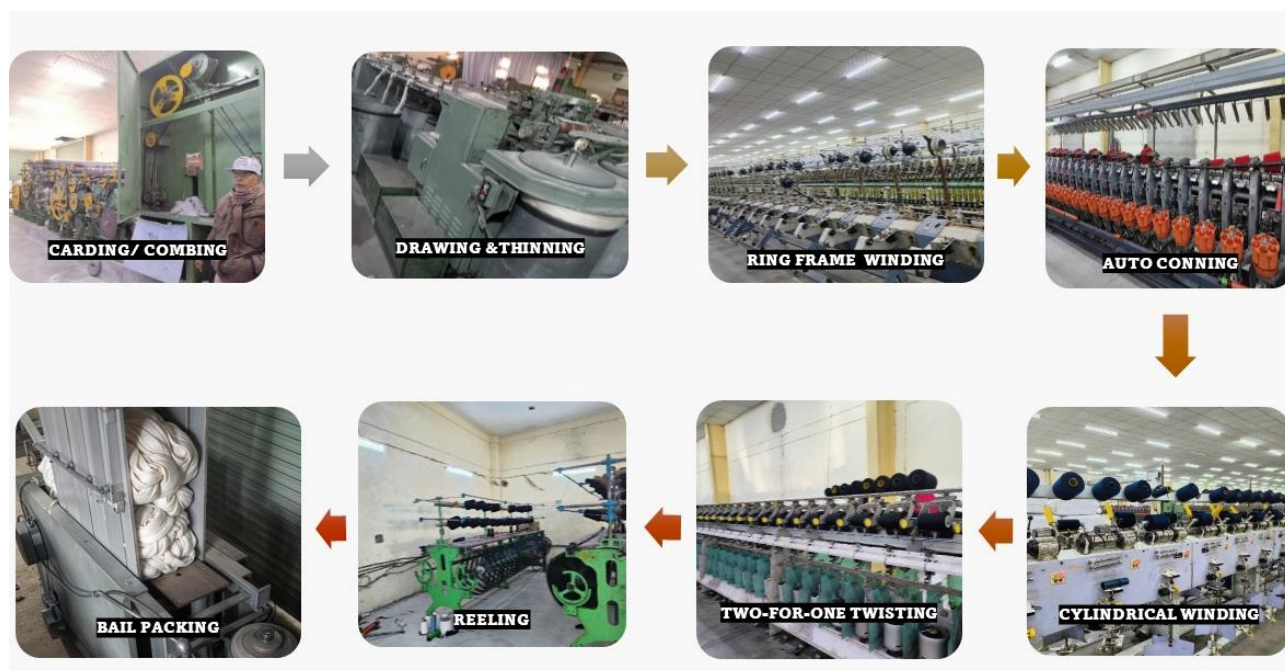
## 8. Bale Packing:

Bale packing of fiber is the process of compressing and packaging fibers into large bales for storage, transportation, or further processing. By reducing the volume of fibers, it enhances space efficiency, facilitating more streamlined storage and transportation. Additionally, baled fibers are shielded from environmental factors like moisture, dust, and pests, ensuring their integrity during transit and storage. The convenience of handling bales compared to loose fibers simplifies loading, unloading, and storage operations. Furthermore, bale packing guarantees uniformity and consistency in fiber quality and quantity, aiding in inventory management and production planning.

Process of Bale Packing of Fiber:

- i. **Compression:** Once the fibers are prepared, they are fed into a baling machine. Inside the baling machine, the fibers are compressed using mechanical pressure. The compression process squeezes the fibers tightly together, reducing their volume and increasing their density.
- ii. **Bale Formation:** As the fibers are compressed, they are formed into rectangular bales. The size and weight of the bales can vary depending upon various factors such as fiber type, density requirements, and transportation logistics.
- iii. **Binding:** To hold the compressed fibers together and preventing them from unravelling, binding materials such as plastic straps, wire ties, or baling twine are used. These binding materials are wrapped around the bale at regular intervals to secure it tightly.
- iv. **Labelling and Identification:** Each bale is typically labelled with relevant information such as fiber type, bale weight, production date, and manufacturer details. This labelling helps to track and identify the bales throughout the supply chain.
- v. **Storage or spinning process:** Once packed and labelled, the bales are ready for storage in warehouses or sent for further manufacturing for the spinning process to be converted into yarn.

## B. YARNS:



### 1. Carding/Combing the Fiber:

Carding is a crucial stage in converting fibers to yarn, transforming mixed and layered fibers into a continuous web or sliver. It disentangles fiber flocks into individual fibers, cleans impurities, reduces neps, removes short fibers, blends different fibers, and aligns them properly. The process starts with feeding fibers into the carding machine using a hopper or conveyor. The taker-in roller opens and further disentangles the fibers while removing larger impurities and short fibers. The main cylinder then combs and straightens the fibers using fine wire points. The doffer roller collects the carded fibers from the main cylinder, forming them into a thin, uniform web. This web is condensed into a rope-like strand called a sliver through a funnel or rollers. Finally, the sliver is coiled into large cans for easy handling and transport to the next processing stage, ensuring it remains untangled and ready for further use.

### 2. Drawing and Thinning

The draw frame process aims to blend the fibers thoroughly, straightening and parallelizing them to ensure an evenness in the sliver. It begins by feeding multiple slivers from the carding machine into the draw frame. These slivers are combined through a process called doubling, which enhances fiber blending and reduces irregularities. The combined sliver then passes through pairs of rollers that draft the fibers, reducing thickness and aligning them more parallel. Modern draw frames use auto-levelling systems to monitor and adjust the draft, ensuring uniform sliver thickness. After drafting, the sliver is delivered through a condenser to form a cohesive strand, which is then coiled into cans for the next stage of spinning. This process significantly improves fiber alignment and consistency, resulting in higher-quality yarn production.

### 3. Rubbing Finisher:

Rubbing finishers are typically designed with rotating rollers or brushes that come into contact with the fibers as they pass through the machine. The pressure, speed, and other operating parameters can be adjusted to achieve the desired level of cleaning, straightening, and finishing. It is used for cleaning, straightening, and finishing fibers. It helps in removing the impurities like dirt, dust, oil, and others that may be present on the surface, aligning the fibers, and improving their texture and appearance. This is essential for ensuring the quality and purity of the fibers.

### 4. Ring frame:

The ring frame is a crucial machine in the spinning process that converts roving into yarn by imparting the necessary twist to hold the fibers together. The process begins by feeding roving from the speed frame into the ring frame, where it passes through a drafting system of rollers that thin and elongate the fibers, ensuring alignment and even distribution. After drafting, the fibers enter the twisting zone, where the ring frame's spindle imparts the required twist, enhancing the yarn's

strength, flexibility, and appearance. The twisted yarn is then wound onto a bobbin, guided by the ring traveller, which ensures even winding and prevents breakage. This process operates continuously, seamlessly feeding, drafting, twisting, and winding yarn onto bobbins, producing yarn ready for further processing, weaving, or knitting.

#### 5. Auto conning for large cone:

The auto coner is a crucial machine in the textile industry, converting bobbin yarns into larger, knotless packages, maintaining optimal humidity and temperature levels. This process enhances subsequent textile operations like weaving and knitting by improving efficiency and quality. The auto coner process involves four main zones: unwinding, tension, clearing, and winding. Bobbins loaded with yarn are fed into the machine, where the yarn is smoothly unwound and automatically joined using a splicing mechanism to create knotless packages. A tension device ensures proper tension for uniform package density, while an electronic yarn clearer detects and removes imperfections. The cleared and joined yarn is then wound onto larger cones or cheeses, producing precise and uniform packages ready for further textile processing.

#### 6. Cheese Winder/Cylindrical winding:

The cheese winder plays a crucial role in textile manufacturing by combining two single yarns into a double yarn package, enhancing strength and durability for various applications. The process begins by feeding two single yarns from separate bobbins into the machine. Guiding and tension control mechanisms ensure consistent feeding of both yarns at the same tension and speed. The yarn is then brought together and wound simultaneously onto a cheese or cylindrical package, aligning them precisely to create a single, double-strength yarn. The winding process is carefully controlled to ensure even winding with the correct tension and density. Additionally, many cheese winders feature automatic stop mechanisms to halt the machine in case of yarn breakage or bobbin depletion, preventing wastage and ensuring continuous, high-quality output.

#### 7. The TFO (Two-for-One) twisting process

The TFO (Two-for-One) twisting process is an advanced technique in textile manufacturing used to twist double yarns, enhancing their strength, uniformity, and quality for various textile applications. It starts by feeding the double yarn, typically from a cheese package or bobbin, into the TFO twisting machine. The yarn passes through guides and tension control devices to ensure consistent feeding and proper tension. The machine employs a unique spindle design to twist two yarns simultaneously at high speed, doubling twisting efficiency. Twist insertion occurs as the yarn is rotated around its axis and wound onto a bobbin, with the number of twists per unit length adjusted as needed. Finally, the twisted yarn is wound uniformly onto a take-up package or bobbin, ensuring consistent tension and quality throughout the process.

#### 8. Reeling into large spools/packages, Heat Setting, and Converting

Reeling involves winding yarn into hanks or leas, which are lengths of yarn coiled in a figure-eight pattern for easy unwinding and further processing. The process starts with feeding yarn from bobbins or cones onto the reeling machine. Tension is carefully controlled using tensioning devices to prevent breakage and ensure uniform winding. The reeling speed is adjusted based on the yarn type and desired hank size, synchronizing the reeling frame's rotation speed with the yarn feed rate. Yarn is wound onto the reeling frame in a figure-eight pattern to maintain structure and prevent tangling. A counting mechanism measures the length of yarn wound, ensuring consistent hank sizes. Once the desired length is reached, the yarn is tied off to secure the hank, preventing unravelling during handling and transport. This process is essential for storage, transportation, and further processing of yarns.

Heat setting after reeling is crucial for stabilizing yarn and enhancing its properties, particularly for synthetic and blended yarns. The process starts with preparing the yarn, usually in hanks, by winding it onto carriers for uniform heat treatment. The yarn is pre-heated to remove residual moisture, ensuring even heat distribution. Controlled heat exposure then expands the fibers, creating bulk and air gaps, which improve insulation properties, essential for thermal efficiency in applications like winter wear. After heat setting, the yarn is gradually cooled to lock in the new bulk and structural properties. Finally, the yarn may undergo post-treatments, such as washing or conditioning, to remove any residual chemicals and further stabilize its qualities.

Converting yarn from hank to cone is essential after the heat setting process to prepare the yarn for further textile processing, such as weaving, knitting, or dyeing. After heat setting, the yarn in hank form is conditioned to remove any residual stress or moisture, ensuring optimal quality for winding. The conditioned hanks are then carefully mounted onto a hank winding machine to prevent tangling or damage. The primary step involves winding the yarn from the hank onto a cone using the winding machine, resulting in yarn that is ready for subsequent textile processes. This conversion ensures the yarn is in a convenient and usable form for the next stages of manufacturing.

#### 9. Packaging:

Packaging in yarn manufacturing involves weighing and packing finished yarn into bags to meet specific weight requirements, ensuring consistency and accurately measuring the quantities for customers. The process begins with a final quality check to ensure that the yarn meets all specifications and is defect-free. The yarn is then weighed, either manually or using automated machines, to ensure precise amounts. Prepared bags are labelled with details like yarn type, weight, color, and batch number for traceability. The weighed yarn is filled into these bags accurately, either manually or through automated systems, and then sealed using heat sealers, sewing machines, or adhesive tapes to protect against dirt, moisture, and damage. Labels and barcodes are affixed for product information and efficient tracking. Finally, the packed yarn is stored in a warehouse under proper conditions until it is shipped to customers.

## OUR COMPETITIVE STRENGTHS

- Use of recycled synthetic waste as raw materials

We use recycled synthetic waste from local and international suppliers. Our recycling process helps in filling the gap in material use, promoting environmental responsibility and economic benefits. Through constant research and development, we've developed technology to produce high-quality yarn and fiber from various types of waste. This meets the growing demand for sustainable and circular clothing. Our innovative technology turns waste into virgin fiber, then into yarn, all at affordable prices. This technology, unique to us, gives us an advantage. Our technical know-how ensures efficient, eco-friendly production that maintains high quality while reducing waste.

- Margin Benefits

A key advantage is the substantial margin benefit derived from our cost-efficient production methods. By converting waste into usable fiber and yarn, we achieve cost benefit compared to competitors. This competitive pricing allows us to offer high-quality products at more affordable rates, enhancing our market position and appeal. The cost savings not only improve profitability but also provide customers with economically advantageous solutions without compromising on quality.

- Custom Solutions

Our flexibility and innovation help us in meeting diverse customer needs. Our company can process different materials like polyester, acrylic, and wool yarns to create custom yarn solutions for specific requirements. We also provide blended yarns based on our customers' preferences. This adaptability allows us to serve various market segments, from fashion textiles to industrial applications. By offering tailored solutions, we build customer relationships.

- Value Addition through Enhanced Spinning Capacity

Increasing the spinning capacity to convert fiber into yarn is a strategic move that incurs minimal additional expenses that significantly boosts profitability. We maximize the use of in-house produced fiber to manufacture yarn, ensuring efficient resource utilization. This value addition not only enhances product quality but also optimizes production costs. As a result, can offer competitively priced, high-quality yarn while increasing our profit margins.

- Cost-effective products

We offer cost-effective products that provide exceptional value to clients. By optimizing our manufacturing processes and supply chain management, we are able to offer competitive pricing without compromising on quality. This allows our clients to reduce their production costs while still obtaining high-quality materials for their textile products.

- Tailored solutions

We understand that every client has unique requirements and preferences. Hence, we prioritize providing tailored solutions to ensure that our clients receive products that precisely meet their needs. Our team works closely with clients to understand their specifications and preferences, allowing us to customize our products accordingly. Whether it's specific fiber blends, yarn thicknesses, or color preferences, we strive to deliver exactly what our clients are looking for.

- Quality assurance:

We are an ISO 9001:2015 and Good Manufacturing Process (GMP) certified company. We implement quality checks throughout the production process to ensure that our products meet the highest standards of quality and performance. This

focus on quality assurance helps us deliver consistently high-quality products, reducing defects and rejections for our customers.

- Simplified supply chain:

By manufacturing both fiber and yarn, we offer a one-stop solution to streamline the supply chain for our clients. Instead of dealing with multiple suppliers for different materials, clients can rely on us for all their fiber and yarn needs. This simplifies procurement processes, reduces lead times, and ensures consistency and compatibility across materials. By providing a comprehensive range of products under one roof, we offer convenience and efficiency to our clients while maintaining the highest standards of quality and reliability.

## OUR BUSINESS STRATEGY

- Venturing into new market using cotton cloth cutting

We are initiating the use of cotton cloth cuttings to venture into new markets. Our process begins with recycling waste from cotton cloth cuttings to produce cotton fiber and yarn. In the next step, we blend this recycled cotton with recycled polyester fiber, creating high-quality yarn suitable for knitting. The yarn we manufacture from this process has diverse applications, including T-shirts, full-sleeve shirts, bed sheets, denim, cushion covers, and more.

This strategy offers several significant advantages:

- The yarn can be dyed into any shade.
- We guarantee a consistent ratio of cotton and polyester.
- We effectively utilize waste from cotton spinning plants.
- Our products are economically priced compared to virgin yarns, enhancing their appeal in the market.
- Increasing manufacturing capacity:

We aim to enhance our production capabilities to meet the growing demand and to capitalize on market opportunities. This involves investing in capital expenditure to upgrade yarn manufacturing facilities. Additionally, we aim to prioritize research and development (R&D) initiatives to develop finer quality yarn and fiber, thereby adding greater value to our product offerings. By increasing manufacturing capacity, we intend to strengthen our market position and provide better service for our customers' needs.

We recognize the importance of expanding our sales and distribution channels to reach new markets and customers. The company will implement sales and distribution methods, leveraging digital platforms and e-commerce to broaden its market reach. By enhancing our distribution network, we aim to access new growth opportunities, increase market penetration, and effectively serve diverse customer segments. This strategy will allow us to better meet customer needs, improve delivery efficiency, and strengthen our competitive position in the acrylic fiber and yarn industry.

## SWOT ANALYSIS OF OUR COMPANY

STRENGTHS	WEAKNESSES
<ul style="list-style-type: none"> <li>• Strong Manufacturing Capabilities:  Advanced technology and modern machinery for high-quality production and skilled workforce with expertise in acrylic fiber and yarn manufacturing.</li> <li>• Product Quality:  High-quality, durable, and versatile products suitable for various applications keeping in mind the compliance with international quality standards (e.g., ISO).</li> <li>• Cost Advantages:</li> </ul>	<ul style="list-style-type: none"> <li>• Dependence on Raw Material Imports:  Reliance on imported raw materials can lead to supply chain vulnerabilities and increased costs.</li> <li>• Environmental Concerns:  Environmental impact of production processes, including waste management and emissions.</li> <li>• Limited Global Reach:  Less penetration in international markets compared to domestic presence.</li> </ul>

STRENGTHS	WEAKNESSES
<p>Lower labour and production costs compared to global competitor. We achieve economies of scale through large-scale production.</p> <ul style="list-style-type: none"> <li>Market Presence: Established presence in the domestic market with a distribution network.</li> <li>Innovation and R&amp;D: Continuous investment in research and development to introduce new and improved products. Ability to customize products according to customer needs.</li> </ul>	<ul style="list-style-type: none"> <li>Operational Challenges: Potential inefficiencies in supply chain and logistic and Challenges in maintaining consistent quality due to variability in raw material quality.</li> <li>Regulatory Compliance: Navigating complex regulatory requirements and compliance issues and Costs associated with meeting international standards and certifications.</li> </ul>
OPPORTUNITIES	THREATS
<ul style="list-style-type: none"> <li>Growing Domestic Demand: Increasing demand for acrylic fiber and yarn in the Indian textile industry. We have opportunities to supply to growing sectors such as apparel, home textiles, and technical textiles.</li> <li>Export Potential: Expanding into emerging markets with growing textile industries and leveraging trade agreements and government incentives to boost exports.</li> <li>Product Diversification: Developing new product lines, such as eco-friendly and sustainable fibers and expanding into niche markets with specialized fiber applications.</li> <li>Technological Advancements: Adoption of advanced manufacturing technologies (e.g., automation, IoT) and Enhancing production efficiency and reducing costs through technology.</li> <li>Strategic Partnerships and Collaborations: Forming alliances with international companies for technology transfer and market access and collaborating with research institutions for innovation and product development.</li> </ul>	<ul style="list-style-type: none"> <li>Intense Competition Fierce competition from domestic and international manufacturer and price wars leading to reduced profit margins.</li> <li>Economic Fluctuations: Vulnerability to economic downturns and fluctuations in demand and impact of currency exchange rates on export profitability.</li> <li>Regulatory and Trade Barriers: Changes in trade policies, tariffs, and regulatory requirements and non-tariff barriers affecting international market access.</li> <li>Environmental Regulations: Stricter environmental regulations increasing compliance costs and Pressure to adopt sustainable practices and reduce environmental impact.</li> <li>Technological Disruption: Rapid technological changes requiring continuous investment in upgrades and risk of obsolescence if unable to keep pace with technological advancements</li> </ul>

## SAFETY, QUALITY CONTROL AND CERTIFICATIONS

We have fire safety certificates granted by Directorate of Fire and Emergency Services, Government of Punjab for both our manufacturing facilities situated at Village Koom Khurd dated February 23, 2024 & Village Mangarh dated April 16, 2024.

Treatment of Pollution:

The Company holds consent for their Manufacturing Facility at Village Koom Khurd under Section 25 of the Water (Prevention and Control of Pollution) Act, 1974, and Section 21 of the Air (Prevention and Control of Pollution) Act,

1981. This granted consent empowers the Company to continue its operations with full compliance with the respective pollution control regulations. This regulatory adherence underscores our commitment to environmental responsibility and underscores our dedication to sustainable business practices.

The consent for their Manufacturing Facility at Village Mangarh is still under process. An application for the same has been made to the concerned authorities as on May 25, 2025.

Certifications:

Sr. No.	Particulars / Description	Certificate / Registration Number	Date of Registration	Validity / Status
1.	ISO 9001:2015  Scope: Manufacturer & Exporter of: - various kinds of acrylic yarns, Synthetic fancy yarns & open-end yarns.	23EQLN32/R2	*August 11, 2023	August 10, 2026
2	GMP  Scope: Manufacturer & Exporter of: - various kinds of acrylic yarns, Synthetic fancy yarns & open-end yarns.	23EGLY50/R2	*August 11, 2023	August 10, 2026
3.	LEI (Legal Entity Identifier)	3358005HB5Q27GK54N47	April 10, 2024	April 10, 2026

\* The above certification was taken by our partnership firm 'Paramount Dye Tec' which was duly converted to a public limited company by the name 'Paramount Dye Tec Limited' on January 04, 2024.

## MARKETING STRATEGY

Word of mouth strategy remains a time-honoured and highly effective approach for our company, which specializes in the manufacturing and trading of fibers and yarns in India. Our success is largely attributed to the extensive experience and strong relationships our promoters have cultivated with customers over the years, facilitated by consistently delivering timely and high-quality services. Maintaining close interactions with customers, our promoters diligently seek to understand their evolving requirements and preferences. When selecting customers, our primary criteria revolve around punctual payments and a consistent purchasing pattern, ensuring a mutually beneficial relationship built on trust and reliability.

## INFRASTRUCTURE FACILITIES FOR UTILITIES LIKE ELECTRICITY WATER & POWER

### Infrastructure Facilities

Our registered office and manufacturing facilities are situated at Ludhiana, Punjab, India. It is well equipped with requisite utilities, infrastructure facilities, computer systems, internet connectivity, other communication equipment, security and other facilities, which are required for our business operations to function smoothly.

## OUR REGISTERED OFFICE AND FACTORY AT VILLAGE MANGARH



## FACTORY AT VILLAGE KOOM KHURD



#### Power

Our registered office and manufacturing facilities of our Company meet its Power requirements by purchasing electricity from Punjab State Power Corporation.

#### Water

Water is a key and indispensable resource requirement in our production process. Our Company has made adequate arrangements to meet its water requirements from Sanitation Department Samrala, Ludhiana, Punjab- 141114. We have acquired permission for estimation of ground water to bore 190 feet of water by installing 2HP Motor in Factory situated at Village Koom Khurd and to bore 170 feet of water by installing 2HP Motor in Factory situated at Village Mangarh.

## PLANT & MACHINERY

The major plant & machinery installed in our Factory includes:

Sr. No.	Particulars	Owned/Rented	Date of acquisition
1.	Crimping machine with chemical dosage	Owned	22.06.2017
2.	Auto Clave	Owned	19.12.2020
3.	Hydro Extractor	Owned	22.06.2017
4.	Dryer	Owned	22.06.2017
5.	Seyedel's for material shrinkage and texturising	Owned	22.06.2017
6.	Fiber Cutting Machine	Owned	22.06.2017
7.	Bale Packing Machine	Owned	26.01.2022
8.	Three Cylinder Fiber Opener	Owned	03.10.2022
9.	Carding Machine 100'	Owned	10.10.2020
10.	Tow to top converter	Owned	29.10.2022
11.	Tow Re breaker Machine	Owned	22.10.2022
12.	Draw Frames	Owned	02.12.2021
13.	Rubbing Finisher Machine	Owned	26.01.2022
14.	Autoconer Machine	Owned	23.08.2021
15.	Cheese Winding Machine	Owned	26.10.2022
16.	Two for One Twister (TFO)	Owned	26.08.2021
17.	Reeling Machine	Owned	11.06.2021

## CAPACITY AND CAPACITY UTILIZATION

We have plant capacity of 3600 MT per Annum for manufacturing of Fiber. The plant is engaged in the recycling of synthetic waste for the manufacturing of Fiber. The Plant Production of said Plant is 3600 MT (12MT per day x 300 days = 3600 MT) Per Annum on the 12-hour shift basis.

The following machines had been installed at site:

Machine	No.	Per day capacity of Machine
Crimping machine with chemical dosage	2	(6MT each X 2) 12 MT Per day on 12 hours shift basis
Auto Clave	1	12 MT (1MT x 12 Hours) Per day on 12 hours shift basis
Hydro Extractor	2	12 MT (1MT x 12 Hours) Per day on 12 hours shift basis
Dryer	1	12 MT (1MT x 12 Hours) Per day on 12 hours shift basis
Seyedel's for material shrinkage and texturising	2	12 MT (1MT x 12 Hours) Per day on 12 hours shift basis
Fiber Cutting Machine	2	12 MT (1MT x 12 Hours) Per day on 12 hours shift basis
Bale Packing Machine	1	12 MT (1MT x 12 Hours) Per day on 12 hours shift basis

Product Name	Installed Capacity	Installed Actual Capacity Utilization Year wise		
*Fiber		2021-2022	2022-2023	2023-2024
	12MT	6 MT/day	12MT/day	12MT/day

The Capacity Utilization of spinning plant is 95%.

\*This Chartered Engineer certificate dated May 16, 2024

We have a plant capacity of 1440 MT per Annum for manufacturing Yarn.

The Plant Production of said 1800 spindle Spinning Plant is 1440 MT (4.8 MT per day x 300 days 1440 MT) Per Annum on the 24 hours (12 Hours X 2 shifts) basis.

The following machines had been installed at site:

Machine	No.	Per day capacity of Machine
Three-cylinder Fiber Opener- Opening	1	2.2 MT Per day on 12 hours shift basis
Carding machine 100	1	1.5 MT Per day on 12 hours shift basis
Tow to top converter	1	1.7 MT Per day on 12 hours shift basis
Tow Re breaker Machine	1	1.8 MT Per day on 12 hours shift basis

Machine	No.	Per day capacity of Machine
Draw Frames	6	2.4 MT Per day on 12 hours shift basis
Rubbing Finisher Machine	1	2.5 MT Per day on 12 hours shift basis
Ring Frame	3	2.4 MT Per day on 12 hours shift basis
Autoconer Machine	1	2.4 MT Per day on 12 hours shift basis
Cheese Winding Machine	1	2.4 MT Per day on 12 hours shift basis
Two for One Twister (TFO)	1	2.4 MT Per day on 12 hours shift basis
Reeling Machine	5	2.4 MT Per day on 12 hours shift basis

Product Name	Installed Capacity	Installed Actual Capacity Utilization Year wise		
*Yarn		2021-2022	2022-2023	2023-2024
	4.8 MT/day	2.3 MT/day	4.5 MT/day	4.8 MT/day

The Capacity Utilization of spinning plant is 97%.

\*This Chartered Engineer certificate dated May 17, 2024

### TOP 5 AND TOP 10 CUSTOMERS AND SUPPLIERS

Our Top 5 and 10 Customers:

(₹ In lakhs)

Particulars	For the Period ended			
	January 04, 2024 to March 31, 2024		January 03, 2024	
	Company		Partnership Firm	
	(in ₹)	(in %)	(in ₹)	(in %)
Customer 1	554.55	30.53	982.56	29.10
Customer 2	180.28	9.92	584.55	17.31
Customer 3	51.41	2.83	619.86	18.36
Customer 4	108.54	5.98	178.84	5.30
Customer 5	614.13	33.81	57.03	1.69
Customer 6	56.03	3.08	70.34	2.08
Customer 7	68.36	3.76	64.70	1.92
Customer 8	96.45	5.31	247.67	7.34
Customer 9	33.15	1.83	41.80	1.24
Customer 10	33.62	1.85	18.59	0.55

(₹ In lakhs)

Particulars	For the Financial Year ended					
	March 31, 2023		March 31, 2022		March 31, 2021	
	Partnership Firm					
	(in ₹)	(in %)	(in ₹)	(in %)	(in ₹)	(in %)
Customer 1	1,370.91	36.58	1,059.49	45.70	584.44	38.04
Customer 2	72.98	1.95	486.76	20.99	413.48	26.92
Customer 3	96.56	2.58	97.34	4.20	21.61	1.41
Customer 4	841.13	22.44	147.71	6.37	46.11	3.00
Customer 5	45.98	1.23	41.28	1.78	47.60	3.10
Customer 6	1,008.24	26.90	19.80	0.85	62.12	4.04
Customer 7	30.55	0.82	38.95	1.68	111.95	7.29
Customer 8	63.36	1.69	21.30	0.92	63.39	4.13
Customer 9	70.97	1.89	19.60	0.85	24.37	1.59
Customer 10	22.35	0.60	45.04	1.94	27.92	1.82

Our Top 5 and 10 Suppliers:

(₹ In lakhs)

Particulars	For the Period ended			
	January 04, 2024 to March 31, 2024		January 03, 2024	
	Company		Partnership Firm	
	(in ₹)	(in %)	(in ₹)	(in %)
Supplier 1	554.55	30.53	982.56	29.10
Supplier 2	180.28	9.92	584.55	17.31

Supplier 3	51.41	2.83	619.86	18.36
Supplier 4	108.54	5.98	178.84	5.30
Supplier 5	614.13	33.81	57.03	1.69
Supplier 6	56.03	3.08	70.34	2.08
Supplier 7	68.36	3.76	64.70	1.92
Supplier 8	96.45	5.31	247.67	7.34
Supplier 9	33.15	1.83	41.80	1.24
Supplier 10	33.62	1.85	18.59	0.55

(₹ In lakhs)

Particulars	For the Financial Year ended					
	March 31, 2023		March 31, 2022		March 31, 2021	
	Partnership Firm					
	(in ₹)	(in %)	(in ₹)	(in %)	(in ₹)	(in %)
Supplier 1	1,370.91	36.58	1,059.49	45.70	584.44	38.04
Supplier 2	72.98	1.95	486.76	20.99	413.48	26.92
Supplier 3	96.56	2.58	97.34	4.20	21.61	1.41
Supplier 4	841.13	22.44	147.71	6.37	46.11	3.00
Supplier 5	45.98	1.23	41.28	1.78	47.60	3.10
Supplier 6	1,008.24	26.90	19.80	0.85	62.12	4.04
Supplier 7	30.55	0.82	38.95	1.68	111.95	7.29
Supplier 8	63.36	1.69	21.30	0.92	63.39	4.13
Supplier 9	70.97	1.89	19.60	0.85	24.37	1.59
Supplier 10	22.35	0.60	45.04	1.94	27.92	1.82

## MATERIAL CONTRACTS

There are no material contracts as on date of filing this Prospectus.

## HUMAN RESOURCE

We believe that our employees are key contributors to our business success. We focus on attracting and retaining the best possible talent. Our company looks for specific skill-sets, interests and background that would be an asset for our business. We have not experienced any material strikes, work stoppages, labour disputes or actions by or with our employees and we consider our relationship with our employees to be good. All the employees who are employed in their respective departments work with integrity to make sure the operation the company has fulfilled and the targets the company has set are achieved.

As of the date of filing of this Prospectus, there are total of 37 employees on payroll.

The detailed break-up of our employees is as under:

Functions/ Department	Number of Employees
Top Level Management	3
Accounts & Finance	3
Compliance	2
Maintenance	2
Production & Operations	2
Quality	2
Permanent Labour	23
<b>Total</b>	<b>37</b>

We have encountered no significant work disruptions to date, and we believe that we have maintained good relations with our employees.

## COMPETITION

At the domestic level, we face competition from well-known companies with strong brands, wide distribution networks, and cost advantages. We also compete with many smaller manufacturers who may offer lower prices, flexibility, and specialized products.

Internationally, we compete with brands that provide high-quality or innovative products, attracting customers who want premium items. We also face competition from natural fibers like wool, cotton, and silk, which appeal to customers looking for natural or hypoallergenic options.

The cost of raw materials like acrylonitrile can fluctuate, affecting our pricing and competitive position. Competitors with more efficient production can offer lower prices, which pressures us to reduce costs. Those offering better quality, such as softer, more durable, or colorfast products, can take market share. Companies that invest in research and development to create new features, like better thermal properties or eco-friendly fibers, can stand out.

Online shopping is becoming more important, and competitors with a strong online presence can reach more customers. Good relationships with retailers and wholesalers are crucial, and companies with better distribution networks can dominate the market. Brands with loyal customers benefit from repeat business. Finally, consumer preferences are shifting towards sustainable and eco-friendly products, which can affect the demand for acrylic fibers.

## COLLABORATIONS

There are no collaborations as on date of filing this Prospectus.

## IMPORTS-EXPORTS AND IMPORT-EXPORT OBLIGATIONS

There are no Import- Export Obligation as on date of filing this Prospectus.

## OUR PROPERTIES

The detail of our properties owned or leased by our Company are as follows:

Sr. No.	Date of Agreement	Name of the Owner	Area	License / Leased / Owned	Location of the Property	Purpose
1.	February 21, 2024	Paramount Dye Tec Limited	3,040 sq. yards	Owned*	Unit 1 - Village Mangarh, Machiwar Road, Kohara, Ludhiana 141112, Punjab, India	Registered office & Factory
2.	February 21, 2024	Paramount Dye Tec Limited	11,647 sq. yards	Owned *	Unit 2 - Village Koom Khurd, Jhalan Road, Koom Kalan, Ludhiana – 141126, Punjab, India	Factory

\*The registry is pending



## INSURANCE POLICIES

Our Company maintains insurance against various risks inherent in our business activities. While we believe that the insurance coverage which we maintain is in keeping with industry standards and would be reasonably adequate to cover the normal risks associated with the operation of our businesses, we cannot assure you that any claim under the insurance policies maintained by us will be honoured fully, in part or on time, or that we have taken out sufficient insurance to cover all our losses. The following are the details of the insurance policies obtained by our Company:

Sr. No	Name of the Insurance Policy Company	Type of Policy	Policy No.	Validity Period	Sum Insured (₹)	*Premium (₹)
1.	The Oriental Insurance Company Limited	Flexi Bharat Laghu Udyam Suraksha Policy	233103/11/2025/26	May 21, 2024, to May 20, 2025	30,00,00,000	2,88,704
2.	The Oriental Insurance Company Limited	Burglary - Floater Policy	233103/48/2025/55	May 21, 2024, to May 20, 2025	20,00,00,000	6,295

\* Please note that the premium payable is inclusive of GST.

## INTELLECTUAL PROPERTY

Sr. No.	Word/ Label/ Mark/Design	Application No.	Class & Details	Registration/ Application date	Status/ Validity
1.		6425361	23 Yarns and Threads; Synthetic fiber thread and yarn; Textile yarn of synthetic fibres & Textile Thread of synthetic fibres.	09/05/2024	Formalities Chk Pass
2.		6425362	35 Advertising, Business Administration and Management Of wholesale & Retail outlets; Trading, Marketing, Online Marketing, Import & Exports relating to Yarns and Threads; Synthetic fiber thread and yarn; Textile yarn of synthetic fibres & Textile Thread of synthetic fibres	09/05/2024	Formalities Chk Pass

## FINANCIAL INDEBTEDNESS OF THE COMPANY

As on the date of this Prospectus, our Company has availed both secured and unsecured loans. For further details, please refer to the section “*Statement of Financial Indebtness*” beginning on page 199 of this Prospectus.

## KEY INDUSTRY REGULATIONS AND POLICIES

*Except as otherwise specified in this Prospectus, we are subject to several Central and State legislations which regulate substantive and procedural aspects of our business.*

*Additionally, our operations require sanctions from the concerned authorities, under the relevant Central and State legislations. The following is an overview of some of the important laws, policies and regulations which are pertinent to our business. Taxation statutes such as the I.T. Act, GST and applicable Labour laws, contractual laws, and intellectual property laws as the case may be, apply to us as they do to any other Indian company. The statements below are based on the current provisions of Indian law, and the judicial and administrative interpretations thereof, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions. The regulations set out below may not be exhaustive and are only intended to provide general information to Investors and are neither designed nor intended to be a substitute for professional legal advice.*

### APPROVALS

For the purpose of the business undertaken by our Company, it is required to comply with various laws, statutes, rules, regulations, executive orders, etc. that may be applicable from time to time. The details of such approvals have more particularly been described for your reference in the chapter titled “**Government and Other Statutory Approvals**” beginning on page 201 of this Prospectus.

### BUSINESS AND/OR KEY INDUSTRY AND/OR TRADE RELATED LAWS AND REGULATIONS:

#### The Textiles Committee Act, 1963

The Textile Committee Act, 1963 (the “Act”) was enacted in 1963 to provide for the establishment of a committee for ensuring the quality of textiles and textile machinery and for matters connected therewith. The Act prescribes for establishment of a textile committee (hereinafter referred to as the “Textile Committee”) with the general objective of ensuring a standard quality of textiles both for internal marketing and export purposes as well as standardization of the type of textile machinery used for manufacture. In addition to the general objection as mentioned above, the function of the Textile Committee inter alia include, to undertake, assist and encourage, scientific, technological and economic research in textile industry and textile machinery, promotion of export of textile and textile machinery, establishing or adopting or recognising standard specifications for textile and packing materials used in the packing of textiles or textile machinery for purpose of export and internal consumption and affix suitable marks on such standardized varieties of textiles and packing materials, specify the type of quality control or inspection which will be applied to textile or textile machinery, provide for training in the techniques of quality control to be applied to textiles or textile machinery, provide for inspection and examination of textiles, textile machinery and packing material used in the packing of textile and textile machinery, establishing laboratories and text houses for testing of textiles and data collection and such other matters related to the textile industry.

#### Textile Development and Regulation Order, 2001 (“Textile Order”)

The Central Government in exercise of the powers conferred upon it under section 3 of the Essential Commodities Act, 1955 and in supersession of the Textile (Development and Regulation) Order, 1993 brought in force the Textile Order. Under the Textile Order every manufacturer of textiles, textile machinery and every person dealing with textiles is required to maintain books of accounts, data and other records relating to the business in the matter of production, processing, import, export, supply, distribution, sale, consumption etc. and shall furnish such returns or information in respect to the business as and when required by the Textile Commissioner. The Textile Order confers upon the Textile Commissioner powers to issue directions by notification with the prior approval of Central Government to any manufacturer regarding the specification or class of textiles which shall not be manufactured, dyes and chemicals which shall not be used in the manufacture of textile, maximum and minimum quantity of textiles which shall be manufactured, maximum ex-factory or wholesale or retail price at which textiles shall be sold, markings to be made on textiles by manufacturers and the time and manner of such markings and direct the officer in charge of any laboratory to carry out or cause to be carried out such tests relating to any textiles as may be specified by the Textile Commissioner.

#### Amended Technology Up-Gradation Fund Scheme (ATUFS)

Ministry of Textiles, Government of India has notified ATUFS vide resolution dated January 13, 2016. In accordance with the said regulation the guidelines of ATUFS i.e. financial and operational parameters and implementation of ATUFS during its implementation period from January 13, 2016 to March 31, 2022 has been provided under the revised resolution dated August 2, 2018. In order to promote ease of doing business, promote make in India and increase employment, the

government will be providing credit linked Capital Investment Subsidy (CIS) under the ATUFS. The scheme would facilitate augmenting of investment, productivity, quality, employment and exports. It will also increase investment in the textile industry (using benchmarked technology). Entities registered as companies which have acknowledgement of Industrial Entrepreneur Memorandum (IEM) with DIPP except MSMEs units which will be as per Ministry of MSME or units registered with the concerned Directorates of the State Government showing clearly the activity for which the unit is registered, will only be eligible to get benefits under the scheme. Only benchmarked machinery as specified will be eligible for the subsidy under the scheme. The maximum subsidy for overall investment by an individual entity under ATUFS will be restricted to ₹ 300 million.

### **Export Promotion Capital Goods Scheme (“EPCG Scheme”)**

To facilitate import of capital goods for producing quality goods and services to enhance India’s export competitiveness. EPCG Scheme covers manufacturer exporters with or without supporting manufacturer(s), merchant exporters tied to supporting manufacturer(s) and service providers. Also covers a service provider who is designated/ certified as a Common Service Provider (CSP) by the DGFT. The EPCG Scheme allows import of capital goods for pre-production, production, and post-production at 5% customs duty subject to and export obligation equivalent to 8 times of the duty saved on capital goods imported under the EPCG Scheme to be fulfilled over a period of 8 years reckoned from the date of issuance of license. Capital Goods would be allowed at 0% duty for exports of agricultural products and their value-added variants. However, in respect of EPCG licenses with a duty saved of ₹ 1,000 million or more, the same export obligation shall be required to be fulfilled over a period of 12 years.

### **National Textile Policy, 2000**

The National Textile Policy, 2000 (“NTP”) aims at facilitating the growth of the textile industry to attain and sustain a pre-eminent global standing in the manufacture and export of clothing. The objective is sought to be achieved by liberalising controls and regulations so that the different segments of the textile industry are enabled to perform in a greater competitive environment. In furtherance of its objectives, the strategic thrust of the NTP is on technological upgradation, enhancement of productivity, quality consciousness, product diversification, maximising employment opportunities, and so on. The NTP also envisages certain sector specific initiatives, including the sector of raw materials, spinning, weaving, powerloom, handloom, jute and textile. The Policy also lays down certain delivery mechanisms for the implementation of the policy and to enable the Indian textile industry to realise its full potential and achieve global excellence.

Salient objective of NTP is as follows –

- Equip the textile industry to withstand pressures of import penetration and maintain a dominant presence in the domestic market;
- Develop a strong multi-fiber base with thrust on product up-gradation and diversification;
- Sustain and strengthen the traditional knowledge, skills and capabilities of our weavers and craftspeople;
- Enrich human resource skills and capabilities, with special emphasis on those working in the decentralized sectors of the textile industry; and for this purpose, to revitalize the institutional structure;
- Make Information Technology (IT), an integral part of the entire value chain of textile;
- Production and thereby facilitate the textile industry to achieve international standards in terms of quality, design and marketing; and
- Involve and ensure the active cooperation and partnership of the State Governments, Financial Institutions, Entrepreneurs, Farmers and Non-Governmental Organizations in the fulfilment of these objectives, vide the NTP, the Government has conveyed its commitment towards providing a conducive environment to enable the Indian textile industry to realise its full potential, achieve global excellence, and fulfil its obligation to different sections of society.

### **Production-Linked Incentive Scheme in Textiles Products**

In November 2020, the Union Cabinet approved the introduction of the Production-Linked Incentive Scheme in Textiles Products to enhance India’s Manufacturing Capabilities as well as Exports. An amount of ₹ 10,683 crore has been approved as an outlay for a period of 5 years. This initiative will be implemented by the Ministry of Textile and is expected to cover forty product categories under man-made fibre.

### **Legal Metrology Act, 2009 (“Legal Metrology Act”):**

The Legal Metrology Act, 2009 came into effect on January 14, 2010 and has repealed and replaced the Standard of Weights and Measures Act, 1976 and the Standards of weights and Measures (Enforcement) Act, 1985. The Legal Metrology Act seeks to establish and enforce standards of weights and measures, regulate trade and commerce in weights, measures and other goods which are sold or distributed by weight, measure or number and for matters incidental thereto. The Legal Metrology Act, inter alia, provides for: (a) approval of model of weight or measure; (b) verification of prescribed weight or measure by Government approved Test Centre; (c) exempting regulation of weight or measure or other goods meant for export; (d) nomination of a Director by a company who will be responsible for complying with the provisions of the enactment; (e) empowering the Central Government to make rules for enforcing the provisions of the enactment; and (f) penalty for offences and compounding of offences.

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

The BIS Act was notified on March 22, 2016 and came into effect from October 12, 2017. The BIS Act establishes the Bureau of Indian Standards (BIS) as the National Standards Body of India. It has broadened BIS’s ambit and allows the Central Government to make it mandatory for certain notified goods, articles, processes etc. to carry standard marks.

### **Bureau of Indian Standards Rules, 2018 (the “Bureau of Indian Standards Rules”)**

The Bureau of India Standards Rules, 2018, as amended, have been notified, in supersession of the Bureau of Indian Standards Rules, 1987, in so far as they relate to Chapter IV A of the said rules relating to registration of the articles notified by the Central Government, and in supersession of the Bureau of Indian Standards Rules, 2017 except in relation to things done or omitted to be done before such supersession. Under the Bureau of Indian Standards Rules, the bureau is required to establish Indian standards in relation to any goods, article, process, system or service and shall reaffirm, amend, revise or withdraw Indian standards so established as may be necessary

### **The Micro, Small and Medium Enterprises Development Act, 2006**

In order to promote and enhance the competitiveness of Micro, Small and Medium Enterprise (MSME) the Act was enacted. With effect from July 01, 2020 the Manufacturing enterprises and enterprises rendering Services have been re-classified as Micro enterprise, where the investment in plant and machinery does not exceed ₹ 1 Crore and annual turnover does not exceed ₹ 5 Crore; Small enterprise, where the investment in plant and machinery does not exceed ₹ 10 crore and annual turnover does not exceed ₹ 50 Crore; a Medium enterprise, where the investment in plant and machinery does not exceed ₹ 50 crore and annual turnover does not exceed ₹ 250 Crore.

## **LAWS RELATING TO SPECIFIC STATE WHERE ESTABLISHMENT IS SITUATED:**

### **Shops and Establishments laws in various states**

As per the provisions of local Shops and Establishments law applicable in the State of Punjab, 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.

### **Stamp Act in various states**

The purpose of the Stamp Act was to streamline and simplify transactions of immovable properties and securities by the State Government. The Stamp Act provides for the imposition of stamp duty at the specified rates on instruments listed in Schedule IA of the Stamp Act. Stamp duty is payable on all instruments/ documents evidencing a transfer or creation or extinguishment of any right, title or interest in immovable property. 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 states. Therefore, the State Government of Punjab, is empowered to prescribe or alter the stamp duty as per their need.

### **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 Punjab 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 income of individuals, profits of business or gains of 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

persons 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 persons and employer has to obtain the registration from the assessing authority in the prescribed manner. In the state of Punjab, this tax is collected as State Development Tax.

## **GENERAL CORPORATE LAWS:**

### **Companies Act, 2013**

The Companies Act, 2013, has replaced the Companies Act, 1956 in a phased manner. The Act received the assent of the President of India on 29th August 2013. The Companies Act 1956 is still applicable to the extent not repealed and the Companies Act, 2013 is applicable to the extent notified. The Companies Act deals with incorporation of companies and the procedure for incorporation and post incorporation. The conversion of private companies into public companies and vice versa is also laid down under the Companies Act, 2013. The procedure related to appointment of Directors, winding up, voluntary winding up, and appointment of liquidator also forms part of the Act. Further, Schedule V (read with sections 196 and 197), Part I lays down the conditions to be fulfilled for the appointment of a managing or whole-time director or manager. It provides the list of Acts under which if a person is prosecuted, he cannot be appointed as the director or Managing Director or Manager of a Company. The provisions relating to remuneration of the directors payable by the companies is under Part II of the said schedule.

### **The Sale of Goods Act, 1930**

The Sale of Goods Act, 1930 governs contracts relating to sale of goods in India. The contracts for sale of goods are subject to the general principles of the law relating to contracts. A contract of sale may be an absolute one or based on certain conditions. The Sale of Goods Act contains provisions in relation to the essential aspects of such contracts, including the transfer of ownership of the goods, delivery of goods, rights and duties of the buyers and sellers, remedies for breach of contract and the conditions and warranties implied under a contract for sale of goods.

### **The Registration Act, 1908**

The Registration Act, 1908 ("Registration Act") was enacted with the object of providing public notice of execution of documents affecting a transfer of interest in property. The Registration Act identifies documents for which registration is compulsory and includes among other things, any non-testamentary instrument which purports or operates to create, declare, assign, limit or extinguish, whether in present or in future, any right, title or interest, whether vested or contingent, in immovable property and a lease of immovable property for any term exceeding one year or reserving a yearly rent. It also provides for non-compulsory registration of documents as enumerated in the provisions.

### **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 Specific Relief Act, 1963**

The Specific Relief Act is complementary to the provisions of the Contract Act and the Transfer of Property Act, as the Act applies both to movable property and immovable property. The Act applies in cases where the Court can order specific performance of a contract. Specific relief can be granted only for the purpose of enforcing individual civil rights and not for the mere purpose of enforcing a civil law. Specific performance means the Court will order the party to perform his part of agreement, instead of imposing on him any monetary liability to pay damages to another party.

### **Negotiable Instruments Act, 1881**

In India, cheques are governed by the Negotiable Instruments Act, 1881, which is largely a codification of the English Law on the subject. To ensure prompt remedy against defaulters and to ensure credibility of the holders of the negotiable instrument a criminal remedy of penalty was inserted in Negotiable Instruments Act, 1881 in form of the Banking, Public Financial Institutions and Negotiable Instruments Laws (Amendment), 1988 which were further modified by the Negotiable Instruments (Amendment and Miscellaneous Provisions) Act, 2002. 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 cheques not being honored by their bankers and returned unpaid. Section

138 of the Act creates statutory offense in the matter of dishonor of cheques on the ground of insufficiency of funds in the account maintained by a person with the banker which is punishable with imprisonment for a term which may extend to two years, or with fine which may extend to twice the amount of the cheque, or with both.

## **ENVIRONMENTAL LEGISLATIONS:**

### **The Environment Protection Act, 1986 and Environment (Protection) Rules, 1986**

The Environmental Protection Act, 1986 is an "umbrella" legislation designed to provide a framework for coordination of the activities of various Central and State authorities established under various laws. The potential scope of the Act is broad, with "environment" defined to include water, air and land and the interrelationships which exist among water, air and land, and human beings and other living creatures such as plants, micro-organisms and property. Further, the Ministry of Environment and Forests looks into Environment Impact Assessment. The Ministry receives proposals for expansion, modernization and setting up of projects and the impact which such projects would have on the environment which is assessed by the Ministry in detail before granting clearances for such proposed projects.

### **National Environmental Policy, 2006**

This Policy seeks to extend the coverage, and fill in gaps that still exist, in light of present knowledge and accumulated experience. This policy was prepared through an intensive process of consultation within the Government and inputs from experts. It does not displace but builds on the earlier policies. It is a statement of India's commitment to making a positive contribution to international efforts. This is a response to our national commitment to a clean environment, mandated in the Constitution in Articles 48 A and 51 A (g), strengthened by judicial interpretation of Article 21. The dominant theme of this policy is that while conservation of environmental resources is necessary to secure livelihoods and well-being of all, the most secure basis for conservation is to ensure that people dependent on particular resources obtain better livelihoods from the fact of conservation, than from degradation of the resource.

### **The Water (Prevention and Control of pollution) Act, 1974 (the "Water Act")**

The Water Act aims to prevent and control water pollution as well as restore water quality by establishing and empowering the Central Pollution Control Board and the State Pollution Control Boards. Under the Water Act, any person establishing any industry, operation or process, any treatment or disposal system, use of any new or altered outlet for the discharge of sewage or new discharge of sewage, must obtain the consent of the relevant State Pollution Control Board, who is empowered to establish standards and conditions that are required to be complied with.

### **The Air (Prevention and Control of Pollution) Act, 1981 (the "Air Act")**

The Air (Prevention and Control of Pollution) Act, 1981 has been enacted to provide for the prevention, control and abatement of air pollution. Pursuant to the provisions of the Air Act, any person, establishing or operating any industrial plant within an air pollution control area, must obtain the consent of the relevant State Pollution Control Board prior to establishing or operating such industrial plant. No person operating any industrial plant in any air pollution control area is permitted to discharge the emission of any air pollutant in excess of the standards laid down by the State Pollution Control Board.

### **The Noise Pollution (Regulation & Control) Rules 2000 ("Noise Regulation Rules")**

The Noise Regulation Rules regulate noise levels in industrial, commercial and residential zones. The Noise Regulation Rules also establish zones of silence of not less than 100 meters near schools, courts, hospitals, etc. The rules also assign regulatory authority for these standards to the local district courts. Penalty for non-compliance with the Noise Regulation Rules shall be under the provisions of the Environment (Protection) Act, 1986.

### **The Municipal Solid Wastes (Management and Handling) Rules, 2000 ("Waste Management Rules, 2000") as superseded by Solid Waste Management Rules, 2016 ("Waste Management Rules, 2016")**

The Waste Management Rules, 2000 applied to every municipal authority responsible for collection, segregation, storage, transportation, processing and disposal of municipal solid wastes. Any municipal solid waste generated in a city or a town, was required to be managed and handled in accordance with the compliance criteria and the procedure laid down in Schedule II of the Waste Management Rules, 2000. The Waste Management Rules, 2000 make the persons or establishments generating municipal solid wastes responsible for ensuring delivery of wastes in accordance with the collection and segregation system as notified by the municipal authority. The Waste Management Rules, 2000 have been superseded by the Waste Management Rules, 2016 which stipulate various duties of waste generators which, inter alia, include segregation and storage of waste generated by them in the manner prescribed in the Waste Management Rules,

2016; separate storage of construction and demolition waste and payment of user fee for solid waste management as specified in the bye-laws of the local bodies.

### **Hazardous Wastes (Management, Handling and Transboundary Movement) Rules, 2008 (“Hazardous Wastes Rules”)**

The Hazardous Wastes Rules impose an obligation on every occupier of an establishment generating hazardous waste to recycle or reprocess or reuse such wastes in a registered recycler or to dispose of such hazardous wastes in an authorized disposal facility. Every person engaged, inter alia, in the generation, processing, treatment, package, storage and destruction of hazardous waste is required to obtain an authorization from the relevant state PCB for collecting, recycling, reprocessing, disposing, storing and treating the hazardous waste.

### **TAX RELATED LEGISLATIONS:**

#### **Income Tax Act, 1961**

The IT Act is applicable to every Company, whether domestic or foreign whose income is taxable under the provisions of the IT Act or Rules made thereunder depending upon its Residential Status and Type of Income involved. The IT Act provides for the taxation of persons resident in India on global income and persons not resident in India on income received, accruing or arising in India or deemed to have been received, accrued or arising in India. Every Company which is assessed to income tax under the IT Act is required to comply with the provisions thereof, including those relating to Tax Deduction at Source, Advance Tax, Minimum Alternative Tax and like. Every such Company is also required to file its returns by October 31<sup>st</sup> of each assessment year.

#### **Goods and Services Tax Act, 2017**

The GST Act levies indirect tax throughout India to replace many taxes levied by the Central and State Governments. The GST Act was applicable from July 1, 2017 and combined the Central Excise Duty, Commercial Tax, Value Added Tax (VAT), Food Tax, Central Sales Tax (CST), Introit, Octroi, Entertainment Tax, Entry Tax, Purchase Tax, Luxury Tax, Advertisement Tax, Service Tax, Customs Duty, Surcharges. GST is levied on all transactions such as sale, transfer, purchase, barter, lease, or import of goods and/or services. India has adopted a dual GST model, meaning that taxation is administered by both the Union and State Governments. Transactions made within a single state are levied with Central GST (CGST) by the Central Government and State GST (SGST) by the government of that state. For inter-state transactions and imported goods or services, an Integrated GST (IGST) is levied by the Central Government. GST is a consumption-based tax; therefore, taxes are paid to the state where the goods or services are consumed and not the state in which they were produced.

### **EMPLOYMENT AND LABOUR LAWS:**

#### **The Code on Wages, 2019 (the “Code”)**

The Code received the assent of the President of India on August 8, 2019. The provisions of the Code shall come into effect from the date notified in the Official Gazette by the Central Government. The Code will replace the four existing ancient laws namely (i) the Payment of Wages Act, 1936, (ii) the Minimum Wages Act, 1948, (iii) the Payment of Bonus Act, 1965, and (iv) the Equal Remuneration Act, 1976. The Code will apply to all employees and allow the Central Government to set a minimum statutory wage.

The four existing laws are as follows:

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

Payment of Wages Act, 1936, as amended by Payment of Wages (Amendment) Act, 2017 is aimed at regulating the payment of wages to certain classes of persons employed in certain specified industries and to ensure a speedy and effective remedy for them against illegal deductions or unjustified delay caused in paying wages to them. The Act confers on the person(s) responsible for payment of wages certain obligations with respect to the maintenance of registers and the display in such factory/establishment, of the abstracts of this Act and Rules made thereunder.

- **The Minimum Wages Act, 1948**

The Minimum Wages Act, 1948 came into force with an objective to provide for the fixation of a minimum wage payable by the employer to the employee. Every employer is mandated to pay the minimum wages to all employees engaged to

do any work skilled, unskilled, and manual or clerical (including out-workers) in any employment listed in the schedule to this Act, in respect of which minimum rates of wages have been fixed or revised under the Act.

- **The Payment of Bonus Act, 1965**

The Act provides for payment of minimum bonus to factory employees and every other establishment in which 20 or more persons are employed and requires maintenance of certain books and registers and filing of monthly returns showing computation of allocable surplus, set on and set off of allocable surplus and bonus due.

- **The Equal Remuneration Act, 1976**

The Equal Remuneration Act, 1976 aims to provide for the payment of equal remuneration to men and women workers and for the prevention of discrimination, on the ground of sex, against women in the matter of employment and for matters connected therewith or incidental thereto. According to the Remuneration Act, no employer shall pay to any worker, employed by him/her in an establishment, a remuneration (whether payable in cash or in kind) at rates less favourable than those at which remuneration is paid by him to the workers of the opposite sex in such establishment for performing the same work or work of a similar nature. In addition, no employer shall for complying with the foregoing provisions of the Remuneration Act, reduce the rate of remuneration of any worker. No employer shall, while making recruitment for the same work or work of a similar nature, or in any condition of service subsequent to recruitment such as promotions, training or transfer, make any discrimination against women except where the employment of women in such work is prohibited or restricted by or under any law for the time being in force.

- **Occupational Safety, Health and Working Conditions Code, 2020**

The Occupational Safety, Health and Working Conditions Code consolidates and amends the laws regulating the occupational safety and health and working conditions of the persons employed in an establishment. It replaces 13 old central labour laws including the Factories Act, 1948, Contract Labour (Regulation and Abolition) Act, 1970, the Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996 and the Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979.

- **The Factories Act, 1948**

The Factories Act, 1948, as amended, defines a “factory” to cover any premises which employs 10 or more workers on any day of the preceding 12 months and in which a manufacturing process is carried on with the aid of power or any premises where at least 20 workers are employed, and where a manufacturing process is carried on without the aid of power. Each state government has enacted rules in respect of the prior submission of plans and their approval for the establishment of factories and registration/licensing thereof. The Factories Act provides for imposition of fines and imprisonment of the manager and occupier of the factory in case of any contravention of the provisions of the Factories Act.

- **Contract Labour (Regulation and Abolition) Act, 1970**

The Contract Labour (Regulation and Abolition) Act, 1970 requires establishments that employ or have employed on any day in the preceding twelve months, 20 or more workers as contract labour to be registered. The Act requires the principal employer of an establishment to which the Contract Labour Act applies to make an application for registration of the establishment to employ contract labour in the establishment. Contractor to whom the Contract Labour Act applies is required to obtain a license and not to undertake or execute any work through contract labour except under and in accordance with the license issued. The Contract Labour Act imposes certain obligations on the contractor including the establishment of canteens, rest rooms, washing facilities, first aid facilities and provision of drinking water and payment of wages. In the event that the contractor fails to provide these amenities, the principal employer is under an obligation to provide these facilities within a prescribed time.

- **Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979**

This law is applicable to all the establishments employing 5 or more migrant workmen from other states. In addition to this, this law is also applicable to contractors who have employed 5 or more inter-State workmen. The establishment must be registered with the local authority while employing migrant workers. This means that an establishment is prohibited from employing migrant workers from other states if they do not have a certificate from the concerned authority. The same law applies to the contractors too who employ workers from one state and deploy them in other states. As per this law, the contractors deploying the migrant workers must provide terms and conditions of the recruitment to the workers. These are the remuneration payable, hours of work, fixation of wages and other essential amenities.

- **The Industrial Relations Code, 2020**

The Government of India enacted 'The Industrial Relations Code, 2020' which received the assent of the President of India on September 28, 2020. The provisions of this code will be brought into force on a date to be notified by the Central Government. It proposes to subsume three separate legislations, namely, the Industrial Disputes Act, 1947, the Trade Unions Act, 1926 and the Industrial Employment (Standing Orders) Act, 1946. Currently the laws are as follows –

- **Industrial Disputes Act, 1947**

The Industrial Disputes Act, 1947 provides the procedure for investigation and settlement of industrial disputes. When a dispute exists or is apprehended, the appropriate Government may refer the dispute to a labour court, tribunal, or arbitrator, to prevent the occurrence or continuance of the dispute, or a strike or lock-out while a proceeding is pending. The labour courts and tribunals may grant appropriate relief including ordering modification of contracts of employment or reinstatement of workers. This Act further provides for direct access for the workers to labour courts or tribunals in case of individual disputes and provides for the constitution of grievance settlement machineries in any establishment having 20 or more workers.

- **Trade Unions Act, 1926**

Provisions of the Trade Union Act, 1926 provide that any dispute between employers and workmen or between workmen and workmen, or between employers and employers which is connected with the employment, or non-employment, or the terms of employment or the conditions of labour, of any person shall be treated as trade dispute. For every trade dispute a trade union has to be formed. For the purpose of Trade Union Act, 1926, Trade Union means combination, whether temporary or permanent, formed primarily for the purpose of regulating the relations between workmen and employers or between workmen and workmen, or between employers and employers, or for imposing restrictive conditions on the conduct of any trade or business etc.

- **Industrial Employment (Standing Orders) Act, 1946 (the “Standing Orders”)**

The Standing Orders were passed by the Central Government to bring uniformity in the terms of employment in industrial establishments having 50 or more workmen employed, so as to minimize industrial conflicts. The Standing Orders play a key role in defining the terms and conditions of employment within an industrial establishment. The highlights of the Standing Orders are classification of workmen, manner of intimation to workers about work and wage related details, attendance and conditions for leaves, conditions of termination of employment and means of redressal for workmen in different matters.

- **Workmen’s Compensation Act, 1923:**

The Workmen’s Compensation Act, 1923 provides that if personal injury is caused to a workman by accident during his employment, his employer would be liable to pay him compensation. However, no compensation is required to be paid (i) if the injury does not disable the workman for more than three days, (ii) where the workman, at the time of injury, was under the influence of drugs or alcohol or (iii) where the workman wilfully disobeyed safety rules.

- **The Employees’ Pension Scheme, 1995:**

Family pension in relation to this act means the regular monthly amount payable to a person belonging to the family of the member of the Family Pension Fund in the event of his death during the period of reckonable service. The scheme shall apply to all the employees who become a member of the EPF or PF of the factories provided that the age of the employee should not be more than 59 years in order to be eligible for membership under this act. Every employee who is member of EPF or PF has an option of the joining scheme. The employer shall prepare a Family Pension Fund contribution card in respect of the entire employee who is member of the fund.

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

The Government of India enacted 'The Code on Social Security, 2020' which received the assent of the President of India on September 28, 2020. The provisions of this code will be brought into force on a date to be notified by the Central Government. It proposes to subsume 9 separate 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 and the Payment of Gratuity Act, 1972. The relevant laws that the code shall subsume, are currently as follows –

- **Employee's Compensation Act, 1923**

The Employees' Compensation Act, 1923 provides for payment of compensation to injured employees or workmen by certain classes of employers for personal injuries caused due to an accident arising out of and during the course of employment. Under the Employee's Act, the amount of compensation to be paid depends on the nature and severity of the injury. The Employee's Act also lays down the duties/obligations of an employer and penalties in cases of non-fulfilment of such obligations. There are separate methods of calculation or estimation of compensation for injury sustained by the employee. The employer is required to submit to the Commissioner for Employees' Compensation a report regarding any fatal or serious bodily injury suffered by an employee within 7 days of death/serious bodily injury.

- **Employee's State Insurance Act, 1948**

It is an Act to provide for certain benefits to employees in case of sickness, maternity and 'employment injury' and to make provision for certain other matters in relation thereto. It shall apply to all factories (including factories belonging to the Government) other than seasonal factories. The ESI Act requires all the employees of the establishments to which this Act applies to be insured in the manner provided there under. Employers and employees both are required to make contributions to the fund. The return of the contribution made is required to be filed with the Employees' State Insurance Corporation.

- **Employees' Provident Funds and Miscellaneous Provisions Act, 1952 (EPF Act)**

The EPF Act is applicable to an establishment employing more than 20 employees and as notified by the government from time to time. All the establishments under the EPF Act are required to be registered with the appropriate Provident Fund Commissioner. Also, in accordance with the provisions of the EPF Act, the employers are required to contribute to the employees' provident fund the prescribed percentage of the basic wages, dearness allowances and remaining allowance (if any) payable to the employees. The employee shall also be required to make an equal contribution to the fund. The Central Government under Section 5 of the EPF Act (as mentioned above) frames Employees' Provident Scheme, 1952.

- **Maternity Benefit Act, 1961**

The Act provides for leave and right to payment of maternity benefits to women employees in case of confinement or miscarriage etc. The Act is applicable to every establishment which is a factory, mine or plantation including any such establishment belonging to government and to every establishment of equestrian, acrobatic and other performances, to every shop or establishment within the meaning of any law for the time being in force in relation to shops and establishments in a state, in which 10 or more persons are employed, or were employed, on any day of the preceding twelve months; provided that the state government may, with the approval of the Central Government, after giving at least two months' notice shall apply any of the provisions of this Act to establishments or class of establishments, industrial, commercial, agricultural or otherwise.

- **Payment of Gratuity Act, 1972**

The Act shall apply to every factory, mine plantation, port and railway company; to every shop or establishment within the meaning of any law for the time being in force in relation to shops and establishments in a State, in which 10 or more persons are employed, or were employed, on any day of the preceding twelve months; such other establishments or class of establishments, in which 10 or more employees are employed, on any day of the preceding twelve months, as the Central Government, may by notification, specify in this behalf. A shop or establishment to which this Act has become applicable shall be continued to be governed by this Act irrespective of the number of persons falling below ten at any day. The gratuity shall be payable to an employee on termination of his employment after he has rendered continuous service of not less than five years on superannuation or his retirement or resignation or death or disablement due to accident or disease. The five-year period shall be relaxed in case of termination of service due to death or disablement.

### **The Public Liability Insurance Act, 1991 and the Public Liability Insurance Rules, 1991**

The Act imposes liability on the owner or controller of hazardous substances for any damage arising out of an accident involving such hazardous substances. A list of hazardous substances covered by the legislation has been enumerated by the government by way of a notification. Under the law, the owner or handler is also required to take out an insurance policy insuring against liability. The rules made under this Act mandate the employer to contribute towards the Environmental Relief Fund a sum equal to the premium paid on the insurance policies.

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

In order to curb the rise in sexual harassment of women at workplace, this Act was enacted for prevention and redressal of complaints and for matters connected therewith or incidental thereto. The terms ‘sexual harassment’ and ‘workplace’ are both defined in the Act. Every employer should constitute an “Internal Complaints Committee” and every officer and member of the Committee shall hold office for a period of not exceeding three years from the date of nomination. Any aggrieved woman can make a complaint in writing to the Internal Committee in relation to sexual harassment of female at workplace. Every employer has a duty to provide a safe working environment at workplace which shall include safety from the persons coming into contact at the workplace, organising awareness programs and workshops, display of rules relating to the sexual harassment at any conspicuous part of the workplace, provide necessary facilities to the internal or local committee for dealing with the complaint, such other procedural requirements to assess the complaints.

## **Child Labour (Prohibition and Regulation) Act, 1986 (the “CLPR Act”)**

The CLPR Act seeks to prohibit the engagement of children in certain occupations and to regulate the conditions of work of children in certain other occupations. Part B of the Schedule to the CLPR Act strictly prohibits employment of children in cloth printing, dyeing and weaving processes and cotton ginning and processing and production of hosiery goods.

## **INTELLECTUAL PROPERTY LEGISLATIONS:**

In-general the Intellectual Property Rights includes but is not limited to the following enactments:

- **Indian Patents Act, 1970:**

A patent is an intellectual property right relating to inventions and is the grant of exclusive right, for limited period, provided by the Government to the patentee, in exchange of full disclosure of his invention, for excluding others from making, using, selling, importing the patented product or process producing that product. The term invention means a new product or process involving an inventive step capable of industrial application.

- **The Copyright Act, 1957:**

Copyright is a right given by the law to creators of literary, dramatic, musical and artistic works and producers of cinematograph films and sound recordings. In fact, it is a bundle of rights including, inter alia, rights of reproduction, communication to the public, adaptation and translation of the work. There could be slight variations in the composition of the rights depending on the work.

- **Trade Marks Act, 1999 (“TM Act”):**

The Trademarks Act, 1999 provides for the application and registration of trademarks in India for granting exclusive rights to marks such as a brand, label and heading and obtaining relief in case of infringement for commercial purposes as a trade description. The TM Act prohibits any registration of deceptively similar trademarks or chemical compounds among others. It also provides for penalties for infringement, falsifying and falsely applying for trademarks.

- **Design Act, 2000:**

As per the Designs Act, 2000, a ‘Design’ means only the features of shape, configuration, pattern or ornament or composition of lines or colour or combination thereof applied to any article whether two dimensional or three dimensional or in both forms, by any industrial process or means, whether manual, mechanical or chemical, separate or combined, which in the finished article appeal to and are judged solely by the eye, but does not include any mode or principle or construction or anything which is in substance a mere mechanical device, and does not include any trade mark or copyright. A design registration in India under the Designs Act, 2000 is referred to as a registered design.

## **FOREIGN INVESTMENT LAWS:**

### **Foreign Trade (Development and Regulation) Act, 1992**

The FTDR is the main legislation concerning foreign trade in India. The FTDR, read along with the Foreign Trade (Regulation) Rules, 1993, provides for the development and regulation of foreign trade by facilitating imports into, and augmenting exports from, India and for matters connected therewith or incidental thereto. It authorizes the government to formulate as well as announce the export and import policy and to keep amending the same on a timely basis. The government has also been given wide powers to prohibit, restrict and regulate the exports and imports in general as well as specified cases of foreign trade. The FTDR read with the Foreign Trade Policy, 2023, prohibits anybody from

undertaking any import or export except under an importer-exporter code (“IEC”) number granted by the Director General of Foreign Trade. Hence, every entity in India engaged in any activity involving import/export is required to obtain an IEC unless specifically exempted from doing so. The IEC shall be valid until it is cancelled by the issuing authority. An IEC number allotted to an applicant is valid for all its branches, divisions, units and factories. Failure to obtain the IEC number shall attract a penalty under the FTDR.

### **Foreign Exchange Management Act, 1999 & Rules thereunder**

Foreign investment in India is governed primarily by the provisions of the FEMA, and the rules, regulations and notifications thereunder, as issued by the RBI from time to time and the FEMA Rules and the Consolidated FDI Policy. In terms of the Consolidated FDI Policy, foreign investment is permitted (except in the prohibited sectors) in Indian companies either through the automatic route or the Government route, depending upon the sector in which the foreign investment is sought to be made. In terms of the Consolidated FDI Policy, the work of granting government approval for foreign investment under the Consolidated FDI Policy and FEMA has now been entrusted to the concerned administrative ministries/departments.

The Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2017 as amended in 2019, provide that the total holding by any individual NRI, on a repatriation basis, shall not exceed 5 percent of the total paid-up equity capital on a fully diluted basis or shall not exceed five percent of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all NRIs and OCIs put together shall not exceed 10% of the total paid-up equity capital on a fully diluted basis or shall not exceed 10% of the paid-up value of each series of debentures or preference shares or share warrants; provided that the aggregate ceiling of 10 percent may be raised to 24 percent if a special resolution to that effect is passed by the general body of the Indian company.

### **The Conservation of Foreign Exchange and Prevention of Smuggling Activities Act, 1974**

COFEPOSA came into force for the reason to provide preventive detention and to protect and augment the guidelines of foreign exchange. The Act also aims to control smuggling activities and other issues in relation to these activities. COFEPOSA confers power on the Central and the State Governments to issue orders for detaining a person if it is satisfied that the person has acted detrimental to the protection of foreign exchange. The Government shall also issue an order of detention on the ground that the person has engaged in the activity of smuggling goods, assists any person in smuggling goods, transports or conceals such goods, harbours any person employed in the smuggling activities or does any other activity related with smuggling. Such an order shall be issued by the Joint Secretary to the Central Government or Secretary to the State Government or any senior officer authorized by the Government.

### **Foreign Direct Investment**

The Government of India, from time to time, has made policy pronouncements on Foreign Direct Investment (“FDI”) through press notes and press releases. The Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India (“DIPP”), has issued consolidated FDI Policy Circular of 2020 (“FDI Policy 2020”), which with effect from October 15, 2020, consolidates and supersedes all previous press notes, press releases and clarifications on FDI Policy issued by the DIPP that were in force. The Government proposes to update the consolidated circular on FDI policy once every year and therefore, FDI Policy 2020 will be valid until the DIPP issues an updated circular. The Reserve Bank of India (“RBI”) also issues Master Directions Foreign Investment in India and updates the same from time to time. Presently, FDI in India is being governed by Master Directions on Foreign Investment No. RBI/FED/2017-18/60 FED Master Direction No. 11/2017-18 dated January 4, 2018, as updated from time to time by RBI. In terms of the Master Directions, an Indian company may issue fresh shares to people resident outside India (who are eligible to make investments in India, for which eligibility criteria are prescribed). Such fresh issue of shares shall be subject to inter-alia, the pricing guidelines prescribed under the Master Directions. The Indian company making such fresh issue of shares would be subject to the reporting requirements, inter-alia with respect to consideration for issue of shares and also subject to making certain filings including the filing of Form FC-GPR.

### **Importer-Exporter Code**

Under the Indian Foreign Trade Policy, 2004, no export or import can be made by a person or company without an Importer Exporter Code number unless such person/company is specifically exempted. 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. An Importer Exporter Code number allotted to an applicant is valid for all its branches/divisions/units/factories.

## **ANTI-TRUST LAWS**

### **Competition Act, 2002**

The Act is to prevent practices having adverse effects on competition, to promote and sustain competition in markets, to protect the interest of consumers and to ensure freedom of trade in India. The Act deals with prohibition of anti-competitive agreements. No enterprise or group shall abuse its dominant position in various circumstances as mentioned under the Act.

## **GENERAL LAWS**

Apart from the above list of laws, which is inclusive in nature and not exhaustive, general laws like the Employment Exchanges (Compulsory Notification of Vacancies) Act, 1959, Consumer Protection Act 2019, Approvals from local Authorities, Municipality Laws, Transfer of Property Act, 1882, Information Technology Act, 2000 etc. are also applicable to the Company.

## OUR HISTORY AND CERTAIN OTHER CORPORATE MATTERS

### BRIEF HISTORY AND CORPORATE PROFILE

Our Company was initially established as Partnership Firm under the Partnership Act, 1932 (“Partnership Act”) in the name and style of “Paramount Dye Tec” pursuant to Deed of Partnership dated January 03, 2014, effective from January 01, 2014. Paramount Dye Tec was thereafter converted from Partnership Firm to a Public Limited Company under Part I chapter XXI of the Companies Act, 2013 with the name and style of “Paramount Dye Tec Limited” and received a Certificate of Incorporation from the Registrar of Companies, Central Registration Centre dated January 04, 2024. The Corporate Identification Number of the Company is U13114PB2024PLC060422. For details in relation to the incorporation, Change in Registered Office and other details, please refer to the chapter titled “*Our History and Certain Other Corporate Matters*” beginning on page 144 of this Prospectus.

As on date of this Prospectus, our Company has Seven (7) shareholders.

Our Company is promoted by:

- 1) Mr. Kunal Arora
- 2) Ms. Palki Arora

For information on our Company’s business profile, activities, services, managerial competence, and customers, see chapters titled, “*Our Business*”, “*Financial Statements as Restated*”, and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” beginning on page 110, 180 and 181 respectively of this Prospectus.

### ADDRESS OF REGISTERED OFFICE

Our Company’s Registered Office is situated at Village Mangarh, Machiwara Road, Kohara, Ludhiana-141112 Punjab, India.

For Details on other locations of our Company, please see chapters titled, “*Our Business*” beginning on page 110.

### CHANGES IN OUR REGISTERED OFFICE

There has been no change in the Registered Office of the Company since the date of incorporation.

### MAJOR EVENTS AND MILESTONES

The table below sets forth some of the key events in the history of our Company:

Year	Particulars
2014	Inception of Partnership Firm in the name and style of “Paramount Dye Tec”
2023	Achieved Turnover of more than ₹ 45 Crores.
2023	Certificate of Quality Management System ISO 9001:2015 issued by Assurance Quality Certification LLC
2023	Certificate of compliance with good manufacturing practices issued by Assurance Quality Certification LLC
2024	Conversion of Partnership Firm to Public Limited Company
2024	Obtain Factory License in the name of Company
2024	Rewarded the shareholders of the company by issuing Bonus Shares

### MAIN OBJECTS OF OUR COMPANY

The object clause of the Memorandum of Association of our Company enables us to undertake the activities for which the funds are being raised in the present Issue.

Furthermore, the activities of our Company which we have been carrying out until now are in accordance with the objects of the Memorandum. The main objects contained in the Memorandum of Association of our Company are:

To carry on the business of Manufacturing and Trading of Fibres, Knitted cloth, Yarns, Other hosiery goods and non-hosiery goods and to undertake contract of various kind and to do such other business of businesses.

## AMENDMENTS TO THE MEMORANDUM OF ASSOCIATION OF OUR COMPANY

The following changes have been made in the Memorandum of Association of our Company since incorporation:

Date of Meeting	Meeting	Nature of Amendment
January 27, 2024	EGM	<b>Increase in Authorised Capital:</b> Increase in Authorised Share Capital from ₹ 1.00 Lakh to ₹ 1.00 Crore.
February 12, 2024	EGM	<b>Increase in Authorised Capital:</b> Increase in Authorised Share Capital from ₹ 1.00 Crore to ₹ 12.00 Crores.
May 29, 2024	EGM	<b>Change in Object Clause:</b> To carry on the business of Manufacturing and Trading of Fibres, Knitted cloth, Yarns, Other hosiery goods and non-hosiery goods and to undertake contract of various kind and to do such other business of businesses.

## DETAILS REGARDING ACQUISITION OF BUSINESS / UNDERTAKINGS, MERGERS, AMALGAMATIONS OR REVALUATION OF ASSETS

Our Company has not made any material acquisitions or divestments of any business or undertaking, and has not undertaken any mergers, amalgamation or revaluation of assets in the last ten years.

Our Company was initially established as Partnership Firm under the Partnership Act, 1932 ("Partnership Act") in the name and style of "Paramount Dye Tec" pursuant to Deed of Partnership dated January 03, 2014, effective from January 01, 2014. Paramount Dye Tec was thereafter converted from Partnership Firm to a Public Limited Company under Part I chapter XXI of the Companies Act, 2013 with the name and style of "Paramount Dye Tec Limited" and received a Certificate of Incorporation from the Registrar of Companies, Central Registration Centre dated January 04, 2024.

The Partners of the Firm were as follows:

1. Mr. Kunal Arora
2. Ms. Palki Arora
3. Mr. Harminder Singh
4. Mr. Rupesh
5. Mr. Vikram Singh
6. Mr. Pawan Kumar
7. Mr. Sanjeev Kumar

The Profit-sharing ratio of the Firm was as follow:

Sr. No.	Name of Partners	Profit-sharing ratio
1	Mr. Kunal Arora	69.97%
2	Ms. Palki Arora	29.97%
3	Mr. Harminder Singh	0.02%
4	Mr. Rupesh	0.01%
5	Mr. Vikram Singh	0.01%
6	Mr. Pawan Kumar	0.01%
7	Mr. Sanjeev Kumar	0.01%

## DETAILS REGARDING HOLDING / SUBSIDIARY, ASSOCIATE COMPANIES AND JOINT VENTURE

As on date of filing of this Prospectus, our Company does not have any Holding or Associate Company or Joint Venture or a Subsidiary company.

## CAPACITY / FACILITY CREATION, LOCATION OF PLANTS

For information on our Company's business profile, Capacity and location of Plant, see chapters titled, ***"Our Business"***.

## **GUARANTEES PROVIDED BY OUR PROMOTER**

As on the date of this Prospectus, no guarantee has been issued by Promoter except as disclosed in the ***"Statement of Financial Indebtedness"*** on page 199 of this Prospectus.

## **CAPITAL RAISING (DEBT / EQUITY):**

For details in relation to our capital raising activities through equity, please refer to the chapter titled ***"Capital Structure"*** beginning on page 66 of this Prospectus. For details of our Company's debt facilities, see ***"Statement of Financial Indebtedness"*** on page 199 of this Prospectus.

## **CHANGES IN THE ACTIVITIES OF OUR COMPANY SINCE INCORPORATION**

There have been no changes in the activities of our Company since incorporation which may have had a material effect on the profits and loss account of our Company, including discontinuance of lines of business, loss of agencies or markets and similar factors.

## **CHANGES IN THE MANAGEMENT**

For details of change in Management, please see chapter titled ***"Our Management"*** on page 148 of this Prospectus.

## **DEFAULTS OR RESCHEDULING OF BORROWINGS FROM FINANCIAL INSTITUTIONS / BANKS**

There have been no defaults or rescheduling / restructuring of borrowings with financial institutions / banks in respect of borrowings of our Company.

## **INJUNCTION OR RESTRAINING ORDER**

Except as disclosed in the section titled ***"Outstanding Litigation and Material Developments"*** beginning on page 201 of this Prospectus, there are no injunctions / restraining orders that have been passed against the Company.

## **LOCK OUTS AND STRIKES**

There have been no lock outs or strikes at any of the units of our Company.

## **TIME AND COST OVER RUNS**

Our Company has not implemented any projects and has therefore, not experienced any time or cost overrun in setting up of projects.

## **SHAREHOLDERS' AGREEMENTS**

As on the date of this Prospectus, our Company has not entered into any Shareholders' Agreements.

## **AGREEMENTS WITH KEY MANAGERIAL PERSONNEL OR SENIOR MANAGEMENT A DIRECTOR OR PROMOTER OR ANY OTHER EMPLOYEE OF THE COMPANY**

Except as mentioned in Chapter titled ***"Our Management"*** beginning on page 148 of this Prospectus, there are no agreements entered into by key managerial personnel or senior management or a Director or Promoter or any other employee of the Company, either by themselves or on behalf of any other person, with any shareholder or any other third party with regard to compensation or profit sharing in connection with dealings in the securities of the Company.

## **MATERIAL AGREEMENTS**

As on the date of this Prospectus, our Company has not entered into any material agreements other than in the ordinary course of business carried on by our Company. For details on business agreements of our Company, please refer to the section titled ***"Our Business"*** beginning on page 110 of this Prospectus.

## **Other Agreements:**

- i. **Non-Compete Agreement:** Our Company has not entered into any Non-compete Agreement as on the date of filing of this Prospectus.
- ii. **Joint Venture Agreement:** Our Company has not entered into any Joint Venture Agreement as on the date of filing of this Prospectus.

## **STRATEGIC PARTNERS**

As of the date of this Prospectus, our Company does not have any Strategic Partners.

## **FINANCIAL PARTNERS**

As on the date of this Prospectus, apart from the various arrangements with bankers and financial institutions which our Company undertakes in the ordinary course of business, our Company does not have any other financial partners.

## OUR MANAGEMENT

Under Articles of Association of our Company, the number of directors shall not be less than 3 (three) and not be more than 15 (Fifteen), subject to the applicable provisions of the Companies Act, 2013.

As of the date of this Prospectus, our Company has 6 (Six) Directors on the Board, 1 (One) as Managing Director, 2 (Two) as Executive Director, 1 (One) as Non-Executive Directors and 2 (Two) as Independent Directors.

Set forth below are details regarding the Board of Directors as on the date of this Prospectus:

Name, Father's / Husband's Name, Age, Designation, Address, Occupation, Nationality, DIN and Term	Date of Appointment / Reappointment	Other Directorships / Designated Partners
<b>Mr. Kunal Arora</b> <b>DOB:</b> August 14, 1988 <b>Age:</b> 36 Years <b>Qualification:</b> Bachelor of Business Administration <b>Designation:</b> Managing Director & Chief Financial Officer <b>Address:</b> House. No. 80-F, SBS Nagar, Basant Avenue, Pakhowal Road, Ludhiana – 141013, Punjab, India. <b>Occupation:</b> Business <b>Nationality:</b> Indian <b>DIN:</b> 09791270 <b>Term:</b> Change in designation from Non-Executive Director to Managing Director of the Company for a period of 5 years w.e.f. March 20, 2024 up to March 19, 2029.	Appointed as Non-Executive Director w.e.f. January 04, 2024.  Change in designation from Non-Executive Director to Managing Director of the Company for a period of 5 years w.e.f. March 20, 2024 up to March 19, 2029.	<b>Companies</b> <ul style="list-style-type: none"> <li>Welldone Cottex Private Limited</li> </ul> <b>Limited Liability Partnerships</b> Nil
<b>Ms. Palki Arora</b> <b>DOB:</b> April 24, 1989 <b>Age:</b> 35 Years <b>Qualification:</b> Master of Arts <b>Designation:</b> Executive Director <b>Address:</b> House. No. 80-F, SBS Nagar, Basant Avenue, Pakhowal Road, Ludhiana – 141013, Punjab, India. <b>Occupation:</b> Business <b>Nationality:</b> Indian <b>DIN:</b> 09791271 <b>Term:</b> Liable to retire by rotation	Appointed as Non-Executive Director w.e.f. January 04, 2024.  Change in Designation as Executive Director of the Company w.e.f. March 15, 2024	<b>Companies</b> <ul style="list-style-type: none"> <li>Welldone Cottex Private Limited</li> </ul> <b>Limited Liability Partnerships</b> Nil

Name, Father's / Husband's Name, Age, Designation, Address, Occupation, Nationality, DIN and Term	Date of Appointment / Reappointment	Other Directorships / Designated Partners
<b>Mr. Rupesh</b> <b>DOB:</b> May 07, 1984 <b>Age:</b> 40 Years <b>Qualification:</b> Higher Secondary <b>Designation:</b> Executive Director <b>Address:</b> Village Ladana P.O. Barwara the Dehra, Gopipur – 177101, Himachal Pradesh, India. <b>Occupation:</b> Service <b>Nationality:</b> Indian <b>DIN:</b> 10186268 <b>Term:</b> Liable to retire by rotation	Appointed as Non-Executive Director of the Company w.e.f. January 04, 2024.  Change in Designation as Executive Director of the Company w.e.f. March 15, 2024.	<b>Companies</b> Nil  <b>Limited Liability Partnerships</b> Nil
<b>Ms. Divya</b> <b>DOB:</b> October 04, 1990 <b>Age:</b> 33 Years <b>Qualification:</b> Company Secretary from the Institute of Company Secretaries of India and Master of Commerce <b>Designation:</b> Non- Executive Director <b>Address:</b> Flat No. K 1104, Jalandhar Heights, 66 Feet Road, Near Urban Estate Phase-2 Jalandhar -II Punjab - 144022, India. <b>Occupation:</b> Professional <b>Nationality:</b> Indian <b>DIN:</b> 07138228 <b>Term:</b> Appointed as Non- Executive Director of the Company w.e.f. March 15, 2024	Appointed as Non- Executive Director of the Company w.e.f. March 15, 2024.	<b>Companies</b> Nil  <b>Limited Liability Partnerships</b> Nil

Name, Father's / Husband's Name, Age, Designation, Address, Occupation, Nationality, DIN and Term	Date of Appointment / Reappointment	Other Directorships / Designated Partners
<p><b>Mr. Manish</b></p> <p><b>DOB:</b> July 02, 1995</p> <p><b>Age:</b> 29 years</p> <p><b>Qualification:</b> Company Secretary from the Institute of Company Secretaries of India</p> <p><b>Designation:</b> Independent Director</p> <p><b>Address:</b> 304, Fourth Floor, Gali No. 2, Anand Parbat, Central Delhi - 110005, Delhi, India</p> <p><b>Occupation:</b> Professional</p> <p><b>Nationality:</b> Indian</p> <p><b>DIN:</b> 10765627</p> <p><b>Term:</b> Appointed as Independent Director of the Company w.e.f. September 17, 2024 for a term of five consecutive years.</p>	<p>Appointed as Independent Director of the Company w.e.f. September 17, 2024 for a term of five consecutive years.</p>	<p><b>Companies</b></p> <p>Nil</p> <p><b>Limited Liability Partnerships</b></p> <p>Nil</p>
<p><b>Mr. Prabir Singh</b></p> <p><b>DOB:</b> June 30, 1970</p> <p><b>Age:</b> 53 years</p> <p><b>Qualification:</b> Chartered Accountant from the Institute of Chartered Accountants of India</p> <p><b>Designation:</b> Independent Director</p> <p><b>Address:</b> DX-127, Kendriya Vihar, Sector 56, Gurgaon – 122011, Haryana, India.</p> <p><b>Occupation:</b> Professional</p> <p><b>Nationality:</b> Indian</p> <p><b>DIN:</b> 01068303</p> <p><b>Term:</b> Appointed as Independent Director of the Company w.e.f. March 15, 2024 for a term of five consecutive years.</p>	<p>Appointed as Independent Director of the Company w.e.f. March 15, 2024 for a term of five consecutive years.</p>	<p><b>Companies</b></p> <p>Nil</p> <p><b>Limited Liability Partnerships</b></p> <p>Nil</p>

## ARRANGEMENTS AND UNDERSTANDING WITH MAJOR SHAREHOLDERS

None of our Key Managerial Personnel, Senior Managerial Personnel or Directors have been appointed pursuant to any arrangement or understanding with our major shareholders, customers, suppliers or others pursuant to which of the directors was selected as a director or member of senior management.

## BRIEF PROFILE OF OUR DIRECTORS

**Mr. Kunal Arora**, aged 36, is the Promoter, Managing Director, and Chief Financial Officer of our Company. Initially appointed as a Non-Executive Director on January 4, 2024, he transitioned to the role of Managing Director on March 20, 2024, for a tenure of five years. Additionally, he was appointed as the Chief Financial Officer of the Company with effect from May 25, 2024. Mr. Arora holds a Bachelor of Business Administration degree from Gujranwala Guru Nanak Institute of Management & Technology, Ludhiana, earned in 2010. In 2014, he founded a Partnership Firm in the name and style of “Paramount Dye Tec”, with a decade of experience in yarn production and marketing, he oversees all manufacturing operations, including quality control and supply chain management. As a leader, Mr. Arora consistently delivers value to customers, striving to meet and exceed their expectations, and is deeply involved in the day-to-day execution of projects. He is the driving force behind the company's operations and serves as a mentor to all employees, primarily overseeing the company's overall business operations.

**Ms. Palki Arora**, aged 35, is the Promoter and Executive Director of the Company. She was initially appointed as a Non-Executive Director on January 4, 2024, and later transitioned to the role of Executive Director on March 15, 2024. Ms. Arora holds a Bachelor of Arts and a Master of Arts from MCM DAV College for Women, Chandigarh, which she completed in 2009 and 2011, respectively. In 2016, she joined the partnership firm “Paramount Dye Tec.” With approximately eight years of experience, she possesses extensive expertise in human resources, focusing on maintaining both affordability and operational efficiency. She actively seeks opportunities for both personal and organizational growth and leads the development of innovative business techniques and practices, driving continuous improvement and adaptation to meet evolving market demands.

**Mr. Rupesh**, aged 40, is the Executive Director of the Company. Initially appointed as a Non-Executive Director on January 4, 2024, he transitioned to the role of Executive Director on March 15, 2024. He joined the partnership firm “Paramount Dye Tec” in 2014 as an Accountant of the Firm and later, he was admitted as the Partner of the Firm in the year 2023. Mr. Rupesh completed his Higher Secondary education from the Himachal Pradesh Board of School Education, Dharamshala, in 2005. He brings extensive expertise in overseeing financial operations, devising tax and financial strategies, and managing budgeting and capital requests. In our Company, he is involved in supervising financial operations, developing tax and financial policies and managing budgeting processes and capital requests.

**Ms. Divya**, aged 33, is the Non-Executive Director of the Company, appointed on March 15, 2024. She holds a Master's degree in Commerce from G.G.N. Khalsa College, Ludhiana, completed in 2013, and earned her Company Secretary qualification from the Institute of Company Secretaries of India in 2015. She served on the Board of The Hind Samachar Limited from 2015 to 2019 and was the Company Secretary of Sumrit Metaliks Private Limited from 2019 to 2022. Currently, she is the Company Secretary of Bhawani Industries Private Limited, a position she has held since January 2024. With extensive expertise in share issuance, investor grievance management, statutory record maintenance, due diligence, and compliance, she brings a wealth of experience to her role.

**Mr. Manish**, aged 29, is the Independent Director of the Company, appointed on September 17, 2024. He completed his Company Secretary qualification from the Institute of Company Secretaries of India and received his membership on October 15, 2020. His professional experience includes working as Company Secretary at Winsome Breweries Limited from November 2020 to March 2021 and as a Legal Associate at Epoch Legal from April 2021 to March 2022. He later served as Company Secretary and Compliance Officer at Wadhwa & Co. from April 2022 to April 2023. Currently, he is the Company Secretary of Amtech Esters Private Limited from December 2023 till date. He has more than 3 years of experience in the field of law and compliance during which he gained exposure in secretarial compliances, strategically raising capital by issuance of shares, legal opinions & researches for various corporate clients.

**Mr. Prabir Singh**, aged 53, is the Independent Director of the Company, appointed on March 15, 2024. He has been a Chartered Accountant, holding his degree from the Institute of Chartered Accountants of India since 2003. Mr. Singh served as a Senior Advisor in Finance and Taxation on a contractual basis at NKC Projects Private Limited from, September 01, 2007 to June 30, 2021. Previously, he was a Partner at Arun Singh & Co, Chartered Accountants, from August 01, 2004 to July 01, 2008. He is also a Director at Offshore Infosystems Private Limited since 2006. Consequently, he has nearly 20 years of experience. His expertise spans various domains, including auditing, taxation, accounting, financial consultancy, project financing, and corporate law compliance, enriching the Company's Board with his extensive experience in finance.

## CONFIRMATIONS

- a) Except stated below, None of the Directors and Key Managerial Personnel of our Company are related to each other as per Section 2(77) of the Companies Act, 2013.

Sr. No.	Name of the Director	Name of the Director	Relationship
1.	Mr. Kunal Arora	Ms. Palki Arora	Spouse

- b) There are no arrangements or understanding with major shareholders, customers, suppliers or others, pursuant to which any of the Directors or Key Managerial Personnel were selected as a Director or Member of Senior Management.
- c) There are no service contracts entered by the Directors with our Company providing for benefits upon termination of employment.
- d) As on the date of this Prospectus, none of our directors are on the RBI List of wilful defaulters or Fraudulent Borrowers.
- e) As on the date of this Prospectus, none of our Directors are Fugitive Economic Offender under Section 12 of the Fugitive Economic Offenders Act, 2018.
- f) As on the date of this Prospectus, none of our director is or was a director of any listed Company during the last 5 (five) years preceding the date of this Prospectus, whose shares have been or were suspended from being traded on the Stock Exchange(s), during the term of their directorship in such Company.
- g) As on the date of this Prospectus, none of our director is or was a director of any listed Company which has been or was delisted from any stock exchange during the term of their directorship in such Company.
- h) As on the date of this Prospectus, none of the Promoter, Persons forming part of our Promoter Group, Directors or persons in control of our Company, has been or is involved as a promoter, director or person in control of any other Company, which is debarred from accessing the capital market under any order or directions made by SEBI or any other regulatory authority.
- i) No proceedings / investigations have been initiated by SEBI against any Company, the Board of Directors of which also comprises any of the Directors of our Company.

## REMUNERATION / COMPENSATION TO OUR DIRECTORS

The compensation payable to our Directors will be governed as per the terms of their appointment and shall be subject to the provisions of Section 2(54), Section 2(94), Section 188, Section 196, Section 197, Section 198 and Section 203 and any other applicable provisions, if any of the Companies Act, 2013 read with Schedule V to the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof or any of the provisions of the Companies Act, 1956, for the time being in force). Set forth below is the remuneration payable by our Company to our Directors for upcoming financial years:

(₹ in Lakh)

Sr. No.	Name of Director	Remuneration shall not exceed
1.	Mr. Kunal Arora	60.00
2.	Ms. Palki Arora	36.00
3.	Mr. Rupesh	4.50
	<b>Total</b>	<b>100.5</b>

#Remuneration paid from January 04, 2024 to March 31, 2024, the directors have been paid gross remuneration as follows:

(₹ in Lakh)

Sr. No.	Name of Director	Remuneration paid
1.	Mr. Kunal Arora*	N.A
2.	Ms. Palki Arora**	N.A
3.	Mr. Rupesh***	N.A
	<b>Total</b>	<b>N.A</b>

# The Company, previously operating as a partnership, was later incorporated as a Public Limited Company on January 04<sup>th</sup>, 2024. Therefore, director's remuneration will be calculated from the date of incorporation as a Company.

\* Mr. Kunal Arora was appointed as Managing Director w.e.f. March 20, 2024

\*\* Ms. Palki Arora was appointed w.e.f. March 15, 2024

\*\*\* Mr. Rupesh was appointed w.e.f. March 15, 2024

## TERMS AND CONDITIONS OF EMPLOYMENT OF OUR DIRECTORS

### Mr. Kunal Arora – Managing Director & Chief Financial Officer

The significant terms of his employment are as below:

<b>Remuneration</b>	Upto ₹ 60.00 Lakh per annum
<b>Bonus and Profit-sharing Ratio</b>	Not Applicable
<b>Term</b>	Appointed as Managing Director for a period of 5 (five) years commencing from March 20, 2024 to March 19, 2029.
<b>Remuneration in the event of loss or inadequacy of profits</b>	In the event of inadequacy or absence of profits in any financial years during his tenure, the Director will be paid remuneration as mentioned in Schedule V as may be approved by the Shareholders of the Company.

For further information on brief profile of Director, please refer the section “Brief Profile of our Directors”

### Ms. Palki Arora – Executive Director

The significant terms of his employment are as below:

<b>Remuneration</b>	Upto ₹ 36.00 Lakh per annum
<b>Bonus and Profit-sharing Ratio</b>	Not Applicable
<b>Term</b>	Appointed as Director w.e.f. March 15, 2024.
<b>Remuneration in the event of loss or inadequacy of profits</b>	In the event of inadequacy or absence of profits in any financial years during her tenure, the Director will be paid remuneration as mentioned in Schedule V as may be approved by the Shareholders of the Company.

For further information on brief profile of Director, please refer the section “Brief Profile of our Directors”

### Mr. Rupesh

The significant terms of his employment are as below:

<b>Remuneration</b>	Upto ₹ 4.50 Lakh per annum
<b>Bonus and Profit-sharing Ratio</b>	Not Applicable
<b>Term</b>	Appointed as Director w.e.f. March 15, 2024.
<b>Remuneration in the event of loss or inadequacy of profits</b>	In the event of inadequacy or absence of profits in any financial years during her tenure, the Director will be paid remuneration as mentioned in Schedule V as may be approved by the Shareholders of the Company.

For further information on brief profile of Director, please refer the section “Brief Profile of our Directors”

## SITTING FEES

The payment of sitting fees to the Non-Executive Director and Independent Directors of the Company for attending the meeting of the Board of Directors and meetings of the Committees of the Board of Directors in following manner:

Sr. No.	Name of Director	Fees for attending the meeting of	
		Board of Directors	Committee Meetings
1.	Ms. Divya	Upto ₹ 20,000 per Meeting	Upto ₹ 20,000 per Meeting
2.	Mr. Manish	Upto ₹ 20,000 per Meeting	Upto ₹ 20,000 per Meeting
3.	Mr. Prabir Singh	Upto ₹ 20,000 per Meeting	Upto ₹ 20,000 per Meeting

## PAYMENT OF BENEFITS

Except to the extent of remuneration payable to the Managing Director & Executive Director for services rendered to our Company and to the extent of fees payable to the Non-Executive Director for the professional services provided by him

and to the extent of other reimbursement of expenses payable to them as per their terms of appointment, our Company has not paid in the last 2 (two) years preceding the date of this Prospectus, and does not intend to pay, any amount or benefits to our directors.

## **PAYMENT OR BENEFIT TO OFFICERS OF OUR COMPANY**

Except as stated otherwise in this Prospectus and any statutory payments made by our Company, no non-salary amount or benefit has been paid, since the incorporation, or given or is intended to be paid or given to any of our Company's officers except remuneration of services rendered as Directors, officers or employees of our Company.

Except statutory benefits upon termination of their employment in our Company or superannuation, no officer of our Company is entitled to any benefit upon termination of such officer's employment in our Company or superannuation. Contributions are made regularly by our Company towards provident fund, gratuity fund and employee state insurance.

## **BONUS OR PROFIT-SHARING PLAN FOR OUR DIRECTORS**

None of our Directors are a party to any bonus or profit-sharing plan.

## **SHAREHOLDING OF DIRECTORS IN OUR COMPANY**

Our Articles of Association do not require our Directors to hold qualification shares.

As on date of this Prospectus, our Directors hold the following number of Equity Shares of our Company:

<b>Sr. No.</b>	<b>Name of Directors</b>	<b>No. of Equity Shares Held (Pre-Issue)</b>	<b>% of pre-Issue capital</b>
1	Mr. Kunal Arora	35,90,061	79.56
2	Mr. Palki Arora	9,21,384	20.42
3	Mr. Rupesh	201	0.00
4	Ms. Divya	Nil	Nil
5	Mr. Manish	Nil	Nil
6	Mr. Prabir Singh	Nil	Nil
	<b>Total</b>	<b>45,11,646</b>	<b>99.97%</b>

## **INTEREST OF OUR DIRECTORS**

Our Managing Director & Executive Directors may be interested to the extent of remuneration paid to them, respectively for services rendered as a Directors of our Company and reimbursement of expenses payable to them. Our Non-Executive Director may be interested to the extent of payment made to him for the professional services rendered to the company. For details, please refer "Terms and conditions of employment of our Managing Director and Executive Directors" above. Further, all our Non-Executive and Independent Directors may be interested to the extent of fees payable to them and / or the commission payable to them for attending meetings of the Board of Directors or a committee thereof. The Independent Directors are paid sitting fees for attending the meetings of the Board and Committees of the Board and may be regarded as interested to the extent of such sitting fees and reimbursement of other expenses payable to them as per their terms of appointment.

Our Directors Mr. Kunal Arora, Ms. Palki Arora and Mr. Rupesh may be deemed to be interested in the Company to the extent of the Equity Shares held by them and to the extent of any dividend payable to them and other distributions in respect of the Equity Shares held by them if any.

### **Interest in promotion of our Company**

Except Mr. Kunal Arora and Ms. Palki Arora none of our Directors have any interest in the promotion or formation of our Company as of the date of this Prospectus.

### **Interest in the property of our Company**

Except as stated in the chapter titled "**Related Party Transaction**" beginning on page 179 of this Prospectus, our Directors have not entered into any contract, agreement or arrangements within a period of 2 (two) years preceding the date of this Prospectus in which the Directors are interested directly or indirectly and no payments have been made to them in respect of these contracts, agreements or arrangements or are proposed to be made to them. Further our directors do not have any

interest in any immovable property to be acquired by the Company except otherwise disclosed in the heading titled ***“Our Properties”*** under the chapter titled ***“Our Business”*** beginning on page 110 of this Prospectus.

#### **Interest as Creditor of our Company**

As on the date of this Prospectus, except as stated in the chapter titled ***“Statement of Financial Indebtedness”*** and heading titled ***“Related Party Transactions”*** under chapter titled ***“Financial Statements as Restated”***, our Company has not availed loans from Directors of our Company.

#### **Interest in the business of Our Company**

Further, save and except as stated otherwise in ***“Statement of Related Parties’ Transactions”*** in the chapter titled ***“Financial Statements as Restated”*** of this Prospectus, our directors do not have any other interests in our Company as on the date of this Prospectus. Our directors are not interested in the appointment of Underwriters, Registrar and Bankers to the Issue or any such intermediaries registered with SEBI.

#### **Interest in transactions involving acquisition of land**

Our directors are not currently interested in any transaction with our Company involving acquisition of land. Except as stated / referred to under the heading titled ***“Our Properties”*** under chapter titled ***“Our Business”*** beginning on page 110 of this Prospectus, our directors have not entered into any contract, agreement or arrangements in relation to acquisition of property, since incorporation in which the Directors are interested directly or indirectly and no payments have been made to them in respect of these contracts, agreements or arrangements or are proposed to be made to them.

#### **Interest as Member of a Company or Firm**

Except as stated in this chapter the section titled ***“Related Party Transactions”*** and the chapter ***“Our Business”*** beginning on page 179 and 110 of this Prospectus respectively, our Directors do not have any other interest in our business

#### **Other Interests**

Except as stated above, none of the beneficiaries of loans, advances and sundry debtors are related to the Directors of our Company.

No consideration in cash or shares or otherwise has been paid or agreed to be paid to any of our directors or to the firms or companies in which they are interested as a member by any person either to induce him to become, or to help him qualify as a Director, or otherwise for services rendered by him or by the firm or Company in which he is interested, in connection with the promotion or formation of our Company.

Further, our directors may be directors on the board, or are members, or are partners, or are trustees of certain Group Entities and may be deemed to be interested to the extent of the payments made by our Company, if any, to such Group Entities. For the payments that are made by our Company to certain Group Entities, please refer chapters titled ***“Financial Statements as Restated”*** and ***“Related Party Transactions”*** beginning on page 180 and 179 of this Prospectus.

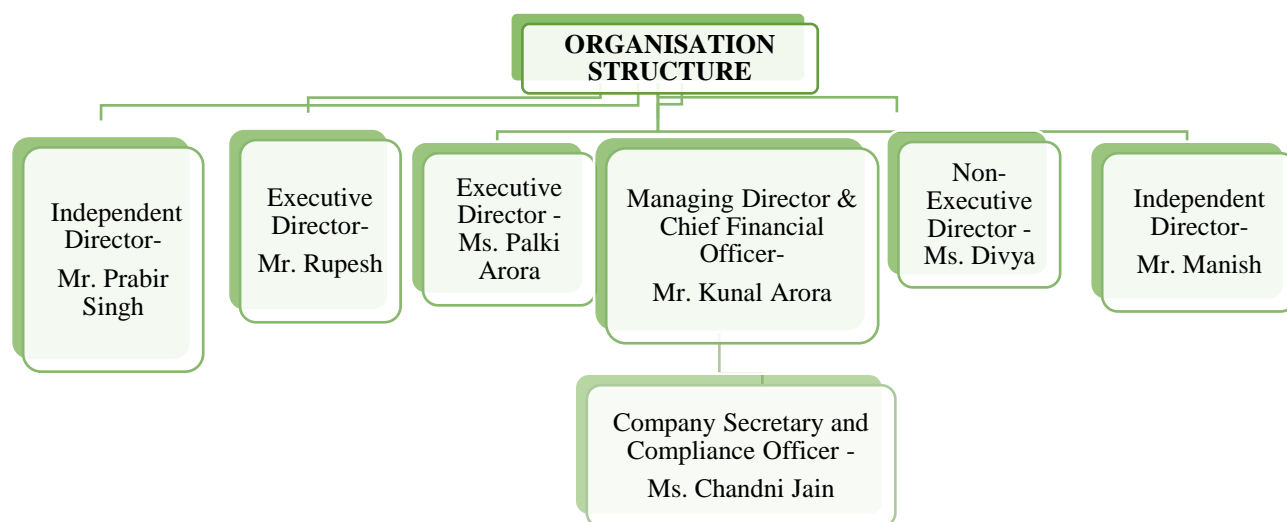
### **CHANGES IN OUR BOARD DURING THE LAST THREE YEARS**

Except as disclosed below, there have been no changes in our Board during the last 3 (three) years.

<b>Sr. No.</b>	<b>Directors</b>	<b>Date of Event</b>	<b>Event</b>	<b>Reason for Change</b>
1.	Mr. Kunal Arora	March 20, 2024	Change in Designation to Managing Director	To ensure better Corporate Governance
2.	Ms. Palki Arora	March 15, 2024	Change in Designation to Executive Director	
3.	Mr. Rupesh	March 15, 2024	Change in Designation to Executive Director	
4.	Ms. Divya	March 15, 2024	Appointed as Non-Executive Director	
5.	Mr. Bhupesh	March 15, 2024	Appointed as Independent Director	
6.	Mr. Prabir Singh	March 15, 2024	Appointed as Independent Director	

Sr. No.	Directors	Date of Event	Event	Reason for Change
7.	Mr. Bhupesh	September 02, 2024	Resignation from Independent Director	Due to Pre-occupation
8.	Mr. Manish	September 17, 2024	Appointed as Independent Director	To ensure better Corporate Governance

## ORGANISATION STRUCTURE



## BORROWING POWERS OF OUR BOARD

Our Articles of Association, subject to applicable law, authorize our Board to raise or borrow money or secure the payment of any sum of money for the purposes of our Company. Pursuant to a resolution passed by our shareholders at their Extra Ordinary General Meeting held on May 8, 2024 our shareholders have authorized our Board to borrow any sum of money from time to time notwithstanding that the sum or sums so borrowed together with the monies, if any, already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) exceed the paid up capital and free reserves of the Company provided such amount does not exceed ₹ 20,000 Lakhs over and above the aggregate of the paid up share capital and free reserves which may have not been set apart for any purpose.

## APPOINTMENT OF RELATIVES OF DIRECTORS TO ANY OFFICE OR PLACE OF PROFIT

Except as disclosed in this Prospectus, none of the relatives of our directors currently hold any office or place of profit in our Company.

## POLICIES ADOPTED BY OUR COMPANY

Our Company has adopted the following policies:

- Policy on Code of Conduct for Directors and Senior Management
- Policy of Audit Committee
- Policy of Nomination and Remuneration Committee
- Policy of Stakeholder Relationship Committee
- Policy on Code of Practices and Procedure for Fair Disclosure of Unpublished Price Sensitive Information
- Policy on Disclosure and Internal Procedure for Prevention of Insider Trading
- Policy on Whistle Blower and Vigil Mechanism
- Policy on Related Party Transactions (RPT)

- i) Policy for Preservation of Documents and Archival of Documents
- j) Policy for Prevention of Sexual Harassment
- k) Policy on Materiality for Disclosures of events to Stock Exchanges
- l) Policy on Code of Independent Directors and Familiarization of Independent Director
- m) Policy for identification of Materiality of outstanding Litigations involving Company, its subsidiary, Directors, Promoter and other Group Companies
- n) Policy on Material Outstanding due to the Creditors
- o) Policy on Corporate Social Responsibility

## **CORPORATE GOVERNANCE**

In addition to the applicable provisions of the Companies Act, 2013 with respect to Corporate Governance, provisions of the SEBI (LODR) Regulation, 2015 will also be complied with the extent applicable to our Company immediately upon the listing of the Equity Shares on the Stock Exchange.

Our Company stands committed to good Corporate Governance practices based on the principles such as accountability, transparency in dealings with our stakeholders, emphasis on communication and transparent reporting. We have complied with the requirements of the applicable regulations, in respect of corporate governance including constitution of the Board and Committees thereof.

The Corporate Governance framework is based on an effective Independent Board, the Board's Supervisory role from the executive management team and constitution of the Board Committees, as required under law.

The Board functions either as a full board or through the various committees constituted to oversee specific operational areas.

As on the date of this Prospectus, there are 6 (Six) Directors on our Board out of which one third are Independent Directors. Our Company is in compliance with the corporate governance norms prescribed under the Companies Act, 2013, particularly, in relation to appointment of Independent Directors to our Board and constitution of Board level committees.

Our Company undertakes to take all necessary steps to continue to comply with all the requirements of the SEBI (LODR) Regulation, 2015 and the Companies Act, 2013.

## **COMMITTEES OF OUR BOARD**

The following committees have been constituted in terms of SEBI (LODR) Regulations, 2015 and the Companies Act, 2013:

- a) Audit Committee
- b) Stakeholders' Relationship Committee
- c) Nomination and Remuneration Committee
- d) Internal Complaints Committee
- e) Policy on Corporate Social Responsibility

### **Audit Committee**

Our Company has constituted an Audit Committee ("Audit Committee"), as per Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI (LODR) Regulation, 2015; vide resolution passed at the meeting of the Board of Directors held on April 16, 2024 and the same was re-constituted at the meeting of Board of Directors held on September 23, 2024.

The terms of reference of Audit Committee adheres to the requirements of Regulation 18 of the SEBI (LODR) Regulation, 2015, proposed to be entered with the Stock Exchange in due course.

The committee presently comprises the following 3 (Three) directors:

Sr. No.	Name of Director	Status in Committee	Nature of Directorship
1	Mr. Prabir Singh	Chairperson	Independent Director
2	Mr. Manish	Member	Independent Director
3	Mr. Kunal Arora	Member	Managing Director

The Company Secretary & Compliance Officer of our Company shall act as the Secretary to the Audit Committee.

Set forth below are the scope, functions and the terms of reference of our Audit Committee, in accordance with Section 177 of the Companies Act, 2013 and Regulation 18(3) of the SEBI (LODR) Regulation, 2015.

### Meetings of Audit Committee and Quorum

As required under Regulation 18 of the SEBI (LODR) Regulation, 2015, the Audit Committee shall meet at least 4 (four) times in a year, and not more than 120 (one hundred twenty) days shall elapse between two meetings. The quorum shall be two members present, or one-third of the members, whichever is greater, provided that there should be a minimum of two independent members present.

### Powers of Audit Committee

The Audit Committee shall have powers, including the following:

- To investigate any activity within its terms of reference;
- To seek information from any employee;
- To obtain outside legal or other professional advice; and
- To secure attendance of outsiders with relevant expertise, if it considers necessary.

### Role of Audit Committee

The role of the Audit Committee shall include the following:

- Overseeing the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- Recommending to the Board the appointment, re-appointment and replacement, remuneration and terms of appointment of statutory auditor of the Company;
- Reviewing and monitoring the statutory auditor's independence and performance, and effectiveness of audit process;
- Approving payments to statutory auditors for any other services rendered by the statutory auditors of the Company;
- Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
  - Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-Section 3 of Section 134 of the Companies Act, 2013, as amended;
  - 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 the management;
  - Significant adjustments made in the financial statements arising out of audit findings;
  - Compliance with SEBI Listing Regulations and other legal requirements relating to financial statements;

- vi. Disclosure of any related party transactions; and
  - vii. Qualifications / modified opinion(s) in the draft audit report.
- f) Reviewing, with the management, the quarterly, half-yearly and annual financial statements before submission to the board for approval;
  - g) Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
  - h) Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
  - i) Approval or any subsequent modification of transactions of our Company with related parties and omnibus approval for related party transactions proposed to be entered by our Company subject to such conditions as may be prescribed;
  - j) Formulating a policy on related party transactions, which shall include materiality of related party transactions;
  - k) Scrutinizing of inter-corporate loans and investments;
  - l) Valuing of undertakings or assets of the Company, wherever it is necessary;
  - m) Evaluating of internal financial controls and risk management systems;
  - n) Establishing a vigil mechanism for directors and employees to report their genuine concerns or grievances;
  - o) Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
  - p) Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
  - q) Discussing with internal auditors of any significant findings and follow up there on;
  - r) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
  - s) Discussing with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
  - t) Looking into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
  - u) Reviewing the functioning of the whistle blower mechanism;
  - v) Approving the appointment of the Chief Financial Officer (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate; and
  - w) Carrying out any other function as is mentioned in the terms of reference of the Audit Committee and any other terms of reference as may be decided by the Board and / or specified / provided under the Companies Act, 2013 or SEBI Listing Regulations or by any other regulatory authority.
  - x) Reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision

- y) Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders

Further, the Audit Committee shall mandatorily review the following information:

- management discussion and analysis of financial condition and results of operations;
- management letters / letters of internal control weaknesses issued by the statutory auditors;
- internal audit reports relating to internal control weaknesses; and
- the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.
- statement of deviations: (a) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1); (b) annual statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice in terms of Regulation 32(7).

### Stakeholders' Relationship Committee

Our Company has constituted a shareholder / investors grievance committee "Stakeholders' Relationship Committee" to redress complaints of the shareholders. The Stakeholders' Relationship Committee was constituted vide resolution passed at the meeting of the Board of Directors held on April 16, 2024 and the same was re-constituted at the meeting of the Board held on September 23, 2024.

The Stakeholders' Relationship Committee comprises:

Sr. No.	Name of Director	Status in Committee	Nature of Directorship
1	Ms. Divya	Chairperson	Non-Executive Director
2	Mr. Manish	Member	Independent Director
3	Mr. Prabir Singh	Member	Independent Director

The Company Secretary & Compliance Officer of our Company shall act as the Secretary to the Stakeholders' Relationship Committee.

The Stakeholders Relationship Committee shall oversee all matters pertaining to investors of our Company. The scope and function of the Stakeholders' Relationship Committee and its terms of reference shall include the following:

#### Tenure

The Stakeholder's Relationship Committee shall continue to be in function as a committee of the Board until otherwise resolved by the Board, to carry out the functions of the Stakeholder's Relationship Committee as approved by the Board.

#### Meetings

The Stakeholder's Relationship Committee shall meet at least 1 (one) time in a year. The Chairperson of the Stakeholders Relationship Committee shall be present at the annual general meetings to answer queries of the security holders.

#### Role of the Stakeholders' Relationship Committee

The role of the Stakeholders' Relationship Committee shall include the following:

- Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc;
- Review of measures taken for effective exercise of voting rights by shareholders;
- Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent;

- d) Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.

### **Nomination and Remuneration Committee**

Our Company has constituted a Nomination and Remuneration Committee in accordance Section 178 of Companies Act, 2013. The constitution of the Nomination and Remuneration Committee was approved by a Meeting of the Board of Directors held on April 16, 2024 and the same was re-constituted at the meeting of Board held on September 23, 2024.

The Nomination and Remuneration Committee comprises the following Directors:

Sr. No.	Name of Director	Status in Committee	Nature of Directorship
1	Mr. Prabir Singh	Chairperson	Independent Director
2	Mr. Manish	Member	Independent Director
3	Ms. Divya	Member	Non-Executive Director

The Company Secretary & Compliance Officer of our Company shall act as the Secretary of the Nomination and Remuneration Committee.

The scope and function of the Committee and its terms of reference shall include the following:

#### **Tenure**

The Nomination and Remuneration Committee shall continue to be in function as a committee of the Board until otherwise resolved by the Board.

#### **Meetings**

The committee shall meet as and when the need arises for review of Managerial Remuneration. The quorum for a meeting of the nomination and remuneration committee shall be either two members or one third of the members of the committee, whichever is greater, including atleast one independent director in attendance.

#### **Role of the Nomination and Remuneration Committee not limited to but includes:**

- Formulating 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;
- For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
  - use the services of an external agencies, if required;
  - consider candidates from a wide range of backgrounds, having due regard to diversity; and
  - consider the time commitments of the candidates
- Formulating of criteria for evaluation of performance of independent Directors and the Board;
- Devising a policy on Board diversity;
- Identifying persons who are qualified to become directors of our Company and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board their appointment and removal. Our Company shall disclose the remuneration policy and the evaluation criteria in its Annual Report of our Company;
- Determining our Company's policy and recommending to the Board, all remuneration, in whatever form, payable to Senior management.

### **Corporate Social Responsibility Committee**

The Corporate Social Responsibility Committee shall formulate and recommend a CSR policy to the Board, the Company has constituted a Corporate Social Responsibility Committee pursuant to resolution of the Board of Directors dated April 16, 2024. The Corporate Social Responsibility Committee shall recommend the amount of expenditure to be incurred on the CSR activities to be undertaken by the company, monitor the CSR policy of the Company from time to time and establish the transparent controlling mechanism for the implementation of the CSR projects or programs or activities undertaken by the company as per the requirements of the Companies Act, 2013, Listing Agreement and SEBI LODR for Corporate Governance.

The Corporate Social Responsibility Committee comprises the following members:

Sr. No.	Name of Director	Status in Committee	Nature of Directorship
1	Mr. Prabir Singh	Chairman	Independent Director
2	Mr. Kunal Arora	Member	Managing Director and Chief Financial Officer
3	Ms. Palki Arora	Member	Executive Director

*Role of the Corporate Social Responsibility Committee not limited to but includes:*

We further confirm that atleast one Director is an Independent Director.

Company Secretary & Compliance Officer of our Company shall act as the secretary to the Corporate Social Responsibility Committee.

### Measures

In the aforesaid backdrop, policy on Paramount Dye Tec Limited is broadly framed taking into account the following measures:

The CSR activities shall be undertaken by Paramount Dye Tec Limited, as stated in this Policy, as projects or programs or activities (either new or ongoing), excluding activities undertaken in pursuance of its normal course of business.

The CSR activities which are exclusively for the benefit of Paramount Dye Tec Limited employees or their family members shall not be considered as CSR activity.

Paramount Dye Tec Limited shall give preference to the local area or areas around it where it operates, for spending the amount earmarked for CSR activities.

The Board of Paramount Dye Tec Limited may decide to undertake its CSR activities as recommended by the CSR Committee, through a registered trust or a registered society or a company established by the company or its holding or subsidiary or associate company pursuant to Section 135 of the Companies Act, 2013 and rules made there-under.

The following is the list of CSR projects or programs which Paramount Dye Tec Limited plans to undertake pursuant to Schedule VII of the Companies Act, 2013:

(i) Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation including contribution to the Swachh Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water.

(ii) promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects.

(iii) promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centres and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups.

(iv) ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water including contribution to the Clean Ganga Fund set-up by the Central Government for rejuvenation of river Ganga.

(v) protection of national heritage, art and culture including restoration of buildings and sites of historical importance and works of art; setting up public libraries; promotion and development of traditional art and handicrafts;

(vi) measures for the benefit of armed forces veterans, war widows and their dependents, Central Armed Police Forces (CAPF) and Central Para Military Forces (CPMF) veterans, and their dependents including widows;

(vii) training to promote rural sports, nationally recognised sports, paralympic sports and olympic sports

(viii) contribution to the prime minister's national relief fund 8[or Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund (PM CARES Fund)] or any other fund set up by the central govt. for socio economic development and relief and welfare of the schedule caste, tribes, other backward classes, minorities and women;

(ix) (a) Contribution to incubators or research and development projects in the field of science, technology, engineering and medicine, funded by the Central Government or State Government or Public Sector Undertaking or any agency of the Central Government or State Government; and

(b) Contributions to public funded Universities; Indian Institute of Technology (IITs); National Laboratories and autonomous bodies established under Department of Atomic Energy (DAE); Department of Biotechnology (DBT); Department of Science and Technology (DST); Department of Pharmaceuticals; Ministry of Ayurveda, Yoga and Naturopathy, Unani, Siddha and Homoeopathy (AYUSH); Ministry of Electronics and Information Technology and other bodies, namely Defense Research and Development Organisation (DRDO); Indian Council of Agricultural Research (ICAR); Indian Council of Medical Research (ICMR) and Council of Scientific and Industrial Research (CSIR), engaged in conducting research in science, technology, engineering and medicine aimed at promoting Sustainable Development Goals (SDGs).

(x) rural development projects

(xi) slum area development

(xii) disaster management, including relief, rehabilitation and reconstruction activities

Any other measures with the approval of Board of Directors on the recommendation of CSR Committee subject to the provisions of Section 135 of Companies Act, 2013 and rules made there-under.

### **Organisational mechanism and responsibilities**

Constitution of Corporate Social Responsibility Committee

The Board of Directors of the Company shall constitute a Corporate Social Responsibility Committee of the Board ("CSR Committee") consisting of three or more directors, out of which at least one director shall be an independent director.

### **The CSR Committee shall –**

- a) Formulate and recommend to the Board, a CSR policy and activities to be undertaken by the company as per Schedule VII;
- b) Recommend the amount of expenditure to be incurred on the activities; and
- c) Monitor the Policy of the company from time to time.

The Board of the company shall after taking into account the recommendations made by the CSR Committee, approve the policy for the company and disclose contents of such Policy in its report and also place it on the company's website and ensure that the activities as are included in the CSR Policy of the company are undertaken by the company.

Paramount Dye Tec Limited provide the vision under the leadership of its Managing Director, Mr. Kunal Arora

At the Company, the Managing Director takes on the role of the mentor, while the onus for the successful and time bound implementation of the CSR activities / projects is on the HR Head and CSR teams.

To measure the impact of the work done, a social satisfaction survey / audit is carried out by an external agency.

### **Activities, setting measurable targets with timeframes and performance management:**

Prior to the commencement of CSR activities / projects, we carry out a baseline study of the nearby area / villages of the Company's Site Locations.

The study encompasses various parameters such as – health indicators, literacy levels, sustainable livelihood processes, and population data – below the poverty line and above the poverty line, state of infrastructure, among others.

From the data generated, a 1-year plan and a 5-year rolling plan are developed for the holistic and integrated development of the affected people.

All activities / projects of CSR are assessed under the agreed strategy, and are monitored every quarter / year, measured against targets and budgets. Wherever necessary, midcourse corrections are made.

### **Budgets**

A specific budget is allocated for CSR activities and spending on CSR activities shall not be less than 2% of the average net profits of the Company made during the three immediately preceding financial years, in pursuance of this policy.

In case Company fails to spend such amount, the Board shall specify the reasons for not spending the amount.

Approving authority for the CSR amount to be spent would be any one Director or the Managing Director / Chief Financial Officer of the Company after due recommendation of CSR Committee and approval of the Board of Directors of the Company.

The CSR Policy mandates that the surplus arising out of the CSR projects or programs or activities shall not form part of the business profit of a company.

The CSR projects or programs or activities undertaken in India only shall amount to CSR expenditure.

CSR expenditure shall include all expenditure including contribution to corpus, for projects or programs relating to CSR activities approved by the Board on the recommendation of the CSR Committee, but does not include any expenditure on any item not in conformity or not in line with activities which fall within the purview of Schedule VII of the Companies Act 2013.

Tax treatment of CSR spent will be in accordance with the Income Tax Act as may be notified by CBDT.

### **Internal Complaints Committee**

An Internal Complaints Committee is constituted for our Company by the Board to look into the matters concerning sexual harassment pursuant to resolution of the Board of Directors dated April 16, 2024. The Internal Complaints consists of the following members.

<b>Sr. No.</b>	<b>Name</b>	<b>Status in Committee</b>	<b>Gender</b>
1.	Ms. Palki Arora	Presiding Officer	Female
2.	Mr. Rupesh	Member	Male
3.	Ms. Divya	Member	Female
4.	Mr. Rajeev Arora	External Member	Male

A complainant can approach any member of the committee with her written complaint.

### **Tenure**

The President and other members of the committee shall hold office for such period, not exceeding 3 (three) years, from the date of their nomination as may be specified by the employer.

### **Scope**

This policy is applicable to employees, workers, volunteers, probationer and trainees including those on deputation, part time, contract, working as consultants or otherwise (whether in the office premises or outside while on assignment). This policy shall be considered to be a part of the employment contract or terms of engagement of the persons in the above categories.

Where the alleged incident occurs to our employee by a third party while on a duty outside our premises, the Company shall perform all reasonable and necessary steps to support our employee.

### **What Constitutes Sexual Harassment?**

Sexual Harassment means such unwelcome sexually determined behaviour (directly or through implication), like physical contact and advances by the employee(s) including:

- a) A demand or request for sexual favours, sexually coloured remarks, showing pornography, any other unwelcome physical conduct of sexual nature, lurid stares, physical contact or molestation, stalking, sounds, display of pictures, signs;
- b) Eve teasing, innuendos and taunts, physical confinement against one's will;
- c) A demand or request for sexual favours, whether verbally or non-verbally, where the submission to such conduct is made either explicitly or implicitly a term or condition of an individual's employment or promotion / evaluation of work thereby denying an individual equal opportunity at employment;
- d) An act or conduct by a person in authority which makes the environment at workplace hostile or intimidating to a person or unreasonably interferes with the individual's privacy and productivity at work;
- e) Verbal harassment of a sexual nature, such as lewd comments, sexual jokes or references, and offensive personal references; demeaning, insulting, intimidating, or sexually suggestive comments (oral or written) about an individual's personal appearance or electronically transmitted messages (Jokes, remarks, letters, phone calls);
- f) Any other behaviour which an individual perceives as having sexual overtones.

### **Redressal Mechanism:**

Once the complaint is received by the Committee:

- a) The person who is accused by the complainant will be informed that a complaint has been filed against him (he will be made aware of the details of the allegation and also the name of the complainant as it would be necessary for proper inquiry) and no unfair acts of retaliation or unethical action will be tolerated.
- b) The complainant has the opportunity to ask for conciliation proceedings by having communication with the accused in the presence of the Committee. Please note that in such conciliation the complainant cannot demand monetary compensation.
- c) The Committee shall provide the copies of the settlement as recorded during conciliation to the aggrieved employee and the respondent.
- d) If the matter has been settled by conciliation but the respondent is not complying with the terms and conditions, the aggrieved party can approach the Committee for Redressal.
- e) The Committee will question both the complainant and the alleged accused separately. If required, the person who has been named as a witness will need to provide the necessary information to assist in resolving the matter satisfactorily.
- f) The Committee shall call upon all witnesses mentioned by both the parties.
- g) The Committee can ask for specific documents from a person if it feels that they are important for the purpose of investigation.
- h) The complainant has the option to seek transfer or leave so that the inquiry process can continue smoothly and to prevent recurrence of similar situations or discomfort to the complainant. The leave can extend for a maximum period of 3 months. Leave granted under this provision will be paid leave and will not be counted in the number of leaves that the complainant is statutorily entitled to. The complainant may be required to work from home, if it is practicable, keeping in mind the nature of work of the complainant, health and mental condition. However, the complainant is under a good faith obligation and shall not abuse the process to request unjustifiably long periods of leave, keeping in mind the economic effects of the leave to the organization. The Committee shall have the discretion

to grant leave of an appropriate duration, depending on the facts and circumstances of the case, or grant an alternate measure such as transferring the employee or the accused, as it deems fit.

Where leave is granted to the complainant, the Committee shall make best attempts to ensure speedy completion of the inquiry process and to minimize adverse economic consequences to the Company arising out of the absence of the complainant from the workplace.

- i. The complainant and the accused shall be informed of the outcome of the investigation. The investigation shall be completed within 3 months of the receipt of the complaint. If the investigation reveals that the complainant has been sexually harassed as claimed, the accused will be subjected to disciplinary action accordingly.
  - a) The report of the investigation shall be supplied to the employer (or the District Officer), the accused and the complainant within 10 days of completion of the investigation.
  - b) The employer or the District Officer will act on the recommendations of the Committee within 60 days of the receipt of the report.
- ii. The contents of the complaint made, the identity and addresses of the aggrieved employee, respondent and witnesses, any information relating to conciliation and inquiry proceedings, recommendations of the Internal Committee and the action taken by the employer shall not be published, communicated or made known to the public, press and media in any manner

Any party aggrieved by the report can prefer an appeal in the appropriate Court or Tribunal in accordance with the service rules within 90 days of the recommendation been given to the employer / District Officer.

#### **Disciplinary Action:**

Where any misconduct is found by the Committee, appropriate disciplinary action shall be taken against the accused. Disciplinary action may include transfer, withholding promotion, suspension or even dismissal. This action shall be in addition to any legal recourse sought by the complainant.

If it is found out through evidence by the Committee that the complainant has maliciously given false complaint against the accused, disciplinary action shall be taken against the complainant as well.

Regardless of the outcome of the complaint made in good faith, the employee lodging the complaint and any person providing information or any witness, will be protected from any form of retaliation. While dealing with complaints of sexual harassment, the Committee shall ensure that the complainant or the witness are not victimized or discriminated against by the accused. Any unwarranted pressures, retaliatory or any other type of unethical behaviour by the accused against the complainant while the investigation is in progress should be reported by the complainant to the Complaints Committee as soon as possible. Disciplinary action will be taken by the Committee against any such complaints which are found genuine.

This policy shall be disseminated to each employee of the Company as well as new recruits who will have to acknowledge that they have read and understood the policy and that they shall abide by the policy.

#### **POLICY ON DISCLOSURES AND INTERNAL PROCEDURE FOR PREVENTION OF INSIDER TRADING**

The provisions of Regulation 9(1) of the SEBI (Prohibition of Insider Trading) Regulations, 2015 ("SEBI PIT Regulations") will be applicable to our Company immediately upon the listing of its Equity Shares on the Emerge Platform of National Stock Exchange of India Limited ("NSE Emerge"). We shall comply with the requirements of the SEBI (PIT) Regulations on listing of Equity Shares on stock exchanges. Further, Board of Directors have formulated and adopted the code of conduct to regulate, monitor and report trading by its employees and other connected persons.

The Company Secretary & Compliance Officer will be responsible for setting forth policies, procedures, monitoring and adherence to the rules for the preservation of price sensitive information and the implementation of the Code of Conduct under the overall supervision of the board.

#### **OUR KEY MANAGERIAL PERSONNEL**

Our Company is managed by our Board of Directors, assisted by qualified and experienced professionals, who are permanent employees of our Company. Given below are the details of the Key Managerial Personnel of our Company as prescribed under the Companies Act, 2013:

Sr. No	Name of the KMPs	Designation
1.	Mr. Kunal Arora	Managing Director & Chief Financial Officer
2.	Ms. Chandni Jain	Company Secretary & Compliance Officer

#### BREIF PROFILE OF KEY MANAGERIAL PERSONNEL:

##### Mr. Kunal Arora – Managing Director & Chief Financial Officer

Mr. Kunal Arora is the Managing Director & Chief Financial Officer of our Company. For details, see “*Brief Profile of our Director*”, see “*Our Management*” chapter beginning on page 148 of this Prospectus.

##### Ms. Chandni Jain – Company Secretary & Compliance Officer

Ms. Chandni Jain, aged 34 years, is the Company Secretary & Compliance Officer of our Company. She was appointed as the Company Secretary & Compliance Officer of our Company at the meeting of the Board of Directors with effect from March 15, 2024. She is a qualified Company Secretary and an associate member of the Institute of Company Secretaries of India from year 2015. She was the Company Secretary of Garg Furnace Limited from 2019 to 2022. She is currently responsible for the overall Corporate Governance and secretarial Compliance of our Company.

<b>Term of Office with expiration Date</b>	Appointed as Company Secretary & Compliance Officer with effect from March 15, 2024
<b>Details of service contract</b>	Not Applicable
<b>Function and areas of experience</b>	Overall Corporate Governance and secretarial Compliance of our Company.

#### STATUS OF KEY MANAGERIAL PERSONNEL

All our Key Managerial Personnel are permanent employees of our Company.

#### RELATIONSHIP BETWEEN KEY MANAGERIAL PERSONNEL

None of the above-mentioned key managerial personnel are related to each other. There are no arrangements or understanding with major shareholders, customers, suppliers or others, pursuant to which any of the Key Managerial Personnel were selected as members of our senior management.

#### RELATIONSHIP OF DIRECTORS / PROMOTERS WITH KEY MANAGERIAL PERSONNEL (KMPs)

Except as mentioned below, none of our key managerial personnel are related to our Promoter or Directors. There are no arrangements or understanding with major shareholders, customers, suppliers or others, pursuant to which any of the Key Managerial Personnel were selected as members of our senior management.

Sr. No.	Name of the KMP	Name of the Director	Relationship
1.	Mr. Kunal Arora	Ms. Palki Arora	Spouse

#### SHAREHOLDING OF THE KEY MANAGERIAL PERSONNEL

As on date of this Prospectus, except as stated below, our Key Managerial Personnel do not hold any number of Equity Shares of our Company

Sr. No.	Name of Key Managerial Personnel	No. of Equity Shares Held (Pre-Issue)	% of pre-Issue capital
1.	Mr. Kunal Arora	35,90,061	79.56
2.	Ms. Chandni Jain	Nil	Nil
	<b>Total</b>	<b>35,90,061</b>	<b>79.56</b>

#### REMUNERATION / COMPENSATION TO OUR KMPs

Set forth below is the remuneration paid by our Company to our KMPs for the financial year ended March 31, 2024:

(₹ in Lakh)

Sr. No.	Name of KMPs	Designation	Remuneration paid
1.	Mr. Kunal Arora	Managing Director & Chief Financial Officer *	Nil

Sr. No.	Name of KMPs	Designation	Remuneration paid
2.	Ms. Chandni Jain	Company Secretary & Compliance Officer**	Nil
<b>Total</b>			Nil

\*Appointed as Managing Director of the Company w.e.f. March 20, 2024.

\*Appointed as Chief Financial Officer of the Company w.e.f. May 25, 2024.

\*\*Appointed as Company Secretary & Compliance Officer w.e.f. March 15, 2024.

The KMP's are on the payrolls of our Company as permanent employees.

#### BONUS OR PROFIT-SHARING PLAN FOR OUR KEY MANAGERIAL PERSONNEL

As on the date of this Prospectus, our Company does not have any performance linked bonus or profit-sharing plan with any of our Key Managerial Personnel.

#### CONTINGENT AND DEFERRED COMPENSATION PAYABLE TO KEY MANAGERIAL PERSONNEL

None of our Key Managerial Personnel has received or is entitled to any contingent or deferred compensation as on date of this Prospectus.

#### LOANS TO KEY MANAGERIAL PERSONNEL

Except as stated in the Prospectus, there is no loan outstanding against Key Managerial Personnel as on date of this Prospectus.

#### INTEREST OF KEY MANAGERIAL PERSONNEL

The Key Managerial Personnel of our Company have interest in our Company to the extent of the remuneration or benefits to which they are entitled to as per their terms of appointment and reimbursement of expenses incurred by them during the ordinary course of business and may also be interested to the extent of Equity Shares held by them in our Company, if any and dividends payable thereon, if any. Except as disclosed in this Prospectus, none of our key managerial personnel have been paid any consideration of any nature from our Company, other than their remuneration. Except as stated in the heading titled ***“Related Party Transactions”*** under the Section titled ***“Financial Statements as Restated”*** beginning on page 180 of this Prospectus and described herein above, our key managerial personnel do not have any other interest in the business of our Company.

#### CHANGES IN KEY MANAGERIAL PERSONNEL IN THE LAST THREE YEARS

Set forth below are the changes in our Key Managerial Personnel in the last 3 (three) years immediately preceding the date of this Prospectus:

Sr. No.	Name	Date of Event	Designation	Reason
1.	Mr. Soumitra Mitra	May 25, 2024	Resignation from the position of CEO	Pre - occupation
2.	Mr. Kunal Arora	March 20, 2024	Appointed as Managing Director	Organisational Re-structuring
3.	Mr. Rupesh	March 15, 2024	Appointed as Chief Financial Officer	
4.	Ms. Chandni Jain	March 15, 2024	Appointed as Company Secretary and Compliance Officer	
5.	Mr. Rupesh	May 25, 2024	Resignation from the position of CFO	
6.	Mr. Kunal Arora	May 25, 2024	Appointed as Chief Financial Officer	

#### EMPLOYEES STOCK OPTION SCHEME

Our Company does not have any Employee Stock Option Scheme / Employee Stock Purchase Scheme as on the date of filing of this Prospectus.

#### PAYMENT OR BENEFIT TO OFFICERS OF OUR COMPANY



Except as stated in this Prospectus and any statutory payments made by our Company, no non-salary amount or benefit has been paid, in two preceding years, or given or is intended to be paid or given to any of our Company's officers except remuneration of services rendered as Directors, officers or employees of our Company.

Except as stated in the chapter titled ***"Financial Statements as Restated"*** beginning on page 180 of this Prospectus, none of the beneficiaries of loans and advances and sundry debtors are related to our Company, our Directors, Our Key Managerial Personnel or our Promoter.

#### **ARRANGEMENTS AND UNDERSTANDING WITH MAJOR SHAREHOLDERS**

None of our Key Managerial Personnel or Directors has been appointed pursuant to any arrangement or understanding with our major shareholders, customers, suppliers or others. For more information, please refer chapter titled ***"Our History and Certain Other Corporate Matters"*** beginning on page 144 of this Prospectus.

## OUR PROMOTERS AND PROMOTER GROUP

### OUR PROMOTERS

The Promoters of our Company are Mr. Kunal Arora and Ms. Palki Arora.

As on the date of this Prospectus, Our Promoters holds an aggregate of 45,11,445 Equity Shares, representing 99.97% of the Pre-Issue Issued, Subscribed and Paid-up Equity Share Capital of our Company. For details of the build-up of the Promoters' shareholding in our Company, see "*Capital Structure – History of the Equity Share Capital held by our Promoters*", on pages 66 of this Prospectus.

### BRIEF PROFILE OF OUR INDIVIDUAL PROMOTER



**Mr. Kunal Arora**, aged 36, is the Promoter, Managing Director, and Chief Financial Officer of our Company. Initially appointed as a Non-Executive Director on January 4, 2024, he transitioned to the role of Managing Director on March 20, 2024, for a tenure of five years. Additionally, he was appointed as the Chief Financial Officer of the Company with effect from May 25, 2024. Mr. Arora holds a Bachelor of Business Administration degree from Gujranwala Guru Nanak Institute of Management & Technology, Ludhiana, earned in 2010. In 2014, he founded a Partnership Firm in the name and style of "Paramount Dye Tec", with a decade of experience in yarn production and marketing, he oversees all manufacturing operations, including quality control and supply chain management. As a leader, Mr. Arora consistently delivers value to customers, striving to meet and exceed their expectations, and is deeply involved in the day-to-day execution of projects. He is the driving force behind the company's operations and serves as a mentor to all employees, primarily overseeing the company's overall business operations.

**Qualification:** Bachelor of Business Administration

**Date of Birth:** August 14, 1988

**Age:** 36 Years

**Residential Address:** House No. 80-F, SBS Nagar, Basant Avenue, Pakhowal Road, Ludhiana – 141013, Punjab, India.

**Nationality:** Indian

**PAN:** ASVPA2890D

**Directorship Held:**

- Welldone Cottex Private Limited

For the complete profile of Mr. Kunal Arora, - educational qualifications, professional experience, position / posts held in the past, directorships held, special achievements and business and financial activities, see "*Our Management*" on page 148 of this Prospectus.



**Ms. Palki Arora**, aged 35, is the Promoter and Executive Director of the Company. She was initially appointed as a Non-Executive Director on January 4, 2024, and later transitioned to the role of Executive Director on March 15, 2024. Ms. Arora holds a Bachelor of Arts and a Master of Arts from MCM DAV College for Women, Chandigarh, which she completed in 2009 and 2011, respectively. In 2016, she joined the partnership firm “Paramount Dye Tec.” With approximately eight years of experience, she possesses extensive expertise in human resources, focusing on maintaining both affordability and operational efficiency. She actively seeks opportunities for both personal and organizational growth and leads the development of innovative business techniques and practices, driving continuous improvement and adaptation to meet evolving market demands.

**Qualification:** Master of Arts

**Date of Birth:** April 24, 1989

**Age:** 35 Years

**Residential Address:** House No. 80-F, SBS Nagar, Basant Avenue, Pakhowal Road, Ludhiana – 141013, Punjab, India.

**Nationality:** Indian

**PAN:** BAGPK6561B

**Directorship Held:**

- Welldone Cottex Private Limited

For the complete profile of Ms. Palki Arora, - educational qualifications, professional experience, position / posts held in the past, directorships held, special achievements and business and financial activities, see “***Our Management***” on page 148 of this Prospectus.

## DECLARATION

We declare and confirm that the details of the Permanent Account Number, Aadhaar Card Number and Driving License Number, Passport Number and Bank Account Number of our Promoter will be submitted to the Stock Exchange i.e., National Stock Exchange of India Limited, where the Equity Shares are proposed to be listed at the time of filing this Prospectus.

## UNDERTAKING / CONFIRMATIONS

None of our Promoter or Promoter Group or Group Company or person in control of our Company has been:

- Prohibited or debarred from accessing or operating in the capital market or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI or any other authority or
- Refused listing of any of the securities issued by such entity by any stock exchange, in India or abroad.
- No material regulatory or disciplinary action is taken by any by a stock exchange or regulatory authority in the past one year in respect of our Promoters, Group Company and Company promoted by the promoters of our company.
- There are no defaults in respect of payment of interest and principal to the debenture / bond / fixed deposit holders, banks, FIs by our Company, our Promoters, Group Company and Company promoted by the promoters during the past three years.

- The litigation record, the nature of litigation, and status of litigation of our Company, Promoters, Group company and Company promoted by the Promoters are disclosed in chapter titled “***Outstanding Litigations and Material Developments***” beginning on page 201 of this Prospectus.
- None of our Promoter person in control of our Company are or have ever been a promoters, director or person in control of any other company which is debarred from accessing the capital markets under any order or direction passed by the SEBI or any other authority.

## **CHANGE IN CONTROL OF OUR COMPANY**

There has not been any change in the control of our Company since incorporation.

## **EXPERIENCE OF OUR PROMOTERS IN THE BUSINESS OF OUR COMPANY**

For details in relation to experience of our Promoters in the business of our Company, please refer the chapter “***Our Management***” beginning on page 148 of this Prospectus.

## **INTEREST OF OUR PROMOTER**

Our Promoters are interested in our Company to the extent (i) that they have promoted our Company, and (ii) to the extent of their shareholding in our Company. For details on shareholding of our Promoters in our Company, see “***Capital Structure***” on page 66 of this Prospectus.

Except as stated otherwise in this Prospectus, we have not entered into any contract, agreements or arrangements in which our Promoters are directly or indirectly interested and no payments have been made to them in respect of the contracts, agreements or arrangements which are proposed to be made with them including the properties purchased by our Company and development rights entered into by our Company other than in the normal course of business. For further details, please refer the section titled “***Related Party Transactions***” in chapter “***Financial Statements as Restated***” on page 180 of this Prospectus.

### ***Interest in promotion of our Company***

Our Company is currently promoted by the Promoters in order to carry on its present business. Our Promoters are interested in our Company to the extent of their shareholding and directorship in our Company and the dividend declared, if any, by our Company.

### ***Interest in the property, land, construction of building, supply of machinery, etc.***

Except as mentioned in the chapter titled “***Our Business***” beginning on page 110 of this Prospectus, our Promoters do not have any other interest in any property acquired or proposed to be acquired by our Company in a period of 2 (two) years before filing of this Prospectus or in any transaction by our Company for acquisition of land, construction of building or supply of machinery or any other contract, agreement or arrangement entered into by our Company and no payments have been made or are proposed to be made in respect of these contracts, agreements or arrangements.

### ***Interest in our Company arising out of being a member of a firm or company***

Our Promoters are not interested as member of a firm or company, and no sum has been paid or agreed to be paid to them or to such firm or company in cash or shares or otherwise by any person either to induce such person to become, or qualify them as a director, or otherwise for services rendered by them or by such firm or company in connection with the promotion or formation of our Company.

### ***Interest in our Company other than as Promoter***

Except as mentioned in this chapter and chapters titled “***Our Business***”, “***History and Certain Corporate Matters***”, “***Our Management***” and “***Restated Financial Statements***” beginning on pages 110, 144, 148 and 180, respectively, our Promoters do not have any other interest in our Company.

### ***Payment or Benefit to the Promoters or Promoter Group in the last 2 (two) years***

Except as stated above in chapters “***Financial Statements as Restated***” beginning on page 180 of this Prospectus, there has been no amount or benefit paid or given during the preceding 2 (two) years of filing of this Prospectus or intended to

be paid or given to any Promoters or member of our Promoter Group and no consideration for payment of giving of the benefit.

## COMMON PURSUITS OF OUR PROMOTER

Except as disclosed below, our Promoters is not involved with any ventures which are in the same line of activity or business as that of our Company.

Sr. No	Name of Entity
1.	Welldone Cottex Private Limited
2.	Winning Industries

## MATERIAL GUARANTEES GIVEN TO THIRD PARTIES

Except as stated in the *“Financial Statements as Restated”* beginning on page 180 of this Prospectus, our Promoters have not given material guarantees to the third party(ies) with respect to the specified securities of our Company.

## EXPERIENCE OF PROMOTERS IN THE LINE OF BUSINESS

Our Promoters are Mr. Kunal Arora and Ms. Palki Arora and have an experience of around 10 years and 8 years respectively in the Yarn Manufacturing Industry. The Company shall also endeavour to ensure that relevant professional help is sought as and when required in the future.

## SHAREHOLDING OF THE PROMOTER GROUP IN OUR COMPANY

For details of shareholding of members of our Promoter Group as on the date of this Prospectus, please see the chapter titled *“Capital Structure – Notes to Capital Structure”* beginning on page 66 of this Prospectus.

## LITIGATION INVOLVING OUR PROMOTER

For details relating to legal proceedings involving the Promoters, please refer *“Outstanding Litigation and Material Developments”* beginning on page 201 of this Prospectus.

## RELATED PARTY TRANSACTIONS

Except as stated in *“Annexure XXX – Related Party Transactions”* beginning on page 179 of this Prospectus, and as stated therein, our Promoters or any of the Promoter Group Entities do not have any other interest in our business.

## COMPANIES WITH WHICH OUR PROMOTERS HAVE DISASSOCIATED IN THE PRECEDING THREE YEARS

Our Promoters have not disassociated themselves from any companies, firms or entities during the last three years preceding the date of this Prospectus.

## OUR PROMOTER GROUP

Our Promoter Group in terms of Regulation 2(1) (pp) of the SEBI (ICDR) Regulations, 2018 is as under:

### A. Natural Persons who form part of our Promoter Group:

Promoter	Mr. Kunal Arora	Ms. Palki Arora
Relation with Promoter		
Father	Late Ramesh Arora	Arun Kapoor
Mother	Ranjana Arora	Monita Kapoor
Spouse	Palki Arora	Kunal Arora
Brother(s)	Punit Arora	Nipun Kapoor
Sister(s)	Palika Arora	-
Son(s)	-	-
Daughter(s)	Aarna Arora	Aarna Arora
Spouse's Father	Arun Kapoor	Late Ramesh Arora
Spouse's Mother	Monita Kapoor	Ranjana Arora

<b>Spouse's Brother(s)</b>	Nipun Kapoor	Punit Arora
<b>Spouse's Sister(s)</b>	-	Palika Arora

**B. In case promoter is a Body Corporate**

<b>Sr. No.</b>	<b>Nature of Relationship</b>	<b>Name of the Promoter Entities / Company</b>
1.	Subsidiary or holding company of Promoter Company	N.A.
2.	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).	N.A.

**C. In case promoter is an Individual:**

<b>Sr. No.</b>	<b>Nature of Relationship</b>	<b>Entity</b>
1.	Any Body Corporate in which 20% 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 relatives is a member.	<ul style="list-style-type: none"> <li>• Welldone Cottex Private limited</li> <li>• Sun Reclaims Private Limited</li> <li>• Sun Exim Private Limited</li> <li>• Paramount Syntex Private Limited</li> <li>• PSPL Dyers and Processors Private Limited</li> <li>• Paraspin Impex Private Limited</li> </ul>
2.	Any Body corporate in which Body Corporate as provided above holds 20% or more of the equity share capital.	N.A.
3.	Any Hindu Undivided Family or firm in which the aggregate shareholding of the promoter and his immediate relatives is equal to or more than 20%.	<ul style="list-style-type: none"> <li>• Winning Industries</li> <li>• Sun Exim</li> <li>• One Com</li> <li>• Ramesh Arora &amp; Sons HUF</li> <li>• Punit Arora &amp; Sons HUF</li> <li>• M/s K.K. Impex</li> </ul>

**D. All persons whose shareholding is aggregated under the heading "shareholding of the Promoter Group":**

The following persons forms part of promoter group for the purpose of shareholding of the Promoter Group under Regulation 2(1) (pp)(v) of SEBI (ICDR) Regulations 2018: **NIL**

## OUR GROUP COMPANIES

In accordance with the provisions of the SEBI (ICDR) Regulations, 2018, for the purpose of identification of Group Company, our Company has considered those companies as our Group Company (other than promoter(s) and subsidiary / subsidiaries) with which there were related party transactions as per the Restated Financial Statements of our Company in any of the last three financial years and other Company as considered material by our Board.

Further, pursuant to a resolution of our Board dated April 16, 2024 for the purpose of disclosure in relation to Group company in connection with the Issue, a company shall be considered material and disclosed as a Group company if such company fulfils both the below mentioned conditions: -

- a) the companies with which there were related party transactions (in accordance with AS-18), as disclosed in the Restated Financial Statements (“Restated Financial Statements”); or
- b) if such company fulfils both the below mentioned conditions: -
  - i. such company that forms part of the Promoter Group of the Company in terms of Regulation 2(1) (pp) of the SEBI(ICDR) Regulations; and
  - ii. the Company has entered into one or more transactions with such company in preceding fiscal or audit period as the case may be exceeding 10% of total revenue of the Company as per Restated Financial Statements.

Accordingly, based on the parameters outlined above, as on the date of this Prospectus, there are 2 (Two) companies / entity falling under definition of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 which are to be identified as group company / entity (“Group Company”).

### Corporate Information–

#### WELLDONE COTTEX PRIVATE LIMITED

<b>Date of Incorporation</b>	November 15, 2022	
<b>Name of Company</b>	Welldone Cottex Private Limited	
<b>CIN</b>	U17299PB2022PTC057244	
<b>PAN</b>	AADCW4071B	
<b>Registered Office</b>	Village Mangarh Machiwar Road, Kohara, Ludhiana - 141112, Punjab, India	
<b>Board of Directors*</b>	<b>Name of Directors</b>	<b>DIN</b>
	Mr. Kunal Arora	09791270
	Ms. Palki Arora	09791271

#### PARAMOUNT SYNTEX PRIVATE LIMITED

<b>Date of Incorporation</b>	March 08, 1996	
<b>Name of Company</b>	Paramount Syntex Private Limited	
<b>CIN</b>	U17110MH1996PTC097972	
<b>PAN</b>	AABCP6082F	
<b>Registered Office</b>	32, Floor- 3, Plot 196/198, Bhagwan Bhuwan, Hazrat Abbas Raod, Samuel Street, Vadgadi Masjid, Chinchbunder, Princess Dock, Mumbai - 400009, Maharashtra, India	
<b>Board of Directors*</b>	<b>Name of Directors</b>	<b>DIN</b>
	Mr. Kumkum Arora	06625879
	Mr. Punit Arora	01137983
	Mr. Sharad Kumar Srivastava	07807007

\*As on date of this Prospectus

### FINANCIAL INFORMATION

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 of our Group Companies are available on the website of our Company at [www.paramountdyetec.com](http://www.paramountdyetec.com).

## OTHER CONFIRMATIONS

- a) None of our Group Companies Securities are listed on any stock exchange nor any of the Group Companies has made any public and / or rights issue of securities in the preceding three years.
- b) None of the above-mentioned Group Companies 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.
- c) None of the above-mentioned Group Companies is a sick company within the meaning of the Sick Industrial Companies (Special Provisions) Act, 1985 or is under winding up / insolvency proceedings.
- d) Our Group Companies has not been debarred from accessing the capital market for any reasons by the SEBI or any other authorities.

## LITIGATIONS

Except as mentioned in the Chapter “**Outstanding Litigation and Material Developments**” beginning on page 201 of this Prospectus, there are no outstanding litigation involving our Group Companies which may have a material impact on our Company.

## INTEREST OF OUR GROUP COMPANY

### Interest in the promotion of our Company

Except as disclosed in this Prospectus, our Group Companies has no interest in the promotion of our Company.

### Interest in the properties acquired or proposed to be acquired by our Company in the past three years or proposed to be acquired

Except as mentioned in the chapter titled “**Our Business**” under the heading “**Our Properties**” beginning on page 110 of this Prospectus, Our Group Companies don’t have any interest in the properties acquired or proposed to be acquired by our Company in the three years preceding the filing of Prospectus.

### Interest in the transactions for acquisition of land, construction of building and supply of machinery

Our Group Companies are not interested in any transaction for acquisition of land or supply of machinery to our Company.

## RELATED PARTY TRANSACTIONS BETWEEN OUR COMPANY & GROUP COMPANIES AND SIGNIFICANCE ON THE FINANCIAL PERFORMANCE OF OUR COMPANY

Except as disclosed under the Note “**Related Party Transactions**” on page 179 of this Prospectus, there are no related business transactions of our Company with its Group Companies and significance of the same on the financial performance of our Company.

## BUSINESS INTERESTS OF GROUP COMPANY IN OUR COMPANY

Other than as disclosed under the Note “**Related Party Transactions**” on page 179 of this Prospectus, the group companies don’t have any interest in the business of our Company or interest of any other nature as on the date of this Prospectus.

## PAYMENT OR BENEFIT TO OUR GROUP COMPANIES

Except as stated under the Note “**Related Party Transactions**” beginning on page 179 of this Prospectus, there has been no payment of benefits to our group companies for the period ended March 31, 2024 of our Company and for the period ended on January 03, 2024, and Financial Year ended March 31, 2023, March 31, 2022, March 31, 2021 for the Partnership firm M/s. Paramount Dye Tec.

## COMMON PURSUITS

Except as disclosed in “*Our Business*” and “*Related Party Transactions*” on pages 110 and 179, respectively, none of our Group Companies are in the same line of business as our Company and there are no common pursuits between our Group Companies and our Company.

## UNDERTAKING / CONFIRMATIONS BY OUR GROUP COMPANIES

None of our Promoters or Promoter Group or Group companies or person in control of our Company has been:

- i. Prohibited from accessing or operating in the capital market or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI or any other authority; or
- ii. Refused listing of any of the securities issued by such entity by any stock exchange, in India or abroad.

Neither our Promoters, person in control of our Company or have ever been a Promoters, Director or person in control of any other Company which is debarred from accessing the capital markets under any order or direction passed by the SEBI or any other authority.

Further, neither our Promoters, the relatives of our individual Promoters (as defined under the Companies Act) nor our Group companies / Promoter Group entities have been declared as a wilful defaulter or economic offender by the RBI or any other government authority and there are no violations of securities laws committed by them or any entities they are connected with in the past and no proceedings for violation of securities laws are pending against them.

## **DIVIDEND POLICY**

Under the Companies Act, 2013, an Indian Company pays dividends upon a recommendation by its Board of Directors and approval by majority of the Shareholders at the general meeting. Under the Companies Act, 2013, dividends may be paid out of profits of a company in the year in which the dividend is declared or out of the undistributed profits or reserves of the previous years or out of both.

The Articles of Association of our Company also gives the discretion to our Board of Directors to declare and pay interim dividends. No dividend shall be payable for any financial year except out of profits of our Company for that year or that of any previous financial year or years, which shall be arrived at after providing for depreciation in accordance with the provisions of Companies Act, 2013.

Our Company does not have a formal dividend policy for declaration of dividend in respect of Equity shares. Any dividends to be declared shall be recommended by the Board of Directors depending upon the financial condition, results of operations, capital requirements and surplus, contractual obligations and restrictions, the terms of the credit facilities and other financing arrangements of our Company at the time a dividend is considered, and other relevant factors and approved by the Equity Shareholders at their discretion.

Our Company has not paid / declared any dividend in last three years from date of this Prospectus. Our Company's corporate actions pertaining to payment of dividends in the past are not to be taken as being indicative of the payment of dividends by our Company in the future.



## RELATED PARTY TRANSACTIONS

For details on Related Party Transactions of our Company, please refer to *Annexure XXX* of section titled “*Financial Statements as Restated*” beginning on page 180 of this Prospectus.

## SECTION IX: FINANCIAL INFORMATION

### FINANCIAL STATEMENTS AS RESTATED

Sr. No.	Particulars	Page no.
1	Restated Financial Statements	F-1 to F-32

**Independent Auditor's Report on The Restated Financial Statements of  
PARAMOUNT DYE TEC LIMITED**

**Auditor's Report on the Restated Statement of Assets and Liabilities as on March 31, 2024, Statement of Profit & Loss and Cash Flow for the period and financial years ending on March 31, 2024 of PARAMOUNT DYE TEC LIMITED**

To,  
The Board of Directors,  
**PARAMOUNT DYE TEC LIMITED**  
**(FORMERLY PARAMOUNT DYE TEC (PARTNERSHIP FIRM))**  
Village Mangarh, Machiwara Road, Kohara,  
Ludhiana - 141112, Punjab, India  
Dear Sirs,

- 1) We have examined the attached Restated Summary Statements and Other Financial Information of **PARAMOUNT DYE TEC LIMITED** (Formerly known as '**PARAMOUNT DYE TEC (PARTNERSHIP FIRM)**'), for the financial period ended March 31, 2024 (collectively referred to as the "**Restated Summary Statements**" or "**Restated Financial Statements**") as duly approved by the Board of Directors of the Company.
- 2) The said Restated Financial Statements and other Financial Information have been examined and prepared for the purpose of inclusion in the Draft Prospectus/Prospectus (collectively hereinafter referred to as "Offer Document") in connection with the proposed Initial Public Offering (IPO) on SME Platform of NSE Limited ("NSE Emerge") of the company taking into consideration the followings and in accordance with the following requirements of:
  - Section 26 and 32 of Part I of Chapter III to the Companies Act, 2013 ("the Act") read with Companies (Prospectus and Allotment of Securities) Rules 2014, as amended from time to time;
  - The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements Regulations), 2018 (the 'SEBI ICDR Regulations') as amended from time to time in pursuance of Section 11 of the Securities and Exchange Board of India Act, 1992;
  - The Guidance Note on Reports in Company Draft Prospectus / Prospectus (Revised) issued by the Institute of Chartered Accountants of India ("ICAI") ("Guidance Note");
  - The applicable regulation of SEBI (ICDR) Regulations, 2018, as amended, and as per Schedule VI (Part A) (11) (II) of the said Regulations; and
  - The terms of reference to our engagement letter with the company dated May 21, 2024 requesting us to carry out the assignment, in connection with the proposed Initial Public Offering of equity shares on SME Platform of NSE Limited ("NSE Emerge") ("IPO" or "SME IPO").
- 3) These Restated Financial Information (included in Annexure I to XXXVI) have been extracted by the Management of the Company from:

The Company's Financial Statements for the period from January 04, 2024 to March 31, 2024 and financial statements of Partnership firm "PARAMOUNT DYE TEC" for Period ended January 03, 2024 and financial years ended March 31, 2023, 2022 and 2021 which have been approved by the Board of Directors at their meeting respectively and books of accounts underlying those financial statements and other records of the Company, to the extent considered necessary for the preparation of the Restated Financial Statements, are the responsibility of the Company's Management. The Financial Statement of the Company for the period from January 04, 2024 to March 31, 2024 and financial statements of Partnership firm "PARAMOUNT DYE TEC" for the Period ended January 03, 2024, and for the financial years ended March 31, 2023, 2022 and 2021 has been audited by M/S. Rajesh Mehru & Co, Chartered Accountants and had issued unqualified reports for these years.

- 4) In accordance with the requirement of Section 26 and 32 of the Companies Act, 2013 read with Companies (Prospectus and Allotment of Securities) Rules 2014, the SEBI Regulations, the Guidance Note, as amended from time to time and in terms of our engagement agreed with you, we further report that:
  - (a) The **Restated Statement of Assets and Liabilities** of the Company for the period from January 04, 2024 to March 31, 2024 and of the Partnership firm "PARAMOUNT DYE TEC" for the period ended January 03, 2024 and financial years ended March 31, 2023, 2022 and 2021 examined by us, as set out in **Annexure I** to this report, is prepared by the Company and approved by the Board of Directors. These Restated Summary Statement of Assets and Liabilities, have been arrived at after making such adjustments and groupings of the financial statements, as in our opinion were appropriate and more fully described in

Significant Accounting Policies and Notes to Accounts as set out in Annexure IV to XXXVI to this Report.

- (b) The **Restated Statement of Profit and Loss** of the Company for the period from January 04, 2024 to March 31, 2024 of the Partnership firm “PARAMOUNT DYE TEC” for the period ended January 03, 2024 and financial years ended on March 31, 2023, 2022 and 2021, examined by us, as set out in **Annexure II** to this report, is prepared by the Company and approved by the Board of Directors. These Restated Summary Statement of Profit and Loss, have been arrived at after making such adjustments and regroupings of the financial statements, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Accounts as set out in Annexure IV to XXXVI to this Report.
- (c) The **Restated Statement of Cash Flows** of the Company for the period from January 04, 2024 to March 31, 2024 of the Partnership firm “PARAMOUNT DYE TEC” for the period ended January 03, 2024 and financial years ended on March 31, 2023, 2022 and 2021, examined by us, as set out in **Annexure III** to this report, is prepared by the Company and approved by the Board of Directors. These Restated Summary Statement of Cash Flows, have been arrived at after making such adjustments and regroupings of the financial statements, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Accounts as set out in Annexure IV to XXXVI to this Report.

As a result of these adjustments, the amounts reporting in the above-mentioned statements are not necessarily the same as those appearing in the audited financial statements of the Company for the relevant financial years.

- 5) Based on the above, as per the reliance placed by us on the audited financial statements of the Company and report thereon given by the Statutory Auditor of the Company for the period ended March 31, 2024 and audited financial statements of Partnership firm “PARAMOUNT DYE TEC” for the period ended January 03, 2024 and financial years ended on March 31, 2023, 2022 and 2021, and to the best of our information and according to the explanation given to us, we are of the opinion that Restated Financial Statement:
  - (a) have been made after incorporating adjustments for the changes in accounting policies retrospectively in respective financial years to reflect the same accounting treatment as per the changed accounting policies for all the reporting periods based on the significant accounting policies adopted by the Company as at March 31, 2024.
  - (b) have been made after incorporating adjustments for prior period and other material amounts, if any, in the respective financial years to which they relate to;
  - (c) do not contain any extra ordinary items that need to be disclosed separately other than those presented in the Restated Financial Statement and do not contain any qualification requiring adjustments;
  - (d) There were no qualifications in the Audit Reports issued by the Statutory Auditors of the company for the period ended March 31, 2024 and financial statement of Partnership firm “PARAMOUNT DYE TEC” for the period ended January 03, 2024 and financial years ended March 31, 2023, 2022 and 2021 which would require adjustments in this Restated Financial Statements of the Company;
  - (e) Restated Summary Statement of Profits and losses have been arrived at after charging all expenses including depreciation and after making such adjustments/restatements and regroupings as in our opinion are appropriate and are to be read in accordance with the Significant Accounting Policies and Notes to Accounts as set out in Annexure IV to XXXVI to this report;
  - (f) Adjustments in Restated Summary Statements have been made in accordance with the correct accounting policies,
  - (g) There was no change in accounting policies, which needs to be adjusted in the Restated Summary Statements;
  - (h) There are no revaluation reserves, which need to be disclosed separately in the Restated Financial Statements;
- 6) We have also examined the following other Restated Financial Information as set out in the respective Annexure’s to this report and forming part of the Restated Financial Statement, prepared by the management of the Company and approved by the Board of Directors of the company for the period ended March 31, 2024 and of Partnership firm “PARAMOUNT DYE TEC” for the period ended January 03, 2024 and financial years ended on March 31, 2023, 2022 and 2021 proposed to be included in the Draft Red Hearing/Red Hearing/Prospectus (“Offer Document”) for the proposed IPO:

1. Statement of Assets & Liabilities, as restated in **Annexure I** to this report.
2. Statement of Profit & Loss, as restated in **Annexure II** to this report.
3. Statement of Cash Flow, as restated in **Annexure III** to this report.
4. Statement of Significant Accounting Policies & Explanatory Notes on Financial Statement, as restated in **Annexure IV** to this report.
5. Statement of Share Capital, as restated in **Annexure V** to this report.
6. Statement of Reserves & Surplus, as restated in **Annexure VI** to this report
7. Statement of Long-Term Borrowings, as restated in **Annexure VII** to this report.
8. Statement of Long-Term Provisions, as restated in **Annexure VIII** to this report
9. Statement of Short-Term Borrowings as restated in **Annexure IX** to this report.
10. Statement of Trade Payables as restated in **Annexure X** to this report.
11. Statement of Other Current Liabilities as restated in **Annexure XI** to this report.
12. Statement of Short-Term Provisions as restated in **Annexure XII** to this report.
13. Statement of Plant, Property & Equipment and Intangible Assets, as restated in **Annexure XIII** to this report.
14. Statement of Deferred Tax Liabilities/ (Assets), as restated in **Annexure XIV** to this report.
15. Statement of Other Non-Current Assets as restated in **Annexure XV** to this report.
16. Statement of Inventories, as restated in **Annexure XVI** to this report.
17. Statement of Trade Receivables as restated in **Annexure XVII** to this report.
18. Statement of Cash and Cash Equivalents as restated in **Annexure XVIII** to this report.
19. Statement of Short-Term Loans and Advances as restated in **Annexure XIX** to this report.
20. Statement of Other Current Assets as restated in **Annexure XX** to this report.
21. Statement of Revenue from Operations as restated in **Annexure XXI** to this report.
22. Statement of Other Income as restated in **Annexure XXII** to this report.
23. Statement of Cost of Material Consumed as restated in **Annexure XXIII** to this report.
24. Statement of Purchase of Traded Goods, as restated in **Annexure XXIV** to this report.
25. Statement of changes in inventories of finished goods and stock-in-trade, as restated in **Annexure XXV** to this report.
26. Statement of Employee Benefit Expenses as restated in **Annexure XXVI** to this report.
27. Statement of Finance Cost as restated in **Annexure XXVII** to this report.
28. Statement of Depreciation & Amortization as restated in **Annexure XXVIII** to this report.
29. Statement of Other Expenses as restated in **Annexure XXIX** to this report.
30. Statement of Related Party Transactions as restated in **Annexure XXX** to this report.
31. Statement of Reconciliation of Restated Profit after Tax, Restated Equity/Net worth, as restated in **Annexure XXXI** to this report.
32. Statement of Capitalization as restated in **Annexure XXXII** to this report.

33. Statement of Other Financial Information as restated in **Annexure XXXIII** to this report.
34. Statement of Tax Shelters as restated in **Annexure XXXIV** to this report.
35. Statement of Contingent Liabilities as restated in **Annexure XXXV** to this report.
36. Statement of Accounting Ratios as restated in **Annexure XXXVI** to this report.
- 7) We, Jay Gupta & Associates, Chartered Accountants hold a valid peer review certificate issued by the “Peer Review Board” of the Institute of Chartered Accountants of India (“ICAI”).
- 8) The preparation and presentation of the Financial Statements referred to above are based on the Audited financial statements of the Company and are in accordance with the provisions of the Act and ICDR Regulations. The Financial Statements and information referred to above is the responsibility of the management of the Company.
- 9) This report should not in any way be construed as a re-issuance or re-dating of any of the previous audit reports issued by Statutory Auditor, nor should this report be construed as an opinion on any of the Standalone Financial Information referred to herein.
- 10) We have no responsibility to update our report for events and circumstances occurring after the date of the report.
- 11) In our opinion, the above Restated Financial Statements contained in **Annexure I to XXXVI** to this report read along with the ‘Significant Accounting Policies and Notes to the Financial Statements’ appearing in **Annexure IV to XXXVI** after making adjustments and regrouping/reclassification as considered appropriate and have been prepared in accordance with the provisions of Section 26 and 32 of the Companies Act, 2013 read with the Companies (Prospectus and Allotment of Securities) Rules 2014, to the extent applicable, the SEBI Regulations, the Guidance Note issued in this regard by the ICAI, as amended from time to time, and in terms of our engagement agreed with you.
- 12) Our report is intended solely for use of the Management and for inclusion in the offer documents in connection with the proposed SME IPO of equity shares of the Company and is not to be used, referred to or distributed for any other purpose except with our prior written consent.

**For Jay Gupta & Associates**  
**(Erstwhile Gupta Agarwal & Associates)**  
**Chartered Accountants**  
**Firm Registration No.: 329001E**

**Sd/-**  
**Jay Shanker Gupta**  
**Membership No. 059535**  
**Partner**

**UDIN: 24059535BKBJAW9547**  
**Place: Kolkata**  
**Date: June 25, 2024**

**PARAMOUNT DYE TEC LIMITED**  
**Village Mangarh, Machiwarra Road, Kohara, Ludhiana - 141112, Punjab, India**  
**CIN: U13114PB2024PLC060422**

**RESTATED STATEMENT OF ASSETS & LIABILITIES**

**Annexure- I**  
**Amount (Rs. In Lakhs, unless otherwise stated)**

		<b>Company</b>		<b>M/S. PARAMOUNT DYE TEC (PARTNERSHIP FIRM)</b>			
<b>Sr.No</b>	<b>Particulars</b>	<b>Note No.</b>	<b>As at 31.03.2024</b>	<b>As at 03.01.2024</b>	<b>As at 31.03.2023</b>	<b>As at 31.03.2022</b>	<b>As at 31.03.2021</b>
<b>I</b>	<b><u>EQUITY AND LIABILITIES</u></b>						
<b>1</b>	<b>Shareholders Funds</b>						
	(a) Share Capital	2	2.25	1.00	553.77	258.78	237.48
	(b) Reserves & Surplus	3	3,029.81	-	-	-	-
<b>2</b>	<b>Non-current liabilities</b>						
	(a) Long-Term Borrowings	4	75.82	88.88	233.61	269.32	158.42
	(b) Long-Term Provisions	5	4.44	1.38	1.38	0.74	0.36
<b>3</b>	<b>Current Liabilities</b>						
	(a) Short-Term Borrowings	6	1,551.54	2,158.89	735.58	628.85	393.08
	(b) Trade Payables:	7					
	(A) total outstanding dues of micro, small and medium enterprises; and		187.57	-	-	-	-
	(B) total outstanding dues of creditors other than micro, small and medium enterprises		359.68	1,013.00	69.09	259.95	117.07
	(c) Other Current Liabilities	8	50.76	59.89	33.39	36.98	26.53
	(d) Short-Term Provisions	9	287.79	167.04	203.03	3.77	8.69
	<b>TOTAL</b>		<b>5,549.65</b>	<b>3,490.07</b>	<b>1,829.84</b>	<b>1,458.40</b>	<b>941.64</b>
<b>II</b>	<b><u>ASSETS</u></b>						
<b>1</b>	<b>Non Current Assets</b>						
	(a) Property, Plant & Equipment & Intangible Assets	10					
	(i) Property, Plant and Equipment		1,679.08	375.39	427.02	451.83	324.38
	(ii) Intangible Assets		-	-	-	-	-
	(b) Deferred Tax Assets	11	1.85	0.35	0.35	0.19	0.09
	(c) Other Non-Current Assets	12	11.73	8.96	8.96	11.78	4.60
<b>2</b>	<b>Current Assets</b>						
	(a) Inventories	13	1,756.92	1,694.48	627.31	573.50	237.66
	(b) Trade Receivables	14	605.35	1,314.11	667.27	204.47	175.27
	(c) Cash and Cash Equivalents	15	1,238.66	24.79	12.93	3.86	90.73
	(d) Short-Term Loans and Advances	16	225.47	15.37	19.40	130.93	75.82
	(e) Other Current Assets	17	30.59	56.63	66.61	81.84	33.09
	<b>TOTAL</b>		<b>5,549.65</b>	<b>3,490.07</b>	<b>1,829.84</b>	<b>1,458.40</b>	<b>941.64</b>

The accompanying significant accounting policies and explanatory notes on accounts 1.1 - 1.22 are integral part of financial statements

As per our report of even date

For & or behalf of Directors

For, Jay Gupta & Associates  
(Erstwhile Gupta Agarwal & Associates)  
Chartered Accountants  
FRN: 329001E

Kunal Arora  
  
Sd/-  
Managing Director & CFO  
DIN:09791270

Palki Arora  
  
Sd/-  
Director  
DIN:09791271

Sd/-  
Jay Shanker Gupta  
Partner  
Mem. No. 059535

Sd/-  
Chandni Jain  
Company Secretary & Compliance Officer

Place : Kolkata  
Date : June 25, 2024

**PARAMOUNT DYE TEC LIMITED**  
Village Mangarh, Machiwara Road, Kohara, Ludhiana - 141112, Punjab, India  
CIN: U13114PB2024PLC060422

**RESTATED STATEMENT OF PROFIT & LOSS**

**Annexure- II**

**Amount (Rs. In Lakhs, unless otherwise stated)**

			M/S. PARAMOUNT DYE TEC (PARTNERSHIP FIRM)			
Particulars	Note No.	For the period from 04.01.2024 to 31.03.2024	For the period ended 03.01.2024	For the year ended 31.03.2023	For the year ended 31.03.2022	For the year ended 31.03.2021
I. Revenue from Operations	18	2,351.15	2,954.72	4,600.08	2,363.32	1,690.50
II. Other Income	19	16.75	1.19	0.15	3.99	-
<b>III. Total Income (I + II)</b>		<b>2,367.90</b>	<b>2,955.91</b>	<b>4,600.23</b>	<b>2,367.31</b>	<b>1,690.50</b>
IV. Expenses:						
Cost of Materials Consumed	20	742.23	932.52	1,856.52	596.46	379.64
Purchase of Trading Goods	21	1,033.81	2,152.15	2,153.46	1,530.85	1,230.03
Changes in Inventories Of Finished Goods and Stock-in-trade	22	(5.44)	(721.19)	(208.62)	46.08	(30.75)
Employee Benefits Expense	23	24.69	29.31	36.79	33.21	26.92
Finance Costs	24	40.44	52.70	29.99	47.41	20.33
Depreciation and Amortisation Expense	25	17.41	40.93	59.43	54.89	16.87
Other Expenses	26	41.44	41.16	151.48	40.96	22.93
<b>IV. Total Expenses</b>		<b>1,894.57</b>	<b>2,527.59</b>	<b>4,079.05</b>	<b>2,349.87</b>	<b>1,665.97</b>
V. Profit before exceptional and extraordinary items and tax (III - IV)		473.32	428.32	521.17	17.44	24.54
VI. Exceptional items & Extraordinary Items		-	-	-	-	-
<b>VII. Profit before tax (V- VI)</b>		<b>473.32</b>	<b>428.32</b>	<b>521.17</b>	<b>17.44</b>	<b>24.54</b>
VIII. Tax expense:						
MAT credit entitlement		-	-	-	(2.18)	-
Current Tax		120.74	149.67	205.20	3.77	8.69
Deferred Tax		(1.50)	-	(0.16)	(0.09)	(0.09)
Total Tax Expense		119.23	149.67	205.03	1.50	8.60
<b>IX . Profit (Loss) for the period (VII-VIII)</b>		<b>354.09</b>	<b>278.65</b>	<b>316.14</b>	<b>15.94</b>	<b>15.94</b>
X. Earnings per equity share:						
(1) Basic		7.86	NA	NA	NA	NA
(2) Diluted		7.86	NA	NA	NA	NA

The accompanying significant accounting policies and explanatory notes on accounts 1.1 - 1.22 are integral part of financial statements

As per our report of even date

For & or behalf of Directors

For, Jay Gupta & Associates  
(Erstwhile Gupta Agarwal & Associates)  
Chartered Accountants  
FRN: 329001E

Kunal Arora

Palki Arora

Sd/-  
Managing Director & CFO  
DIN:09791270

Sd/-  
Director  
DIN:09791271

Sd/-  
Jay Shanker Gupta  
Partner  
Mem. No. 059535

Sd/-  
Chandni Jain  
Company Secretary & Compliance Officer

Place : Kolkata

Date : June 25, 2024

PARAMOUNT DYE TEC LIMITED Village Mangarh, Machiwara Road, Kohara, Ludhiana - 141112, Punjab, India CIN: U13114PB2024PLC060422						
RESTATED CASH FLOW STATEMENT						
Annexure- III Amount (Rs. In Lakhs, unless otherwise stated)						
		Company	M/S. PARAMOUNT DYE TEC (PARTNERSHIP FIRM)			
PARTICULARS		For the period from 04.01.2024 to 31.03.2024	For the period ended 03.01.2024	For the year ended 31.03.2023	For the year ended 31.03.2022	For the year ended 31.03.2021
A	<b>CASH FLOW FROM OPERATING ACTIVITIES:</b>					
	Net Profit before tax	473.32	428.32	521.17	17.44	24.54
	Depreciation & Amortisation	17.41	40.93	59.43	54.89	16.87
	Interest Paid	40.44	52.70	29.99	47.41	20.33
	Rental Income	(10.80)	-	-	-	-
	Interest Income	-	-	(0.15)	(0.06)	-
	Long term provisions	3.06	-	0.64	0.37	0.36
	<b>Operating Profit before Working Capital Changes</b>	<b>523.43</b>	<b>521.96</b>	<b>611.09</b>	<b>120.05</b>	<b>62.10</b>
	<b>Adjusted for:</b>					
	Inventories	(62.44)	(1,067.18)	(53.81)	(335.84)	(107.65)
	Trade receivables	708.76	(646.84)	(462.80)	(29.20)	41.56
	Short Term Loans & Advances	(210.10)	4.03	111.54	(55.12)	(57.81)
	Other Current Assets	26.04	9.99	15.22	(48.74)	(33.09)
	Trade Payable	(465.75)	943.91	(190.86)	142.88	20.63
	Other Current Liabilities	(9.13)	26.50	(3.60)	10.45	22.43
	Short term provision	120.75	(35.99)	199.25	(4.92)	8.69
		<b>108.12</b>	<b>(765.58)</b>	<b>(385.05)</b>	<b>(320.49)</b>	<b>(105.23)</b>
	Cash generated/(used) From Operations	<b>631.55</b>	<b>(243.62)</b>	<b>226.04</b>	<b>(200.44)</b>	<b>(43.13)</b>
	Income Tax Paid	120.74	149.67	205.20	1.59	8.69
	<b>Net Cash generated/(used in) from Operating Activities (A)</b>	<b>510.82</b>	<b>(393.29)</b>	<b>20.84</b>	<b>(202.03)</b>	<b>(51.83)</b>
B	<b>CASH FLOW FROM INVESTING ACTIVITIES:</b>					
	(Purchase)/Sale of Fixed Assets	(50.02)	10.70	(38.22)	(182.35)	(236.62)
	Increase/(Decrease) in Non-Current Investments	-	-	-	-	-
	Increase/(Decrease) in Other Non-Current Assets	(2.78)	-	2.82	(7.18)	(2.19)
	Rental Income	10.80	-	-	-	-
	Interest Received	-	-	0.15	0.06	-
	Loss on Sale of Fixed Assets	-	-	3.59	0.01	-
	<b>Net Cash used in Investing Activities (B)</b>	<b>(42.00)</b>	<b>10.70</b>	<b>(31.65)</b>	<b>(189.46)</b>	<b>(238.81)</b>
C	<b>CASH FLOW FROM FINANCING ACTIVITIES:</b>					
	Increase in share capital	1,405.89	(831.42)	(21.15)	5.37	8.02
	Net Proceeds from long term borrowing	(13.06)	(144.73)	(35.72)	110.90	(8.05)
	Net Proceeds from short term borrowing	(607.34)	1,423.31	106.73	235.77	393.08
	IPO related expenses	-	-	-	-	-
	Finance Cost	(40.44)	(52.70)	(29.99)	(47.41)	(20.33)
	<b>Net Cash used in Financing Activities (C)</b>	<b>745.05</b>	<b>394.46</b>	<b>19.87</b>	<b>304.63</b>	<b>372.72</b>
	Net Increase/(Decrease) in Cash and Cash Equivalents	1,213.87	11.87	9.06	-86.87	82.09
	Cash and Cash Equivalents at the beginning of the year	24.79	12.93	3.86	90.73	8.64
	Cash and Cash Equivalents at the end of the year	1,238.66	24.79	12.92	3.86	90.73
Note :-						
1. Components of Cash & Cash Equivalent			M/S. PARAMOUNT DYE TEC (PARTNERSHIP FIRM)			
Particulars		For the period from 04.01.2024 to 31.03.2024	For the period ended 03.01.2024	For the year ended 31.03.2023	For the year ended 31.03.2022	For the year ended 31.03.2021
a. Balances with banks		469.39	-	0.07	0.07	84.77
b. Imprest Money		5.39	-	-	-	-
c. Cash in hand		22.18	24.79	12.85	3.79	5.96
d. Cheques in Hand		741.70				
Total		1,238.66	24.79	12.93	3.86	90.73
2. The above cash flow statement has been prepared under the indirect method set out in AS-3 issued by the						
3. Figures in Brackets represents outflow.						
4. During the period from January 04, 2024 to March 31, 2024 the company issued equity share capital against purchase of land of Rs. 1271.09 lakhs, this amount is net off in cash generated from Investing Activities with proceeds from issue of Share Capital under cash generated from Financiang Activities.						
The accompanying significant accounting policies and explanatory notes on accounts 1.1 - 1.22 are integral part of financial statements						
As per our report of even date		For & or behalf of Directors				
For, Jay Gupta & Associates (Erstwhile Gupta Agarwal & Associates) Chartered Accountants FRN: 329001E		Kunal Arora  Sd/- Managing Director & CFO DIN:09791270	Palki Arora  Sd/- Director DIN:09791271			
Sd/- Jay Shanker Gupta Partner Mem. No. 059535		Sd/- Chandni Jain Company Secretary & Compliance Officer				
Place : Kolkata Date : June 25, 2024						

**PARAMOUNT DYE TEC LIMITED**  
**Village Mangarh, Machiwara Road, Kohara, Ludhiana - 141112, Punjab, India**  
**CIN: U13114PB2024PLC060422**

**Annexure-IV**

**CORPORATE INFORMATION**

Paramount Dye Tec Limited was initially established as Partnership Firm under the Partnership Act, 1932 ("Partnership Act") in the name and style of "Paramount Dye Tec" pursuant to Deed of Partnership dated January 03, 2014, effective from January 01, 2014. Paramount Dye Tec was thereafter converted from Partnership Firm to a Public Limited Company under Part I chapter XXI of the Companies Act, 2013 with the name and style of "Paramount Dye Tec Limited" and received a Certificate of Incorporation from the Registrar of Companies, Central Registration Centre dated January 04, 2024. The Corporate Identification Number of the Company is U13114PB2024PLC060422.

**NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES**

**1.1 Basis of preparation of financial statements**

- (a) The financial statements are prepared in accordance with Generally Accepted Accounting Principles (Indian GAAP) under the historical cost convention on accrual basis and on principles of going concern. The accounting policies are consistently applied by the Company.
- (b) The financial statements are prepared to comply in all material respects with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and provisions of Companies Act, 2013.
- (c) The preparation of the financial statements require estimates and assumptions to be made that affect the reported amounts of assets and liabilities as on the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Differences between the actual results and estimates are recognized in the period in which the results are known / materialize.

**1.2 Revenue Recognition**

- (a) The company generally follows the mercantile system of accounting and recognizes Income & Expenditure on accrual basis.
- (b) Revenue is recognised to the extent that it is possible that, the economic benefits will flow to the company and the revenue can be reliably estimated and collectability is reasonably assured.
- (c) Revenue from sale of goods and services are recognised when control of the products being sold is transferred to our customer and then there are no longer any unfulfilled obligations. The performance obligations in our contracts are fulfilled at the time of dispatch, delivery or upon formal customer acceptance depending on customer terms. Revenue from services are recognised upon rendering of services on accrual basis.
- (d) Revenue is measured on the basis of sale price, after deduction of any trade discounts, volume rebates and any taxes or duties collected on behalf of the Government such as goods and service tax etc. Accumulated experience is used to estimate the provision for such discounts and rebates. Revenue is only recognised to the extent that it is highly probable a significant reversal will not occur.
- (e) Interest income is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

(f) In the Financial year 2022-23, the firm commenced commercial production of recycling acrylic waste into acrylic yarns, which resulted in production of recycled yarn that was expected to be used in multiple consumer end items. As per the agreements in place, once the quality of the yarn was verified and accepted, the parties agreed to pay an extra premium for it. Hence due to this reason, the firm has recorded the accrued income for the sales made during FY 2022-23 amounting to Rs 4,93,18,612. The premium so recognised in 22-23 was conditionally recognised based on acceptance. However, the firm claimed that the recycled acrylic yarns were of a quality comparable to virgin yarn. This assertion was met with skepticism from the vendors, who required verification of the quality before agreeing to pay the premium. Consequently, the sales were conducted on a conditional basis, pending confirmation that the products met the firm's quality claims. The accounting entry is henceforth reversed in 23-24.

(g) Partnership firm PARAMOUNT DYE TEC was converted into company with effect from 04-01-2024. In absence of GST number and other hardships to conduct business in the name of the company "PARAMOUNT DYE TEC LIMITED", the business was conducted in the partnership firm itself till 31-01-2024. But all the transactions have been accounted for in the of the company as the firm was converted to company with effect from 04-01-2024..

**PARAMOUNT DYE TEC LIMITED**  
**Village Mangarh, Machiwara Road, Kohara, Ludhiana - 141112, Punjab, India**  
**CIN: U13114PB2024PLC060422**

**1.3 Property, Plant & Equipment and Intangible Assets & Depreciation**

(a) Property, Plant and Equipment is stated at acquisition cost net of accumulated depreciation and accumulated impairment losses, if any. Cost of acquisition or construction of property, plant and equipment comprises its purchase price including import duties and non-refundable purchase taxes after deducting trade discounts, rebates and any directly attributable cost of bringing the item to its working condition for its intended use.

During the period from January 04, 2024 to March 31, 2024, the company purchased a land worth Rs. 1271.08 lakhs from its Directors, however the land deed is not yet being registered in the name of the company.

(b) Subsequent costs are included in the assets' carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. All other repairs and maintenance cost are charged to the statement of profit and loss during the period in which they are incurred.

(c) Gains or losses that arise on disposal or retirement of an asset are measured as the difference between net disposal proceeds and the carrying value of property, plant and equipment and are recognised in the statement of profit and loss when the same is derecognised.

(d) Depreciation is calculated on pro rata basis on written down value method, based on estimated useful Life as prescribed under Part C of Schedule - II of the Companies Act, 2013. Freehold land is not depreciated.

(e) Intangible asset purchased are initially measured at cost. The cost of an intangible assets comprises its purchase price including duties and taxes and any costs directly attributable to making the assets ready for their intended use. The useful lives of intangible assets are assessed as either finite or indefinite. Finite-life intangible assets are amortised on a straight-line basis over the period of their estimated useful lives.

**1.4 Impairment of Assets**

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the higher of the asset's net selling price and value in use, which is determined by the present value of the estimated future cash flows.

**1.5 Investments**

Investments shall be classified as long-term investments and shall be stated at cost. Provision shall be made to recognize any diminution other than temporary in the value of such investments. Current investments shall be carried at lower of cost and fair value.

**1.6 Inventories**

Inventories consisting of Raw Materials, Stock-in-trade and Finished Goods are valued at lower of cost and net realizable value unless otherwise stated. Cost of inventories comprises of material cost on FIFO basis and expenses incurred in bringing the inventories to their present location and condition.

**1.7 Employee Benefits**

Retirement benefit in the form of provident fund is a defined contribution scheme. The contribution to the provident fund is charged to the statement of profit and loss for the year when an employee renders the related services.

**1.8 Borrowing Costs**

(a) Borrowing costs that are directly attributable to the acquisition of qualifying assets are capitalized for the period until the asset is ready for its intended use. A qualifying asset is an asset that necessarily takes substantial period of time to get ready for its intended use.

(b) Other Borrowing costs are recognized as expense in the period in which they are incurred.

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**1.9 Taxes on Income**

Tax expense comprises of current tax and deferred tax.

Current income tax is measured at the amount expected to be paid to the tax authorities, computed in accordance with the applicable tax rates and tax laws.

Deferred Tax arising on account of "timing differences" and which are capable of reversal in one or more subsequent periods is recognized, using the tax rates and tax laws that are enacted or substantively enacted. Deferred tax asset is recognized only to the extent there is reasonable certainty with respect to reversal of the same in future years as a matter of prudence.

**1.10 Earning per share (EPS)**

(a) Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

(b) For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

**1.11 Prior Period Items**

Prior Period and Extraordinary items and Changes in Accounting Policies having material impact on the financial affairs of the Company are disclosed in financial statements if any.

**1.12 Provisions/Contingencies**

(a) Provision involving substantial degree of estimation in measurements is recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources.

(b) Contingent Liabilities are shown by way of notes to the Accounts in respect of obligations where, based on the evidence available, their existence at the Balance Sheet date is considered not probable.

(c) A Contingent Asset is not recognized in the Accounts.

**1.13 Segment Reporting**

**A. Business Segments :**

Based on the guiding principles given in Accounting Standard 17 (AS - 17) on Segment Reporting issued by ICAI, the Company has no reportable Business Segment.

**B. Geographical Segments**

The Company activities / operations are confined to India and as such there is only one geographical segment. Accordingly, the figures appearing in these financial statements relate to the Company's single geographical segment.

**1.14 Foreign Currency Transactions**

Foreign exchange transactions are recorded at the rate prevailing on the date of respective transaction. Monetary assets and liabilities denominated in foreign currencies as at the balance sheet date are translated at the closing exchange rates on that date. Non monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of transaction. Exchange differences arising on foreign exchange transactions settled during the year and on restatement as at the balance sheet date are recognized in the statement of profit and loss for the year.

**1.15 Balance Confirmations**

Balance of Debtors & Creditors & Loans & advances Taken & giving are subject to confirmation and subject to consequential adjustments, if any. Debtors & creditors balance has been shown separately and the advances received and paid from/to the parties is shown as advance from customer and advance to suppliers.

**1.16 Regrouping**

Previous years figures have been regrouped and reclassified wherever necessary to match with current year grouping and classification.

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**ANNEXURE TO NOTE: 1.7**  
**EMPLOYEE BENEFITS**

- I. Defined contribution plans  
The Company has classified the various benefits provided to employees as under:
- a. Employee State Insurance Fund  
b. Employee Provident Fund

The expense recognised during the period towards defined contribution plan -

(Amount in Lakhs, Unless Otherwise Stated)

Particulars	For the period from 04.01.2024 to 31.03.2024	For the period ended 03.01.2024	For the year ended 31.03.2023	For the year ended 31.03.2022	For the year ended 31.03.2021
Employers Contribution to Employee State Insurance	0.10	0.39	1.22	0.98	-
Employers Contribution to Employee Provident Fund	0.16	0.48	2.36	1.90	0.12

- II. Defined benefit plans  
Gratuity  
The Company should provide for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/ termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service, subject to a payment ceiling of INR 20,00,000/-.

Based on the actuarial valuation obtained in this respect, the following table sets out the details of the employee benefit obligation as at balance sheet date:

(Amount in Lakhs, Unless Otherwise Stated)

Defined benefit plans	For the period ended 31.03.2024	For the period ended 03.01.2024	For the year ended 31.03.2023	For the year ended 31.03.2022	For the year ended 31.03.2021
	Gratuity (Unfunded)	Gratuity (Unfunded)	Gratuity (Unfunded)	Gratuity (Unfunded)	Gratuity (Unfunded)
i) Expenses recognised in statement of profit and loss during the year:					
Current service cost	1.25		0.56	0.42	0.37
Past service cost					-
Expected return on plan assets	-	-	-	-	-
Net interest cost / (income) on the net defined benefit liability / (asset)	0.10		0.05	0.02	-
Immediate Recognition of (Gain)/Losses	1.72		0.03	(0.07)	-
Loss (gain) on curtailments				-	-
Total expenses included in Employee benefit expenses	3.07	-	0.65	0.38	0.37
Discount Rate as per para 78 of AS 15 R (2005)	7.13%	7.45%	7.49%	7.24%	6.81%
ii) Net asset /(liability) recognised as at balance sheet date:					
Present value of defined benefit obligation	4.46	1.39	1.39	0.74	0.37
Fair value of plan assets	-	-	-	-	-
Funded status [surplus/(deficit)]	(4.46)	(1.39)	(1.39)	(0.74)	-
iii) Movements in present value of defined benefit obligation					
Present value of defined benefit obligation at the beginning of the year	1.39	1.39	0.74	0.37	-
Current service cost	1.25	-	0.56	0.42	0.37
Past service cost	-	-	-	-	-
Interest cost	0.10	-	0.05	0.02	-
Actuarial (gains) / loss	1.72	-	0.03	(0.07)	-
Benefits paid	-	-	-	-	-
Present value of defined benefit obligation at the end of the year	4.46	1.39	1.39	0.74	0.37
Classification					
Current liability	0.02	0.01	0.01	0.00	0.00
Non-current liability	4.44	1.38	1.38	0.74	0.36

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iv) Actuarial assumptions: (Amount in Lakhs, Unless Otherwise Stated)

Particulars	For the period ended 31.03.2024	For the period ended 03.01.2024	For the year ended 31.03.2023	For the year ended 31.03.2022	For the year ended 31.03.2021
Expected Return on Plan Assets	NA		NA	NA	NA
Discount rate	7.23%		7.49%	7.24%	6.81%
Expected rate of salary increase	10.00%		10.00%	10.00%	10.00%
Mortality Rate During Employment	IALM 2012-14		IALM 2012-14	IALM 2012-14	IALM 2012-14
Retirement age	60		60	60	60

- Notes:
- The rate used to discount post-employment benefit obligations is determined by reference to market yields at the end of the reporting period on government bonds.
  - Gratuity expenses for the period ended January 03, 2024 is not reported as Gratuity actuarial valuation for that period is not available.
  - The estimates of future salary increases considered in the actuarial valuation take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

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**Annexure To Note: 1.14**  
**Foreign Currency Transactions**

Particulars	Currency	For the period ended 31.03.2024	For the period ended 03.01.2024	For the year ended 31.03.2023	For the year ended 31.03.2022	For the year ended 31.03.2021
Expense in Foreign Currency						
Purchases	USD	-	-	-	1,89,496.29	2,07,064.13
Purchases	EURO	-	-	-	-	49,900.00
Purchases	INR (in lacs)	-	-	-	152.28	192.00
Expenses		Nil	Nil	Nil	Nil	
Income in Foreign Currency						
Sales		Nil	Nil	Nil	Nil	

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NOTES TO RESTATED FINANCIAL INFORMATION					
NOTE 2 SHARE CAPITAL					
Annexure-V Amount (Rs. In Lakhs, unless otherwise stated)					
Particulars	Company As at 31.03.2024	M/S. PARAMOUNT DYE TEC (PARTNERSHIP FIRM) As at 03.01.2024As at 31.03.2023As at 31.03.2022As at 31.03.2021			
Authorised 1,20,00,000 Equity Shares of Rs. 10/- each fully paid up	1,200.00	-			
Issued, Subscribed & Fully Paid-up 22451 Equity Shares of Rs. 10/- each fully paid up Capital Account Balance of the Partners	2.25	1.00	553.77	258.78	237.48
Total	2.25	1.00	553.77	258.78	237.48
NOTE 2A : Reconciliation of the shares outstanding at the beginning and at the end of the reporting period Amount (Rs. In Lakhs, unless otherwise stated)					
Particulars	Company				
	No. of Shares	Amount			
Shares outstanding at the beginning of the period	10,000	1.00			
Shares split during the year	-	-			
Shares Issued during the year for a consideration in cash	-	-			
Shares Issued during the year for a consideration other than in cash	12,451	1.25			
Shares outstanding at the end of the year	22,451	2.25			
Notes:					
a. The company was incorporated on 4th January, 2024 with a paidup capital of 10000 Shares of Rs. 10 each amounting to Rs. 1,00,000					
b. The share capital of the Company was increased from 10,000 equity shares of Rs. 10 each to 15,912 Equity Shares of Rs. 10 each by issuing 5912 fresh Equity Shares at an issue price of Rs. 21,500 for consideration other than cash i.e conversion of loan to equity, allotted on February 28, 2024.					
c. The share capital of the Company was increased from 15,912 equity shares of Rs. 10 each to 22,451 Equity Shares of Rs. 10 each by issuing 6539 fresh Equity Shares at an issue price of Rs. 21,500 for consideration other than cash i.e conversion of loan to equity, allotted on February 28, 2024.					
d. The authorized share capital of the company was increased from 10,000 equity shares of Rs. 10/- each, to 10,00,000 equity shares of Rs. 10/- each vide EGM resolution dated January 27, 2024. Further subsequently increased to 1,20,00,000 equity shares of Rs. 10/- each vide EGM resolution dated February 12, 2024					
e. The company issued 44,90,200 equity shares of Rs. 10/- each as bonus shares in the ratio of 200:1 (i.e. 200 (Two Hundred) Fully paid Bonus Shares of Rs.10/- each will be allotted against the holding of 1 (One) equity shares of the Company) on June 07, 2024.					
NOTE 2B: Term/rights attached to equity shares:					
The Company has only one class of equity shares having a par value of Rs 10 per share. Holder of each equity share is entitled to one vote. The Company declares and pays dividends in Indian Rupees. The dividend proposed by the board of directors is subject to the approval of shareholders at the ensuing Annual General Meeting.					
In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution to equity shareholders will be in proportion to the number of equity shares held by the shareholders.					
NOTE 2C: Shares held by Promoters					
Promoter Name	As at 31.03.2024				
	No. of Shares	% of Total Shares			
	Face Value Rs. 10/-				
Kunal Arora	17,861	79.56%			
Palki Arora	4,584	20.42%			
Total	22,445	99.97%			
NOTE 2D: The Details of shareholding holding more than 5%					
Promoter Name	As at 31.03.2024				
	No. of Shares	% of Total Shares			
	Face Value Rs. 10/-				
Kunal Arora	17,861	79.56%			
Palki Arora	4,584	20.42%			
Total	22,445	99.97%			

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<b>NOTES TO RESTATED FINANCIAL INFORMATION</b>					
<b>NOTE 3</b>					
<b>RESERVE &amp; SURPLUS</b>					
Annexure-VI Amount (Rs. In Lakhs, unless otherwise stated)					
Particulars	Company As at 31.03.2024	M/S. PARAMOUNT DYE TEC (PARTNERSHIP FIRM)			
	As at 03.01.2024	As at 31.03.2023	As at 31.03.2022	As at 31.03.2021	
<b>Securities Premium</b>					
Balance at the beginning of the reporting period	-	-	-	-	-
Add: Addition during the year	2,675.72	-	-	-	-
<b>Balance at the end of the reporting period</b>	<b>2,675.72</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Surplus/(Deficit) in Statement of Profit &amp; Loss</b>					
<b>Opening balance</b>	-	-	-	-	-
Add/(Less): Net Profit/(Net Loss) for the current year	354.09	278.65	316.14	15.94	15.94
Less: Transferred to Partners' Capital	-	(278.65)	(316.14)	(15.94)	(15.94)
Add/(Less): Prior period Items	-	-	-	-	-
<b>Closing Balance</b>	<b>354.09</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>3,029.81</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>NOTE 4</b>					
<b>LONG TERM BORROWINGS</b>					
Annexure-VII Amount (Rs. In Lakhs, unless otherwise stated)					
Particulars	Company As at 31.03.2024	M/S. PARAMOUNT DYE TEC (PARTNERSHIP FIRM)			
	As at 03.01.2024	As at 31.03.2023	As at 31.03.2022	As at 31.03.2021	
<b>(a) Secured Loan</b>					
a) Term loans	40.91	43.17	311.14	337.03	210.44
From banks	-	-	-	-	-
<b>(b) Unsecured Loans</b>					
From Directors and related parties	-	-	-	-	-
From Tata Capital Finance	48.00	55.40	-	-	-
<b>Total</b>	<b>88.91</b>	<b>98.57</b>	<b>311.14</b>	<b>337.03</b>	<b>210.44</b>
Less: Current Maturities of Long Term Debts	13.09	9.69	77.54	67.71	52.01
<b>Total</b>	<b>75.82</b>	<b>88.88</b>	<b>233.61</b>	<b>269.32</b>	<b>158.42</b>
Note: Refer Note no. 4.1 for details of Long-term borrowings					
<b>NOTE 5</b>					
Annexure-VIII Amount (Rs. In Lakhs, unless otherwise stated)					
Particulars	Company As at 31.03.2024	M/S. PARAMOUNT DYE TEC (PARTNERSHIP FIRM)			
	As at 03.01.2024	As at 31.03.2023	As at 31.03.2022	As at 31.03.2021	
Provisions for Employee Benefits:	-	-	-	-	-
Gratuity Provisions	4.44	1.38	1.38	0.74	0.36
<b>Total</b>	<b>4.44</b>	<b>1.38</b>	<b>1.38</b>	<b>0.74</b>	<b>0.36</b>
<b>NOTE 6</b>					
<b>SHORT TERM BORROWINGS</b>					
Annexure-IX Amount (Rs. In Lakhs, unless otherwise stated)					
Particulars	Company As at 31.03.2024	M/S. PARAMOUNT DYE TEC (PARTNERSHIP FIRM)			
	As at 03.01.2024	As at 31.03.2023	As at 31.03.2022	As at 31.03.2021	
<b>Secured Loan:</b>					
Loans repayable on demand/ Working Capital loan					
From Banks (Overdraft)	1,087.11	696.43	658.04	561.14	341.06
From NBFC	-	-	-	-	-
<b>Un-Secured Loan:</b>					
Loan from Related parties		1,402.77			-
Loan from NBFC	451.35	50.00			
Current maturities of Long term borrowings	13.09	9.69	77.54	67.71	52.01
<b>Total</b>	<b>1,551.54</b>	<b>2,158.89</b>	<b>735.58</b>	<b>628.85</b>	<b>393.08</b>
Note: Refer Note no. 6.1 for details of Short-term borrowings					

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NOTES TO RESTATED FINANCIAL INFORMATION					
<b>NOTE 7</b>					
<b>TRADE PAYABLES</b>					
Annexure-X Amount (Rs. In Lakhs, unless otherwise stated)					
Particulars	Company As at 31.03.2024	M/S. PARAMOUNT DYE TEC (PARTNERSHIP FIRM)			
		As at 03.01.2024	As at 31.03.2023	As at 31.03.2022	As at 31.03.2021
Trade Payables- Due to MSME	187.57	-	-	-	-
Trade Payables- Due to Other than MSME	359.68	1,013.00	69.09	259.95	117.07
<b>Total</b>	<b>547.25</b>	<b>1,013.00</b>	<b>69.09</b>	<b>259.95</b>	<b>117.07</b>
<b>Trade Payables ageing schedule</b>					
MSME	Less than 1 year	187.57	-	-	-
	1-2 years	-	-	-	-
	2-3 years	-	-	-	-
	More than 3 years	-	-	-	-
Others	Less than 1 year	359.68	1,011.13	64.18	248.71
	1-2 years	-	-	4.76	0.21
	2-3 years	-	1.87	0.15	11.03
	More than 3 years	-	-	-	-
Disputed Dues- MSME	Less than 1 year	-	-	-	-
	1-2 years	-	-	-	-
	2-3 years	-	-	-	-
	More than 3 years	-	-	-	-
Disputed Dues - Others	Less than 1 year	-	-	-	-
	1-2 years	-	-	-	-
	2-3 years	-	-	-	-
	More than 3 years	-	-	-	-
		<b>547.25</b>	<b>1,013.00</b>	<b>69.09</b>	<b>259.95</b>
					<b>117.07</b>
<b>NOTE 8</b>					
<b>OTHER CURRENT LIABILITIES</b>					
Annexure-XI Amount (Rs. In Lakhs, unless otherwise stated)					
Particulars	Company As at 31.03.2024	M/S. PARAMOUNT DYE TEC (PARTNERSHIP FIRM)			
		As at 03.01.2024	As at 31.03.2023	As at 31.03.2022	As at 31.03.2021
<b>Other Payables</b>					
Advance from Customers	5.15	42.49	19.03	19.00	18.65
Payable against Purchase of Plant	-	-	-	-	-
<b>Statutory Due payables</b>					
TDS & TCS Payable	8.03	0.70	1.05	0.50	0.44
PF & ESI Payable	0.26	0.24	0.31	0.27	0.01
GST Payable	16.94	-	-	-	-
Other Payables	20.37	16.46	13.00	17.22	7.44
	-	-	-	-	-
<b>TOTAL</b>	<b>50.76</b>	<b>59.89</b>	<b>33.39</b>	<b>36.98</b>	<b>26.53</b>
<b>NOTE 9</b>					
<b>SHORT TERM PROVISIONS</b>					
Annexure-XII Amount (Rs. In Lakhs, unless otherwise stated)					
Particulars	Company As at 31.03.2024	M/S. PARAMOUNT DYE TEC (PARTNERSHIP FIRM)			
		As at 03.01.2024	As at 31.03.2023	As at 31.03.2022	As at 31.03.2021
<b>Provision For Others:</b>					
Provision for Income Tax	287.77	167.03	203.02	3.77	8.69
Provision for CSR	-	-	-	-	-
<b>Provision For Employee Benefits:</b>					
Gratuity Provisions	0.02	0.01	0.01	0.00	0.00
<b>Total</b>	<b>287.79</b>	<b>167.04</b>	<b>203.03</b>	<b>3.77</b>	<b>8.69</b>
<b>NOTE 10</b>					
<b>PROPERTY, PLANT &amp; EQUIPMENTS AND INTANGIBLE ASSETS</b>					
Annexure-XIII Amount (Rs. In Lakhs, unless otherwise stated)					
Particulars	Company As at 31.03.2024	M/S. PARAMOUNT DYE TEC (PARTNERSHIP FIRM)			
		As at 03.01.2024	As at 31.03.2023	As at 31.03.2022	As at 31.03.2021
Property, Plant & Equipments	1,679.08	375.39	427.02	451.83	324.38
Intangible Assets	-	-	-	-	-
Capital WIP	-	-	-	-	-
<b>Total</b>	<b>1,679.08</b>	<b>375.39</b>	<b>427.02</b>	<b>451.83</b>	<b>324.38</b>

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NOTES TO RESTATED FINANCIAL INFORMATION					
<b>NOTE 11</b>					
<b>DEFERRED TAX LIABILITIES/(ASSETS) (NET)</b>				Annexure-XIV	
	Company	M/S. PARAMOUNT DYE TEC (PARTNERSHIP FIRM)			
Particulars	As at 31.03.2024	As at 03.01.2024	As at 31.03.2023	As at 31.03.2022	As at 31.03.2021
Net of Deferred Tax Assets/(Liabilities)	1.85	0.35	0.35	0.19	0.09
				-	
Total	1.85	0.35	0.35	0.19	0.09
<b>NOTE 12</b>					
<b>OTHER NON CURRENT ASSETS</b>				Annexure-XV	
	Company	Amount (Rs. In Lakhs, unless otherwise stated)			
	Company	M/S. PARAMOUNT DYE TEC (PARTNERSHIP FIRM)			
Particulars	As at 31.03.2024	As at 03.01.2024	As at 31.03.2023	As at 31.03.2022	As at 31.03.2021
Other Deposit	11.73	8.96	8.96	9.60	4.60
MAT Credit				2.18	
Total	11.73	8.96	8.96	11.78	4.60
<b>NOTE 13</b>					
<b>INVENTORIES</b>				Annexure-XVI	
	Company	Amount (Rs. In Lakhs, unless otherwise stated)			
	Company	M/S. PARAMOUNT DYE TEC (PARTNERSHIP FIRM)			
Particulars	As at 31.03.2024	As at 03.01.2024	As at 31.03.2023	As at 31.03.2022	As at 31.03.2021
Raw Material at lower of cost or reliable value	769.86	712.86	366.87	521.68	139.76
Finished goods at lower of cost or reliable value	417.17	375.99	218.29	4.10	41.08
Stock-in-trade	569.89	605.64	42.15	47.72	56.82
Total	1,756.92	1,694.48	627.31	573.50	237.66
Note: Value of closing inventory has been considered as per AS-2 i.e. lower of Cost or NRV, as certified by the management					
<b>NOTE 14</b>					
<b>TRADE RECEIVABLES</b>				Annexure-XVII	
	Company	Amount (Rs. In Lakhs, unless otherwise stated)			
	Company	M/S. PARAMOUNT DYE TEC (PARTNERSHIP FIRM)			
Particulars	As at 31.03.2024	As at 03.01.2024	As at 31.03.2023	As at 31.03.2022	As at 31.03.2021
(a) Secured, considered good;	605.35	1,314.11	667.27	204.47	175.27
(b) Unsecured, considered good;		-	-	-	-
(c) Doubtful.		-	-	-	-
(Balances are subjected to ledger confirmations)					
Total	605.35	1,314.11	667.27	204.47	175.27
Trade Receivable Ageing Schedule					
Undisputed Trade receivables — considered good					
Less than 6 months	-	-	-	-	-
6 months - 1 year	-	-	-	-	-
1-2 years	-	-	-	-	-
2-3 years	-	-	-	-	-
More than 3 years	-	-	-	-	-
Undisputed Trade Receivables — considered doubtful					
Less than 6 months	547.19	772.45	572.49	165.79	159.17
6 months - 1 year	0.64	493.76	37.45	27.20	0.60
1-2 years	57.52	46.16	55.59	10.57	15.50
2-3 years	-	1.73	1.73	0.91	-
More than 3 years	-	-	-	-	-
Disputed Trade Receivables considered good					
Less than 6 months	-	-	-	-	-
6 months - 1 year	-	-	-	-	-
1-2 years	-	-	-	-	-
2-3 years	-	-	-	-	-
More than 3 years	-	-	-	-	-
Disputed Trade Receivables considered doubtful					
Less than 6 months	-	-	-	-	-
6 months - 1 year	-	-	-	-	-
1-2 years	-	-	-	-	-
2-3 years	-	-	-	-	-
More than 3 years	-	-	-	-	-
Total	605.35	1,314.11	667.27	204.47	175.27

PARAMOUNT DYE TEC LIMITED Village Mangarh, Machiwara Road, Kohara, Ludhiana - 141112, Punjab, India CIN: U13114PB2024PLC060422					
NOTES TO RESTATED FINANCIAL INFORMATION					
					Annexure-XVIII
NOTE 15					Amount (Rs. In Lakhs, unless otherwise stated)
CASH AND CASH EQUIVALENTS	Company	M/S. PARAMOUNT DYE TEC (PARTNERSHIP FIRM)			
Particulars	As at 31.03.2024	As at 03.01.2024	As at 31.03.2023	As at 31.03.2022	As at 31.03.2021
Balances with Banks	469.39	-	0.07	0.07	84.77
Cash on Hand (As certified by management)	22.18	24.79	12.85	3.79	5.96
Imprest amount	5.39				
Cheques in Hand	741.70				
Bank deposits (Balances with bank - maturity is more than 12 months)	-	-			
Total	1,238.66	24.79	12.93	3.86	90.73
					Annexure-XIX
NOTE 16					Amount (Rs. In Lakhs, unless otherwise stated)
SHORT TERM LOANS AND ADVANCES	Company	M/S. PARAMOUNT DYE TEC (PARTNERSHIP FIRM)			
Particulars	As at 31.03.2024	As at 03.01.2024	As at 31.03.2023	As at 31.03.2022	As at 31.03.2021
Advance Recoverable in Cash or Kind					
Unsecured & Considered good					
Advance against Purchase of Plant	-	-	-	-	-
Advance paid to Suppliers	225.47	15.18	19.10	130.93	75.82
Loans and advances to Others	-	0.19	0.30	-	-
Total	225.47	15.37	19.40	130.93	75.82
					Annexure-XX
NOTE 17					Amount (Rs. In Lakhs, unless otherwise stated)
OTHER CURRENT ASSETS	Company	M/S. PARAMOUNT DYE TEC (PARTNERSHIP FIRM)			
Particulars	As at 31.03.2024	As at 03.01.2024	As at 31.03.2023	As at 31.03.2022	As at 31.03.2021
Prepaid Expense	0.40	0.40	0.48	0.51	0.48
Preliminary Expenses	-	-	-	-	-
Balance with revenue authorities	18.63	56.22	55.88	60.31	29.88
Other receivables	11.56	-	10.26	21.01	2.74
Total	30.59	56.63	66.61	81.84	33.09

PARAMOUNT DYE TEC LIMITED Village Mangarh, Machiwara Road, Kohara, Ludhiana - 141112, Punjab, India CIN: U13114PB2024PLC060422					
NOTES TO RESTATED FINANCIAL INFORMATION					
Annexure-XXI <b>NOTE 18</b> <b>REVENUE FROM OPERATIONS</b>					
Amount (Rs. In Lakhs, unless otherwise stated)					
Particulars	Company For the period from 04.01.2024 to 31.03.2024	M/S. PARAMOUNT DYE TEC (PARTNERSHIP FIRM)			
	For the period ended 03.01.2024	For the year ended 31.03.2023	For the year ended 31.03.2022	For the year ended 31.03.2021	
Sale of Finished Goods:					
- Domestic	640.41	1,052.04	2,085.50	686.94	395.77
Sale of Traded Goods:					
- Domestic	1,504.73	1,870.29	2,472.22	1,639.10	1,294.73
Other Operating revenue:					
- Rental Income		32.40	42.35	37.27	
- Commission Income	206.00				
<b>Total</b>	<b>2,351.15</b>	<b>2,954.72</b>	<b>4,600.08</b>	<b>2,363.32</b>	<b>1,690.50</b>
Note: Revenue from Operation for the F.Y. 2022-23 includes Rs. 493.19 lakhs as unbilled revenue, which was subsequently reversed during F.Y. 2023-24 upon issuing of actually invoices					
Annexure-XXII <b>NOTE 19</b> <b>OTHER INCOME</b>					
Amount (Rs. In Lakhs, unless otherwise stated)					
Particulars	Company For the period from 04.01.2024 to 31.03.2024	M/S. PARAMOUNT DYE TEC (PARTNERSHIP FIRM)			
	For the period ended 03.01.2024	For the year ended 31.03.2023	For the year ended 31.03.2022	For the year ended 31.03.2021	
<b>Recurring and Related to Business:</b>					
Interest Income	-	-	0.15	0.06	-
Rent Received	10.80	-	-	-	-
Other Income	5.95	1.19	-	-	-
Forex Gain/ Loss	-	-	-	3.93	-
	-	-	-	-	-
<b>Total</b>	<b>16.75</b>	<b>1.19</b>	<b>0.15</b>	<b>3.99</b>	<b>-</b>
Annexure-XXIII <b>NOTE 20</b> <b>COST OF MATERIALS CONSUMED</b>					
Amount (Rs. In Lakhs, unless otherwise stated)					
Particulars	Company For the period from 04.01.2024 to 31.03.2024	M/S. PARAMOUNT DYE TEC (PARTNERSHIP FIRM)			
	For the period ended 03.01.2024	For the year ended 31.03.2023	For the year ended 31.03.2022	For the year ended 31.03.2021	
Opening Stock of Materials	712.86	366.87	521.68	139.76	62.86
Purchases of Materials	782.57	1,224.27	1,594.19	787.75	306.22
Less: Closing Stock of Materials	769.86	712.86	366.87	521.68	139.76
	<b>725.57</b>	<b>878.28</b>	<b>1,749.00</b>	<b>405.82</b>	<b>229.32</b>
Add : Direct Expenses:					
Consumables	-	0.18	1.27	0.27	-
Custom Duty				12.69	11.21
Machinery Rent	0.88	-	-	-	4.18
Power & Fuel Charges	5.42	27.13	28.66	36.55	3.30
Transportation, Loading, Clearing and Shipping Expenses	-	0.03		15.33	25.01
Labour and Job work charges	6.70	24.60	49.66	89.85	100.79
Other Direct Expenses	3.67	2.30	27.93	35.94	5.82
<b>Total Direct Expenses</b>	<b>16.66</b>	<b>54.24</b>	<b>107.52</b>	<b>190.63</b>	<b>150.32</b>
<b>Total</b>	<b>742.23</b>	<b>932.52</b>	<b>1,856.52</b>	<b>596.46</b>	<b>379.64</b>
Annexure-XXIV <b>NOTE 21</b> <b>PURCHASE OF TRADED GOODS</b>					
Amount (Rs. In Lakhs, unless otherwise stated)					
Particulars	Company For the period from 04.01.2024 to 31.03.2024	M/S. PARAMOUNT DYE TEC (PARTNERSHIP FIRM)			
	For the period ended 03.01.2024	For the year ended 31.03.2023	For the year ended 31.03.2022	For the year ended 31.03.2021	
Purchase of Trading Goods	1,033.81	2,152.15	2,153.46	1,530.85	1,230.03
<b>Total</b>	<b>1,033.81</b>	<b>2,152.15</b>	<b>2,153.46</b>	<b>1,530.85</b>	<b>1,230.03</b>

PARAMOUNT DYE TEC LIMITED Village Mangarh, Machiwarra Road, Kohara, Ludhiana - 141112, Punjab, India CIN: U13114PB2024PLC060422					
NOTES TO RESTATED FINANCIAL INFORMATION					
<b>NOTE 22</b>		Annexure-XXV			
<b>CHANGES IN INVENTORIES OF FINISHED GOODS AND STOCK-IN-TRADE</b>		Amount (Rs. In Lakhs, unless otherwise stated)			
Particulars	Company	M/S. PARAMOUNT DYE TEC (PARTNERSHIP FIRM)			
	For the period from 04.01.2024 to 31.03.2024	For the period ended 03.01.2024	For the year ended 31.03.2023	For the year ended 31.03.2022	For the year ended 31.03.2021
Finished goods :					
Opening Stock	375.99	218.29	4.10	41.08	24.56
Closing Stock	417.17	375.99	218.29	41.0	41.08
(Increase)/Decrease	(41.18)	(157.70)	(214.19)	36.98	(16.52)
Stock-in-trade :					
Opening Stock	605.64	42.15	47.72	56.82	42.59
Closing Stock	569.89	605.64	42.15	47.72	56.82
(Increase)/Decrease	35.75	(563.49)	5.57	9.10	(14.24)
<b>Total</b>	<b>(5.44)</b>	<b>(721.19)</b>	<b>(208.62)</b>	<b>46.08</b>	<b>(30.75)</b>
<b>NOTE 23</b>		Annexure-XXVI			
<b>EMPLOYEES BENEFIT EXPENSE</b>		Amount (Rs. In Lakhs, unless otherwise stated)			
Particulars	Company	M/S. PARAMOUNT DYE TEC (PARTNERSHIP FIRM)			
	For the period from 04.01.2024 to 31.03.2024	For the period ended 03.01.2024	As at 31.03.2023	As at 31.03.2022	As at 31.03.2021
Salaries, Wages & Bonus	11.73	10.95	13.47	6.51	5.44
Partners' Remuneration		16.66	18.00	21.00	21.00
Director's Remuneration	9.35	-			
Contribution to ESI & EPF	0.27	0.87	3.58	2.88	0.12
Staff Welfare Expenses	0.26	0.82	1.10	2.44	
Gratuity	3.07	-	0.65	0.38	0.37
<b>Total</b>	<b>24.69</b>	<b>29.31</b>	<b>36.79</b>	<b>33.21</b>	<b>26.92</b>
<b>NOTE 24</b>		Annexure-XXVII			
<b>FINANCE COST</b>		Amount (Rs. In Lakhs, unless otherwise stated)			
Particulars	Company	M/S. PARAMOUNT DYE TEC (PARTNERSHIP FIRM)			
	For the period from 04.01.2024 to 31.03.2024	For the period ended 03.01.2024	As at 31.03.2023	As at 31.03.2022	As at 31.03.2021
<b>Interest Expense</b>					
Bank & Other Finance Charges	8.47	0.11	1.74	1.65	1.46
Processing Charges	-				-
Interest on Loans	31.97	52.59	28.25	45.76	18.87
<b>Total</b>	<b>40.44</b>	<b>52.70</b>	<b>29.99</b>	<b>47.41</b>	<b>20.33</b>
<b>NOTE 25</b>		Annexure-XXVIII			
<b>DEPRECIATION &amp; AMORTIZATION EXPENSE</b>		Amount (Rs. In Lakhs, unless otherwise stated)			
Particulars	Company	M/S. PARAMOUNT DYE TEC (PARTNERSHIP FIRM)			
	For the period from 04.01.2024 to 31.03.2024	For the period ended 03.01.2024	As at 31.03.2023	As at 31.03.2022	As at 31.03.2021
Depreciation on Property, Plant & Equipment and Intangible assets	17.41	40.93	59.43	54.89	16.87
<b>Total</b>	<b>17.41</b>	<b>40.93</b>	<b>59.43</b>	<b>54.89</b>	<b>16.87</b>
<b>NOTE 26</b>		Annexure-XXIX			
<b>OTHER EXPENSES</b>		Amount (Rs. In Lakhs, unless otherwise stated)			
Particulars	Company	M/S. PARAMOUNT DYE TEC (PARTNERSHIP FIRM)			
	For the period from 04.01.2024 to 31.03.2024	For the period ended 03.01.2024	As at 31.03.2023	As at 31.03.2022	As at 31.03.2021
Auditor Remuneration	0.31	0.55	0.30	0.23	0.23
Commission Expenses	3.49	0.60	2.23	1.52	6.55
Rent Expenses	1.94	5.07	7.23	17.52	5.34
Indirect Labour expenses	-	-			0.04
Insurance Expenses	0.21	2.75	3.38	0.40	2.54
Legal & Professional Charges	8.03	5.32	0.82	2.04	0.22
Office Expenses	0.45	0.64	0.25	0.25	0.03
Repair & Maintenance Expenses.	-	10.11	2.09	1.60	0.53
Vehicle Running & Maintenance	1.03	5.16	9.90	7.36	2.51
Computer, printing and stationery expenses	0.61	0.13	0.21	0.35	0.13
Rebate and Discount	-	-	0.03	-0.95	4.46
Other Expense	1.77	7.23	5.81	8.87	0.33
Customs Duty	-		-	-	-
Rate and Taxes	22.46	0.39	0.31	1.02	0.03
Sales Promotion	-		-	0.06	
Research & Development Expenses	-		113.83		
Website Expenses	-		-	0.20	
Travelling and Conveyance Expenses	1.14	3.20	5.11	0.51	
CSR Provision	-	-			-
<b>Total</b>	<b>41.44</b>	<b>41.16</b>	<b>151.48</b>	<b>40.96</b>	<b>22.93</b>
<b>*Details of Payment to Auditors</b>		Amount (Rs. In Lakhs, unless otherwise stated)			
Particulars	Company	M/S. PARAMOUNT DYE TEC (PARTNERSHIP FIRM)			
	For the period from 04.01.2024 to 31.03.2024	For the period ended 03.01.2024	As at 31.03.2023	As at 31.03.2022	As at 31.03.2021
<b>Details of Payments to Auditor</b>					
Statutory Audit	0.31	0.55	0.30	0.23	0.23
Other Services	-				
<b>Total</b>	<b>0.31</b>	<b>0.55</b>	<b>0.30</b>	<b>0.23</b>	<b>0.23</b>

**CIN: U13114PB2024PLC060422**

**Property, Plant & Equipment & Intangible Assets**

(Rs. In Lakhs)

35

**PARAMOUNT DYE TEC LIMITED**  
Village Mangarh, Machiwara Road, Kohara, Ludhiana - 141112, Punjab, India  
CIN: U13114PB2024PLC060422

**STATEMENT OF PRINCIPAL TERMS OF LOANS AND ASSETS CHARGED AS SECURITY**

Name of Lender/Fund	Nature of Facility	Date of Issue	Sanctioned Amount (Rs. In Lakhs)	Securities offered	Repayment Period	Rate of Interest	Outstanding amount as on 31.03.2024 (Rs. In Lakhs)
<b>4.1. Long term Borrowings:</b>							
<b>SECURED LOANS</b>							
<b>Business Term Loan:</b>							
TATA CAPITAL FINANCIAL SERVICE	Term Loan	05-07-2023	57.00	Identified Industrial Land and Building	120 Months	11% pa	48.00
							<b>48.00</b>
<b>Auto/Vehicle Loan:</b>							
Axis Bank- CVR004206367257	Ashok leyland (Temp Loan)	20-08-2021	60.00	Hypothecation of the vehicle for which loan is obtained	48 Months	8.75%	2.24
Hdfc Bank- 135584572	Car Loan	11-11-2022	35.00	Hypothecation of the vehicle for which loan is obtained	84 Months	7.9%(approx)	29.73
Hdfc Bank- 121721069	Car Loan	25-08-2021	17.00	Hypothecation of the vehicle for which loan is obtained	60 Months	7.41%(approx)	8.94
							<b>40.91</b>
<b>Total</b>							<b>88.91</b>
<b>5.1. Short term Borrowings:</b>							
<b>Secured Loan: Cash Credit</b>							
Axis Bank	Cash Credit Loan	08/02/2021	450.00	Primary Security On Stock And Book Debts Along With Collateral Security On Industrial Property At Machhiwara, Residential Property At Shahid Bhagat, Hypothecation Charge Over All Current Assets Of The Co, Personal Guarantee Of Kunal And Palki Arora	12 Months	RBI repo rate: 4.00%+ 3.20%	-0.94
Axis Bank	Open Cash credit	12/12/2022	800.00	Primary Security On Stock And Book Debts Along With Collateral Security On Industrial Property At Machhiwara, Residential Property At Shahid Bhagat, Hypothecation Charge Over All Current Assets Of The Co, Personal Guarantee Of Kunal And Palki Arora	12 Months	Repo +2.80% = 9.05% at present	1,088.05
							<b>1,087.11</b>
<b>6.1. Short term Borrowings:</b>							
<b>UNSECURED LOAN</b>							
INDIAN INFOTECH SOFTWARE LIMITED	Loan for Capital Expansion	08-03-2024	450.00		Repayable on demand after 9 months	10.00%	451.35
							<b>451.35</b>
<b>Total</b>							<b>1,538.46</b>

**PARAMOUNT DYE TEC LIMITED**  
**Village Mangarh, Machiwara Road, Kohara, Ludhiana - 141112, Punjab, India**  
**CIN: U13114PB2024PLC060422**

**ADDITIONAL NOTES TO RESTATED FINANCIAL INFORMATION**

**NOTE 1.17- DEFERRED TAX**

Amount (Rs. In Lakhs, unless otherwise stated)

Particulars	For the period from 04.01.2024 to 31.03.2024	For the period ended 03.01.2024	For the year ended 31.03.2023	For the year ended 31.03.2022	For the year ended 31.03.2021
Depreciation as per Companies Act, 2013	17.41				-
Depreciation as per Income Tax Act, 1961	14.52				-
Gratuity Provision	3.07	-	0.65	0.38	0.37
<b>Differential Net Timing Difference [A]</b>	<b>5.97</b>	<b>0.00</b>	<b>0.65</b>	<b>0.38</b>	<b>0.37</b>
	1.50	0.00	0.16	0.09	0.09
<b>Deferred Taxes (Debited) / Credited to the Statement of Profit &amp; Loss</b>	<b>1.50</b>	<b>0.00</b>	<b>0.16</b>	<b>0.09</b>	<b>0.09</b>
<b>Closing DTA/(DTL)</b>	<b>1.85</b>	<b>0.35</b>	<b>0.35</b>	<b>0.19</b>	<b>0.09</b>

**NOTE 1.18 - BASIC AND DILUTED EARNINGS PER SHARE**

Amount (Rs. In Lakhs, unless otherwise stated)

Particulars		For the period from 04.01.2024 to 31.03.2024	For the period ended 03.01.2024	For the year ended 31.03.2023	For the year ended 31.03.2022	For the year ended 31.03.2021
Profit after Tax	Rs. In Lakhs	354.09	278.65	316.14	15.94	15.94
Present Number of equity shares	Nos.	22,451	NA	NA	NA	NA
Weighted average number of Equity shares (after bonus)	Nos.	45,04,923	NA	NA	NA	NA
Basic earnings per share	Rupees	7.86	NA	NA	NA	NA
Diluted Earning per Share	Rupees	7.86	NA	NA	NA	NA

**NOTE 1.19**

**Material Development after balance sheet date:**

The company issued 44,90,200 equity shares of Rs. 10/- each as bonus shares in the ratio of 200:1 (i.e. 200 (Two Hundred) Fully paid Bonus Shares of Rs.10/- each will be allotted against the holding of 1 (One) equity shares of the Company) on June 07, 2024. The effect of bonus issue has been considered while calculating EPS.

**NOTE 1.20**

Medium Enterprises Development Act, 2006 and hence disclosures has been made only for the parties from whom the declaration has been received. In respect of other vendors from whom declaration has not been received disclosure has not been made for those which have not been received disclosure has not been made.

**NOTE 1.21** - Party's Balance with respect to the Trade Receivables, Trade & Other Payables, Loans & advances are subject to confirmation/reconciliation. In the opinion of management , the same are receivable/ payable as stated in the books of accounts. Hence, no effect on the profitability due to the same for the year under review.

**NOTE 1.22** - Previous year's figure have been regrouped/rearranged whenever necessary to conform to the current year's presentation.

As per our report of even date

For & or behalf of Directors

For, Jay Gupta & Associates  
(Erstwhile Gupta Agarwal & Associates)  
Chartered Accountants  
FRN: 329001E

Kunal Arora

Palki Arora

Sd/-  
**Managing Director & CFO**  
**DIN:09791270**

Sd/-  
**Director**  
**DIN:09791271**

Sd/-  
**Jay Shanker Gupta**  
**Partner**  
**Mem. No. 059535**

Sd/-  
**Chandni Jain**  
**Company Secretary & Compliance Officer**

**Place : Kolkata**  
**Date : June 25, 2024**

**Statement of Related Party Transactions**

**NOTE 1.23 : Related Party Disclosures**

**A. List of Related parties**

<u>Sl. No.</u>	<u>Name</u>	<u>Relation</u>
<b><u>Key Managerial Personnel</u></b>		
1	Divya	Non Executive Director
2	Kunal Arora	Managing Director & CFO
3	Rupesh Kumar	Executive Director
4	Palki Arora	Executive Director
5	Chandni Jain	Company Secretary
6	Prabir Singh	Independent Director
7	Bhupesh	Independent Director

**Relative of Key Managerial Personnel**

8	Puneet Arora	Relative of KMP
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**Enterprises having Significant Influence**

9	Paramount Syntex Pvt Lt	KMP's Interested concern
10	Welldone Cottex Private	KMP's Interested concern
11	Winning Industries	KMP's Interested concern
12	K K Impex	KMP's Interested concern

<b>A. Transactions with Related Parties during the</b>				<b>Relationship</b>	<b>For the period from 04.01.2024 to</b>	<b>For the period ended 03.01.2024</b>	<b>For the year ended 31.03.2023</b>	<b>For the year ended 31.03.2022</b>	<b>For the year ended 31.03.2021</b>
<b>Nature of Transactions</b>									
<b>Director/Partner's Remuneration</b>									
1.	Kunal Arora			KMP	5.50	16.66	18.00	12.00	13.32
2.	Palki Arora			KMP	3.50		12.00	9.00	9.00
<b>Advance Given</b>									
1.	K. K. Impex			KMP's Interested concern	50.00				
2.	Welldone Cottex Private Limited			KMP's Interested concern	6.00			-	
3.	Winning Industries			KMP's Interested concern		21.20	20.00	-	45.00
<b>Rent Paid</b>									
1.	Puneet Arora			Relative of KMP	0.05				
<b>Asset Takenover</b>									
1.	Paramount Syntex			KMP's Interested concern	18.91				
<b>Loan Availed</b>									
1.	Kunal Arora			KMP	30.90	759.53			
<b>Loan Repaid</b>									
1.	Kunal Arora			KMP	1,095.58	1,414.32			
<b>Rental Income</b>									
1.	Paramount Syntex			KMP's Interested concern	10.80	32.40	43.20		
					-				
<b>Sale</b>					-				
1.	Paramount Syntex			KMP's Interested concern	5.46	-	1,663.85		
2.	Winning Industries			KMP's Interested concern		0.05	1.42	0.11	
<b>Purchase</b>									
1.	K. K. Impex			KMP's Interested concern	-	694.24	1,008.24	486.76	49.98
2.	Paramount Syntex			KMP's Interested concern			57.80		
3.	Winning Industries			KMP's Interested concern	-	0.02	0.61	0.31	
<b>TOTAL</b>					<b>1,226.70</b>	<b>2,938.41</b>	<b>1,21,361.13</b>	<b>508.19</b>	<b>117.30</b>

**PARAMOUNT DYE TEC LIMITED**  
Village Mangarh, Machiwara Road, Kohara, Ludhiana - 141112, Punjab, India  
CIN: U13114PB2024PLC060422

*Annexure-XXX*

**Statement of Related Party Transactions**

B. Outstanding Balances				Relationship	For the period from 04.01.2024 to 31.03.2024	For the period ended 03.01.2024	For the year ended 31.03.2023	For the year ended 31.03.2022	For the year ended 31.03.2021
Nature of Transactions									
Advance Given									
1. Winning Industries				KMP's Interested concern	57.52	57.52	390.49	0	53.30
2. Welldone Cottex Private Limited				KMP's Interested concern	6.00	-		0	0
3. K K Impex				KMP's Interested concern	50.00	-	-	110.23	
Creditors									
1. Paramount Syntex				KMP's Interested concern	-		18.12		
2. KK Impex				KMP's Interested concern			-	0	36.44
Debtors									
1. Paramount Syntex				KMP's Interested concern	24.37	334.50	-	9.70	33.15
Rent Receivable									
1. Paramount Syntex				KMP's Interested concern	10.80				
Capital Account Balance of the Partners									
1. Kunal Arora				KMP		0.70	429.53	233.04	219.88
2. Palki Arora				KMP		0.30	124.24	25.74	17.60
Loan Given									

**PARAMOUNT DYE TEC LIMITED**  
Village Mangarh, Machiwara Road, Kohara, Ludhiana - 141112, Punjab, India  
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**Restated Statement of Adjustments to Audited Financial Statements**

*Annexure-XXXI*

**(i) Reconciliation of Restated Profit:**

The reconciliation of Profit after tax as per audited financial statements and the Profit after tax as per Restated financial statements is presented below. This summarizes the results of restatements made in the audited accounts for the respective years/ period and its impact on the profit / loss of the company.

		<b>M/S. PARAMOUNT DYE TEC (PARTNERSHIP FIRM)</b>			
<b>Particulars</b>	<b>For the period ended 31st March'24</b>	<b>For the period ended 03rd January'2024</b>	<b>As at 31.03.2023</b>	<b>As at 31.03.2022</b>	<b>As at 31.03.2021</b>
<b>Profit after tax as per audited/ re-audited financial statements</b>	354.41	278.59	637.11	17.89	25.53
<b>(i) Adjustments on account of change in accounting policies:</b>	-	-	-	-	-
<b>(ii) Other material adjustments:</b>	0.00				
Cost of material consumed	0.00				
Employee benefit expenses	0.00	-	(0.65)	(0.38)	(0.37)
Finance cost	0.43				
Depreciation and amortization expense	(0.00)	0.09	(1.47)	(0.08)	(0.63)
Other expenses	(0.42)		(113.83)		
Provision for Income tax	0.00	(0.03)	(205.20)	(1.59)	(8.69)
Deferred tax adjustment	(0.35)	-	0.16	0.09	0.09
Preliminary Exps written off					
<b>(iii) Audit Qualifications:</b>					
<b>Restated profit after tax</b>	<b>354.09</b>	<b>278.65</b>	<b>316.14</b>	<b>15.94</b>	<b>15.94</b>

**(ii) Reconciliation of Restated Shareholders Funds:**

The reconciliation of Shareholder's funds as per audited financial statements and Shareholder's funds as per Restated financial statements is presented below. This summarizes the results of restatements made in the audited accounts for the respective years/ period and its impact on Shareholder's funds of the company.

<b>Particulars</b>	<b>For the period ended 31st March'24</b>	<b>For the period ended 03rd January'2024</b>			
<b>Shareholder's funds as per Audited/ Re-audited financial statements</b>	<b>3,028.91</b>	1.00	873.83	261.64	247.07
<b>(i) Adjustments on account of change in accounting policies:</b>	-	-	-	-	-
<b>(ii) Differences carried over pertaining to changes in Profit/ Loss due to Restated Effect for the period covered in Restated Financial</b>	3.47		(1.26)	(0.90)	
<b>(iii) Differences pertaining to changes in Profit/ Loss due to Restated Effect for the period covered in Restated Financial</b>	(0.33)	-	(318.79)	(1.95)	(9.59)
<b>(iv) Other material adjustments # :</b>					
Less : Assets Not taken over by the Co. (as per the terms of BTA)			-	-	-
Add : Liabilities Not taken over by the Co. (as per the terms of BTA)			-	-	-
<b>(v) Audit Qualifications:</b>	-	-			
<b>Restated Shareholder's funds</b>	<b>3,032.06</b>	<b>1.00</b>	<b>553.77</b>	<b>258.78</b>	<b>237.48</b>

**PARAMOUNT DYE TEC LIMITED**  
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*Annexure-XXXII*

**STATEMENT OF CAPITALISATION**

**31.03.2024**

**Amount (Rs. In Lakhs, unless otherwise stated)**

<b>PARTICULARS</b>	<b>Pre-Offer</b>	<b>Post-Offer</b>
<b>Debt</b>		
- Short Term Debt	1,538.46	1,538.46
- Long Term Debt	88.91	88.91
<b>Total Debt</b>	<b>1,627.37</b>	<b>1,627.37</b>
<b>Shareholders' Fund (Equity)</b>		
- Share Capital	2.25	694.27
- Reserves & Surplus	3,029.81	4,899.44
- Less: Miscellaneous Expenses not W/off	-	-
<b>Total Shareholders' Fund (Equity)</b>	<b>3,032.06</b>	<b>5,593.71</b>
<b>Long Term Debt / Equity (In Ratio)</b>	0.03	0.02
<b>Total Debt / Equity (In Ratio)</b>	0.54	0.29

**Notes:-**

1. Short Term Debts represent which are expected to be paid/payable within 12 months and exclude installments of Term Loans repayable within 12 months.
2. Long Term Debts represent debts other than Short Term Debts as defined above but include installments of Term Loans repayable within 12 months grouped under other current liabilities.
3. The figures disclosed above are based on restated statement of Assets and Liabilities of the Company as at 31/03/2024.
4. The post issue capitalization will be determined only after the completion of the allotment of Equity Shares.

**PARAMOUNT DYE TEC LIMITED**  
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**OTHER FINANCIAL INFORMATION**

**Annexure-XXXIII**

**Amount (Rs. In Lakhs, unless otherwise stated)**

Particulars	As at 31.03.2024	As at 03.01.2024	As at 31.03.2023	As at 31.03.2022	As at 31.03.2021
Net Worth (A)	3,032.06	1.00	553.77	258.78	237.48
Earnings Before Interest, Tax, Depreciation and Amortisation (EBITDA)	514.43	520.77	610.44	115.75	61.74
Restated Profit after tax	354.09	278.65	316.14	15.94	15.94
Add: Prior Period Item	-	-	-	-	-
Adjusted Profit after Tax(B)	354.09	278.65	316.14	15.94	15.94
Number of Equity Share outstanding as on the End of Year/Period (C)	22,451.00	2.25	-	-	-
Weighted average no of Equity shares as on the end of the period year(D)					
-Pre Bonus (D(i))	14,722.79	-	-	-	-
-Post Bonus and after split (D(ii))	45,04,922.79	-	-	-	-
Face Value per Share	10.00	-	-	-	-
Restated Basic & Diluted Earnings Per Share (In Rs.) (B/D)					
- Pre Bonus (B/D(i))	2,405.05	-	-	-	-
- Post Bonus (B/D(ii))	7.86	-	-	-	-
Return on Net worth (%) (B/A)	11.68%	-	-	-	-
Net asset value per share (A/D(i)) (Pre Bonus) (In Rs.)	20,594.30	-	-	-	-
Net asset value per share (A/D(ii)) (Post Bonus) (In Rs.)	67.31	-	-	-	-

**Notes:-**

1. The ratios have been Computed as per the following formulas

(i) Basic Earnings per Share

Restated Profit after Tax available to equity shareholders

Weighted average number of equity shares outstanding at the end of the year / period

(ii) Net Asset Value (NAV) per Equity Share

Restated Net Worth of Equity Share Holders

Number of equity shares outstanding at the end of the year / period

(iii) Return on Net worth (%)

Restated Profit after Tax available to equity shareholders

Restated Net Worth of Equity Share Holders

2. EBITDA represents Earnings (or Profit/ (Loss)) before Finance Costs, Income Taxes, and Depreciation and Amortization Expenses. Extraordinary and Exceptional Items have been considered in the calculation of EBITDA as they were expense items.

3. Net Profit as restated, as appearing in the Statement of Profit and Losses, has been considered for the purpose of computing the above ratios. These ratios are computed on the basis of the Restated Financial Information of the Company.

4. Earnings per share calculations are done in accordance with Accounting Standard 20 "Earning per Share", issued by the Institute of Chartered Accountants of India.

5. Weighted average number of Equity Shares is the number of Equity Shares outstanding at the beginning of the period adjusted by the number of Equity Shares issued during period multiplied by the time weighting factor. The time weighting factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the period.

6. The company issued 44,90,200 equity shares of Rs. 10/- each as bonus shares in the ratio of 200:1 (i.e. 200 (Two Hundred) Fully paid Bonus Shares of Rs.10/- each will be allotted against the holding of 1 (One) equity shares of the Company) on June 07, 2024.

**PARAMOUNT DYE TEC LIMITED**  
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**RESTATED STATEMENT OF TAX SHELTER**

Annexure-XXXIV

Amount (Rs. In Lakhs, unless otherwise stated)

Particulars	M/S. PARAMOUNT DYE TEC (PARTNERSHIP FIRM)				
	As at 31.03.2024	As at 03.01.2024	As at 31.03.2023	As at 31.03.2022	As at 31.03.2021
Net Profit/(Loss) before taxes (A)	473.32	428.32	521.17	17.44	24.54
Tax Rate Applicable %	25.17%	34.94%	34.94%	31.20%	31.20%
Minimum Alternate Taxes (MAT)	0.00%	20.80%	20.80%	20.80%	20.80%
<b>Adjustments</b>					
Add: Depreciation as per Companies act	17.41	40.93	59.43	54.89	16.87
Add: Loss on sale of fixed assets	-	-	-	-	-
Add: Gratuity provision	3.07	-	0.65	0.38	0.37
Add: Disallowance under Income Tax Act, 1961	0.43	-	-	-	-
Less: Taxable under other heads of income	-	-	-	-	-
Less: Depreciation as per Income Tax Act, 1961	14.52	40.93	59.33	54.81	16.24
Less: Deductions under Income Tax Act, 1961					
Less : Deferred Tax Credit Adjusted for computation of Tax under 115JB of Income Tax Act	-	-	-	-	-
<b>Net Adjustments(B)</b>	<b>6.39</b>	<b>-</b>	<b>0.75</b>	<b>0.46</b>	<b>0.99</b>
<b>Business Income (A+B)</b>	<b>479.72</b>	<b>428.32</b>	<b>521.93</b>	<b>17.89</b>	<b>25.53</b>
<b>Gross Total/ Taxable Income</b>	<b>479.72</b>	<b>428.32</b>	<b>521.93</b>	<b>17.89</b>	<b>25.53</b>
Less: Deductions U/S 80JJAA		-	-	13.87	-
<b>Net Total/ Taxable Income</b>	<b>479.72</b>	<b>428.32</b>	<b>521.93</b>	<b>4.02</b>	<b>25.53</b>
Tax Payable as per Normal Rate	120.74	149.67	182.38	1.25	7.97
Tax Payable as per Special Rate:		-	-	-	-
Interest payable on above	-	-	-	-	-
Tax as per Income Tax (C)	120.74	149.67	182.38	1.25	7.97
Tax Payable as per Minimum Alternate Tax U/S 115 JB of the Income Tax Act,1961	-	89.09	108.56	3.77	5.10
Additional Income tax & Interest Payable on above	-		22.81	0.00	0.73
Tax as per MAT (D)	-	89.09	108.40	3.77	5.10
<b>Net Tax (Higher of C &amp; D)</b>	<b>120.74</b>	<b>149.67</b>	<b>205.20</b>	<b>3.77</b>	<b>8.69</b>
<b>Current tax as per restated Statement of Profit &amp; Loss</b>	<b>120.74</b>	<b>149.67</b>	<b>205.20</b>	<b>3.77</b>	<b>8.69</b>

**PARAMOUNT DYE TEC LIMITED**  
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**RESTATED STATEMENT OF CONTINGENT LIABILITIES**

**Annexure-XXXV**

**Amount (Rs. In Lakhs, unless otherwise stated)**

<b>Particulars</b>	<b>As at 31.03.2024</b>	<b>As at 03.01.2024</b>
Claims against the company not acknowledged as Debts	Unascertainable	Unascertainable
Income Tax Demand	-	-
TDS Demand	-	-
<b>Total</b>	-	-

**PARAMOUNT DYE TEC LIMITED**  
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**Restated Statement of Accounting Ratios**

Annexure-XXXVI

Amount (Rs. In Lakhs, unless otherwise stated)

Particulars	NOTES	As at 31.03.2024	As at 03.01.2024	As at 31.03.2023	As at 31.03.2022	As at 31.03.2021
Current Assets	[A]	3,856.99	3,105.38	1,393.51	994.61	612.58
Current Liabilities	[B]	2,437.34	3,398.81	1,041.08	929.56	545.38
<b>Current Ratio</b>	<b>[A/B]</b>	<b>1.58</b>	<b>0.91</b>	<b>1.34</b>	<b>1.07</b>	<b>1.12</b>
Debt	[A]	1,627.37	2,247.76	969.18	898.17	551.50
Equity	[B]	3,032.06	1.00	553.77	258.78	237.48
<b>Debt - Equity Ratio</b>	<b>[A / B]</b>	<b>0.54</b>	<b>2,247.76</b>	<b>1.75</b>	<b>3.47</b>	<b>2.32</b>
Earnings available for debt service	[A]	531.18	521.96	610.60	119.74	61.74
Debt Service	[B]	53.53	62.39	107.53	115.12	72.35
<b>Debt - Service Coverage Ratio</b>	<b>[A / B]</b>	<b>9.92</b>	<b>8.37</b>	<b>5.68</b>	<b>1.04</b>	<b>0.85</b>
Net Profit after Tax	[A]	354.09	278.65	316.14	15.94	15.94
Shareholder's Equity	[B]	3,032.06	1.00	553.77	258.78	237.48
<b>Return on Equity Ratio (%)</b>	<b>[A / B]</b>	<b>0.12</b>	<b>278.65</b>	<b>0.57</b>	<b>0.06</b>	<b>0.07</b>
Cost of Goods Sold	[A]	1,770.60	2,363.48	3,801.36	2,173.40	1,578.91
Inventory	[B]	1,756.92	1,694.48	627.31	573.50	237.66
<b>Inventory Turnover Ratio</b>	<b>[A / B]</b>	<b>1.01</b>	<b>1.39</b>	<b>6.06</b>	<b>3.79</b>	<b>6.64</b>
Net Sales	[A]	2,351.15	2,954.72	4,600.08	2,363.32	1,690.50
Trade Receivables	[B]	605.35	1,314.11	667.27	204.47	175.27
<b>Trade Receivables Turnover Ratio</b>	<b>[A / B]</b>	<b>3.88</b>	<b>2.25</b>	<b>6.89</b>	<b>11.56</b>	<b>9.64</b>
Net Purchase	[A]	795.56	1,276.03	1,672.51	929.48	439.50
Trade Payables	[B]	547.25	1,013.00	69.09	259.95	117.07
<b>Trade Payables Turnover Ratio</b>	<b>[A / B]</b>	<b>1.45</b>	<b>1.26</b>	<b>24.21</b>	<b>3.58</b>	<b>3.75</b>
Net Sales	[A]	2,351.15	2,954.72	4,600.08	2,363.32	1,690.50
Current Assets		3,856.99	3,105.38	1,393.51	994.61	612.58
Current Liabilities		2,437.34	3,398.81	1,041.08	929.56	545.38
Working Capital	[B]	1,419.66	-293.44	352.43	65.05	67.20
<b>Working Capital Turnover Ratio</b>	<b>[A / B]</b>	<b>1.66</b>	<b>-10.07</b>	<b>13.05</b>	<b>36.33</b>	<b>25.16</b>
Net Profit	[A]	354.09	278.65	316.14	15.94	15.94
Net Sales	[B]	2,351.15	2,954.72	4,600.08	2,363.32	1,690.50
<b>Net Profit Ratio (%)</b>	<b>[A / B]</b>	<b>15.06%</b>	<b>9.43%</b>	<b>6.87%</b>	<b>0.67%</b>	<b>0.94%</b>
Earning before interest and taxes	[A]	513.76	481.03	551.16	64.85	44.87
Capital Employed	[B]	3,107.88	89.88	787.37	528.11	395.90
Capital Employed = Total Equity + Long term Debt						
<b>Return on Capital Employed (%)</b>	<b>[A / B]</b>	<b>16.53%</b>	<b>535.20%</b>	<b>70.00%</b>	<b>12.28%</b>	<b>11.33%</b>

**PARAMOUNT DYE TEC LIMITED**  
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**Restated Statement of Accounting Ratios**

**Annexure-XXXVI**

Net Return on Investment	[A]	-	-	-	-	-
Cost of Investment	[B]	-	-	-	-	-
Return on Investment	[A / B]	0.00%	0.00%	0.00%	0.00%	0.00%

**Notes:**

The ratios and changes in ratios cannot be compared as the period under consideration is not same in both the years.

**No transactions to report against the following disclosure requirements as notified by MCA pursuant to amended Schedule III:**

- a) Crypto Currency or Virtual Currency
- b) Benami Property held under Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder
- c) Registration of charges or satisfaction with Registrar of Companies
- d) Relating to borrowed funds
  - i) Wilful defaulter
  - ii) Utilisation of borrowed funds & share premium
  - iii) Borrowings obtained on the basis of security of current assets
  - iv) Discrepancy in utilisation of borrowings
  - v) Current maturity of long term borrowings

**DISCLOSURE OF TRANSACTIONS WITH STRUCK OFF COMPANIES**

The Company did not have any material transactions with companies struck off under Section 248 of the Companies Act, 2013 or Section 560 of Companies Act, 1956 during the financial year.

**MATERIAL DEVELOPMENTS AFTER BALANCE SHEET DATE**

The company issued 44,90,200 equity shares of Rs. 10/- each as bonus shares in the ratio of 200:1 (i.e. 200 (Two Hundred) Fully paid Bonus Shares of Rs.10/- each will be allotted against the holding of 1 (One) equity shares of the Company) on June 07, 2024.

## MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULT OF OPERATIONS

*You should read the following discussion of our financial condition and results of operations together with our Financial Statements as Restated which is included in this Prospectus. The following discussion and analysis of our financial condition and results of operations is based on our Financial Statements as Restated, for the period ended March 31, 2024 for Company and for the period ended January 03, 2024 and for financial years ended March 31, 2023, 2022 and 2021 including the related notes and reports, included in this Prospectus is prepared in accordance with requirements of the Companies Act, 2013 and restated in accordance with the SEBI (ICDR) Regulations, 2018, which differ in certain material respects from IFRS, U.S. GAAP and GAAP in other countries. Our Financial Statements, as restated have been derived from our audited statutory financial statements. Accordingly, the degree to which our Financial Statements as Restated will provide meaningful information to a prospective investor in countries other than India is entirely dependent on the reader's level of familiarity with Indian GAAP, Companies Act, SEBI Regulations and other relevant accounting practices in India.*

*This discussion contains forward looking statements and reflects our current views with respect to future events and financial performance. Actual results may differ materially from those anticipated in these Forward-Looking Statements as a result of certain factors such as those described under chapters titled "Risk Factors" and "Forward Looking Statements" beginning on pages 29 and 22, respectively of this 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.*

Our Company was initially established as Partnership Firm under the Partnership Act, 1932 ("Partnership Act") in the name and style of "Paramount Dye Tec" pursuant to Deed of Partnership dated January 03, 2014, effective from January 01, 2014. Paramount Dye Tec was thereafter converted from Partnership Firm to a Public Limited Company under Part I chapter XXI of the Companies Act, 2013 with the name and style of "Paramount Dye Tec Limited" and received a Certificate of Incorporation from the Registrar of Companies, Central Registration Centre dated January 04, 2024. The Corporate Identification Number of the Company is U13114PB2024PLC060422.

We are a Ludhiana, Punjab-based company, specializing in the manufacturing of yarns by recycling waste synthetic fiber, serving the B2B segment of the textile industry. We offer a range of products including synthetic fiber and yarns which includes acrylic yarn, polyester yarn, wool yarn, hand-knitting yarn and acrylic blend yarn with quality, finer impact, and lasting excellence. We utilize synthetic waste fibers as our primary raw material, transforming them into quality yarn. This process not only enhances industry sustainability but also boosts economic efficiency. Our commitment to environmental responsibility and economic benefits is evident through our innovative approach. Through continuous R&D, we have developed advanced technology to recycle pre-consumer waste into premium yarn and fiber. This capability allows us to meet the growing demand for sustainable and circular fashion, solidifying our market presence.

### Significant developments subsequent to the last financial year

In the opinion of the Board of Directors of our Company, since the date of the last financial statements disclosed in this Prospectus, there have not arisen any circumstance that materially or adversely affect or are likely to affect the profitability of our Company or the value of its assets or its ability to pay its material liabilities within the previous twelve months except:

- Our Company was initially established as Partnership Firm under the Partnership Act, 1932 ("Partnership Act") in the name and style of "Paramount Dye Tec" pursuant to Deed of Partnership dated January 03, 2014, effective from January 01, 2014. Paramount Dye Tec was thereafter converted from Partnership Firm to a Public Limited Company under Part I chapter XXI of the Companies Act, 2013 with the name and style of "Paramount Dye Tec Limited" and received a Certificate of Incorporation from the Registrar of Companies, Central Registration Centre dated January 04, 2024. The Corporate Identification Number of the Company is U13114PB2024PLC060422.
- The Board of our Company has approved to raise funds through initial public offering in the Board Meeting held on April 16, 2024.
- The members of our Company approved proposal of Board of Directors to raise funds through initial public offering in the Extra Ordinary General Meeting held on May 08, 2024.
- The company increased its's Authorised equity share capital from ₹1,00,000.00 to ₹1,00,00,000.00 vide resolution passed in its members meeting dated May 27, 2024.

- The company increased its's Authorised equity share capital from ₹1,00,00,000.00 to ₹12,00,00,000.00 vide resolution passed in its members meeting dated February 12, 2024.
- The Company allotted 49,90,200 bonus Equity Shares in the proportion of 200:1, i.e. 200 (Two Hundred) fully paid Equity Share of ₹10.00 each allotted against 1(One) Equity Shares of ₹10.00 each vide resolution passed at the Board Meeting dated June 07, 2024.
- The Company allotted 5,912 Equity Shares of the Company of face value of ₹ 10.00 (Rupees Ten Only) each ("Shares") at a price of ₹ 21,500.00 per Share at premium of ₹ 21,490.00 on Preferential Basis in consideration other than cash (Land to equity) vide resolution passed at the Board Meeting dated February 28, 2024.
- The Company allotted 6,539 Equity Shares of the Company of face value of ₹ 10.00 (Rupees Ten Only) each ("Shares") at a price of ₹ 21,500.00 per Share at premium of ₹ 21,490.00 on Preferential Basis in consideration other than cash (Loan to equity) vide resolution passed at the Board Meeting dated February 28, 2024.

### Factors affecting our results of operations

Our company's future results of operations could be affected potentially by the following factors:

1. Use of recycled synthetic waste as raw materials
2. Margin Benefits
3. Custom Solutions
4. Value Addition through Enhanced Spinning Capacity
5. Cost-effective products
6. Tailored solutions
7. Quality assurance
8. Simplified supply chain

The following table set forth certain key performance indicators for the years indicated:

Key Performance Indicators of Our Company

(₹ In lakhs)

Key Financial Performance	For the period ended	For the period ended	For the Financial Year ended		
	March 31, 2024	January 03, 2024	March 31, 2023	March 31, 2022	March 31, 2021
	Company	Partnership Firm			
Revenue from operations <sup>(1)</sup>	2,351.15	2,954.72	4,600.08	2,363.32	1,690.50
EBITDA <sup>(2)</sup>	514.43	520.77	610.44	115.75	61.74
EBITDA Margin <sup>(3)</sup>	21.88	17.63	13.27	4.90	3.65
PAT	354.09	278.65	316.14	15.94	15.94
PAT Margin <sup>(4)</sup>	15.06	9.43	6.87	0.67	0.94
Networth <sup>(5)</sup>	3,032.06	1.00	553.77	258.78	237.48
RoE % <sup>(6)</sup>	11.68%	-	-	-	-
RoCE% <sup>(7)</sup>	16.53%	535.20%	70.00%	12.28%	11.33%

### Notes:

<sup>(1)</sup> Revenue from Operations means the Revenue from Operations as appearing in the Restated Financial Statements

<sup>(2)</sup> EBITDA is calculated as Profit before tax + Depreciation + Interest Expenses - Other Income

<sup>(3)</sup> 'EBITDA Margin' is calculated as EBITDA divided by Revenue from Operations

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

<sup>(5)</sup> *Networth means the aggregate value of the paid-up share capital and reserves and surplus of the company less deferred tax assets.*

<sup>(6)</sup> *Return on Equity is ratio of Profit after Tax and Average Shareholder Equity*

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

### Explanations for KPI Metrics

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

### STATEMENT OF SIGNIFICANT POLICIES

#### Corporate Information:

Paramount Dye Tec Limited was initially established as Partnership Firm under the Partnership Act, 1932 ("Partnership Act") in the name and style of "Paramount Dye Tec" pursuant to Deed of Partnership dated January 03, 2014, effective from January 01, 2014. Paramount Dye Tec was thereafter converted from Partnership Firm to a Public Limited Company under Part I chapter XXI of the Companies Act, 2013 with the name and style of "Paramount Dye Tec Limited" and received a Certificate of Incorporation from the Registrar of Companies, Central Registration Centre dated January 04, 2024. The Corporate Identification Number of the Company is U13114PB2024PLC060422.

### NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES

#### 1.1 Basis of preparation of financial statements

(a) The financial statements are prepared in accordance with Generally Accepted Accounting Principles (Indian GAAP) under the historical cost convention on accrual basis and on principles of going concern. The accounting policies are consistently applied by the Company.

(b) The financial statements are prepared to comply in all material respects with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and provisions of Companies Act, 2013.

(c) The preparation of the financial statements requires estimates and assumptions to be made that affect the reported amounts of assets and liabilities on the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Differences between the actual results and estimates are recognized in the period in which the results are known / materialize.

#### 1.2 Revenue Recognition

(a) The company generally follows the mercantile system of accounting and recognizes Income & Expenditure on accrual basis.

(b) Revenue is recognised to the extent that it is possible that, the economic benefits will flow to the company and the revenue can be reliably estimated and collectability is reasonably assured.

(c) Revenue from sale of goods and services are recognised when control of the products being sold is transferred to our customer and then there are no longer any unfulfilled obligations. The performance obligations in our contracts are fulfilled at the time of dispatch, delivery or upon formal customer acceptance depending on customer terms. Revenue from services are recognised upon rendering of services on accrual basis.

(d) Revenue is measured on the basis of sale price, after deduction of any trade discounts, volume rebates and any taxes or duties collected on behalf of the Government such as goods and service tax etc. Accumulated experience is used to estimate the provision for such discounts and rebates. Revenue is only recognised to the extent that it is highly probable a significant reversal will not occur.

(e) Interest income is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

(f) In the Financial year 2022-23, the firm commenced commercial production of recycling acrylic waste into acrylic yarns, which resulted in production of recycled yarn that was expected to be used in multiple consumer end items. As per the agreements in place, once the quality of the yarn was verified and accepted, the parties agreed to pay an extra premium for it. Hence due to this reason, the firm has recorded the accrued income for the sales made during FY 2022-23 amounting to Rs 4,93,18,612. The premium so recognised in 22-23 was conditionally recognised based on acceptance. However, the firm claimed that the recycled acrylic yarns were of a quality comparable to virgin yarn. This assertion was met with scepticism from the vendors, who required verification of the quality before agreeing to pay the premium. Consequently, the sales were conducted on a conditional basis, pending confirmation that the products met the firm's quality claims. The accounting entry is henceforth reversed in 23-24.

(g) Partnership firm PARAMOUNT DYE TEC was converted into company with effect from 04-01-2024. In absence of GST number and other hardships to conduct business in the name of the company "PARAMOUNT DYE TEC LIMITED", the business was conducted in the partnership firm itself till 31-01-2024. But all the transactions have been accounted for in the of the company as the firm was converted to company with effect from 04-01-2024.

### **1.3 Property, Plant & Equipment and Intangible Assets & Depreciation**

(a) Property, Plant and Equipment is stated at acquisition cost net of accumulated depreciation and accumulated impairment losses, if any. Cost of acquisition or construction of property, plant and equipment comprises its purchase price including import duties and non-refundable purchase taxes after deducting trade discounts, rebates and any directly attributable cost of bringing the item to its working condition for its intended use.

(b) Subsequent costs are included in the assets' carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. All other repairs and maintenance cost are charged to the statement of profit and loss during the period in which they are incurred.

(c) Gains or losses that arise on disposal or retirement of an asset are measured as the difference between net disposal proceeds and the carrying value of property, plant and equipment and are recognised in the statement of profit and loss when the same is derecognised.

(d) Depreciation is calculated on pro rata basis on straight line method (SLM) based on estimated useful Life as prescribed under Part C of Schedule - II of the Companies Act, 2013. Freehold land is not depreciated.

(e) Intangible asset purchased are initially measured at cost. The cost of an intangible assets comprises its purchase price including duties and taxes and any costs directly attributable to making the assets ready for their intended use. The useful lives of intangible assets are assessed as either finite or indefinite. Finite-life intangible assets are amortised on a straight-line basis over the period of their estimated useful lives.

### **1.4 Impairment of Assets**

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the higher of the asset's net selling price and value in use, which is determined by the present value of the estimated future cash flows.

### **1.5 Investments**

Investments classified as long-term investments are stated at cost. Provision is made to recognize any diminution other than temporary in the value of such investments. Current investments are carried at lower of cost and fair value.

### **1.6 Inventories**

Inventories consisting of Raw Materials, Stock-in-trade and Finished Goods are valued at lower of cost and net realizable value unless otherwise stated. Cost of inventories comprises of material cost on FIFO basis and expenses incurred in bringing the inventories to their present location and condition.

### **1.7 Employee Benefits**

Retirement benefit in the form of provident fund is a defined contribution scheme. The contribution to the provident fund is charged to the statement of profit and loss for the year when an employee renders the related services.

### **1.8 Borrowing Costs**

(a) Borrowing costs that are directly attributable to the acquisition of qualifying assets are capitalized for the period until the asset is ready for its intended use. A qualifying asset is an asset that necessarily takes substantial period of time to get ready for its intended use.

(b) Other Borrowing costs are recognized as expense in the period in which they are incurred.

### **1.9 Taxes on Income**

Tax expense comprises of current tax and deferred tax.

Current income tax is measured at the amount expected to be paid to the tax authorities, computed in accordance with the applicable tax rates and tax laws.

Deferred Tax arising on account of "timing differences" and which are capable of reversal in one or more subsequent periods is recognized, using the tax rates and tax laws that are enacted or substantively enacted. Deferred tax asset is recognized only to the extent there is reasonable certainty with respect to reversal of the same in future years as a matter of prudence.

### **1.10 Earnings per Share (EPS)**

(a) Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

(b) For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

### **1.11 Prior Period Items**

Prior Period and Extraordinary items and Changes in Accounting Policies having material impact on the financial affairs of the Company are disclosed in financial statements if any.

### **1.12 Provisions / Contingencies**

(a) Provision involving substantial degree of estimation in measurements is recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources.

(b) Contingent Liabilities are shown by way of notes to the Accounts in respect of obligations where, based on the evidence available, their existence at the Balance Sheet date is considered not probable.

(c) A Contingent Asset is not recognized in the Accounts.

### **1.13 Segment Reporting**

#### A. Business Segments:

Based on the guiding principles given in Accounting Standard 17 (AS - 17) on Segment Reporting issued by ICAI, the Company has only one reportable Business Segment, which is engaged in manufacture of yarn. Accordingly, the figures appearing in these financial statements relate to the Company's single Business Segment.

#### B. Geographical Segments:

The Company activities / operations are confined to India and as such there is only one geographical segment. Accordingly, the figures appearing in these financial statements relate to the Company's single geographical segment.

#### 1.14 Foreign Currency Transactions

Foreign exchange transactions are recorded at the rate prevailing on the date of respective transaction. Monetary assets and liabilities denominated in foreign currencies as at the balance sheet date are translated at the closing exchange rates on that date. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of transaction. Exchange differences arising on foreign exchange transactions settled during the year and on restatement as at the balance sheet date are recognized in the statement of profit and loss for the year.

#### 1.15 Balance Confirmations

Balance of Debtors & Creditors & Loans & advances Taken & giving are subject to confirmation and subject to consequential adjustments, if any. Debtors & creditors balance has been shown separately and the advances received and paid from/to the parties is shown as advance from customer and advance to suppliers.

#### 1.16 Regrouping

Previous years figures have been regrouped and reclassified wherever necessary to match with current year grouping and classification.

#### Discussion on Results of Operation

The following discussion on results of operations should be read in conjunction with the Restated Financial Results of our Company for the period ended March 31, 2024 and of our Partnership Firm for period ended January 03, 2024 and financial year ended on March 31, 2023, 2022 and 2021.

#### Results of Our Standalone Operations

The following table sets forth select financial data of our company from our financial statements as restated of profit and loss financial years ended on March 31, 2024

Particulars	For the year ended March 31, 2024	% of Total income
Revenue from operations	2,351.15	99.29%
Other income	16.73	0.71%
<b>Total Income (A)</b>	<b>2,367.88</b>	<b>100.00%</b>
<b>Expenses:</b>		
Cost of Materials Consumed	742.23	31.35%
Purchase of Trading Goods	1,033.81	43.66%
Change in Inventory of Stock in Trade and Finished Goods	-5.44	-0.23%
Employee Benefit Expenses	24.69	1.04%
Other Expenses	41.44	1.75%
<b>Total Expenses</b>	<b>1,836.72</b>	<b>77.57%</b>
<b>Earnings Before Interest, Taxes, Depreciation &amp; Amortization</b>	<b>531.18</b>	<b>22.43%</b>
Finance Cost	40.44	1.71%
Depreciation and Amortization Expenses	17.41	0.74%
<b>Profit before Exceptional Items</b>	<b>473.32</b>	<b>19.99%</b>
Exceptional Items	-	0.00%
<b>Profit/(Loss) before Tax</b>	<b>473.32</b>	<b>19.99%</b>

Particulars	For the year ended March 31, 2024	% of Total income
Tax Expenses:		
MAT credit entitlement		
Current Tax	120.74	5.10%
Deferred Tax	-1.50	-0.06%
<b>Profit for the year</b>	<b>354.09</b>	<b>14.95%</b>

## DISCUSSION OF PERIOD ENDED March 31, 2024

### *Income*

Our Total Income for the period ended March 31, 2024 was ₹2,367.90 lakhs which includes Revenue from Operation and Other Income.

### *Revenue from operations*

Our Revenue from operations for the period ended March 31, 2024 was ₹2,351.15 lakhs which includes Sale of Goods and Other Operating revenue i.e. Commission Income.

### *Other Income*

Our Other income for the period ended March 31, 2024 was ₹16.75 lakhs which includes Rent Received and Other Income.

### *Expenses*

Our Total Expenses for the period ended March 31, 2024 was ₹1,836.72 lakhs which includes Cost of Material Consumed, Purchase of Trading Goods, Changes in Inventory, Employee Benefit Expenses and Other Expenses.

### *Cost of Material consumed*

Our Cost of Materials Consumed for the period ended March 31, 2024 was ₹742.23 lakhs which includes Purchase of Materials and Direct Expenses such as Power & Fuel Charges, Labour and Job Work Charges, Machinery Rent and Other direct expenses.

### *Purchase of Trading Goods*

Our Purchase of Trading Goods for the period ended March 31, 2024 was ₹1,033.81 lakhs.

### *Change in Inventory of Stock in Trade and Finished Goods*

Our Change in Inventory for the period ended March 31, 2024 was ₹ (5.44) lakhs which includes changes in Inventory of Finished Goods of ₹(41.18) Lakhs and changes in inventory of stock in trade of ₹ 35.75 lakhs.

### *Employee benefits expenses*

Our Employee Benefit Expenses for the period ended March 31, 2024 was ₹24.69 lakhs which consist of Salaries, Wages & Bonus, Partners' Remuneration, Director's Remuneration, Contribution to ESI & EPF, Staff Welfare Expenses and Gratuity provision.

### *Finance costs*

Our Finance Cost for the period ended March 31, 2024 was ₹40.44 lakhs which includes Interest on Loan and Other Finance Charges.

### *Depreciation and amortization expenses*

Our Depreciation and Amortization Expenses for the period ended March 31, 2024 was ₹17.41 lakhs.

### *Other expenses*

Our Other Expenses for the period ended March 31, 2024 was ₹41.44 lakhs consist of Auditors remuneration, Commission Expenses, Rent Expenses, Insurance Expenses, Legal & Professional Charges, Office Expenses, Vehicle Running & Maintenance, Computer, printing and stationery expenses, Other Expense, Rent, Rate and Taxes and Travelling and Conveyance Expenses.

#### ***Profit before tax***

Our Profit/(Loss) before Tax for the period ended March 31, 2024 was ₹473.32 lakhs.

#### ***Tax expenses***

Our Tax expenses for the period ended March 31, 2024 was ₹119.23 lakhs which includes both Current Tax and Deferred Tax.

#### ***Profit After Tax***

Our Profit for the year for the period ended March 31, 2024 was ₹354.09 lakhs.

**The following table sets forth select financial data of Partnership Firm from our financial statements as restated of profit and loss Period ended on January 3, 2024**

Particulars	For the period ended January 03, 2024	% of Total income
Revenue from operations	2,954.72	99.96%
Other income	1.19	0.04%
<b>Total Income (A)</b>	<b>2,955.91</b>	<b>100%</b>
<b>Expenses:</b>		
Cost of Materials Consumed	932.52	31.55%
Purchase of Trading Goods	2,152.15	72.81%
Change in Inventory of Stock in Trade and Finished Goods	(721.19)	(24.40) %
Employee Benefit Expenses	29.31	0.99%
Other Expenses	41.16	1.39%
<b>Total Expenses</b>	<b>2,433.95</b>	<b>82.34%</b>
<b>Earnings Before Interest, Taxes, Depreciation &amp; Amortization</b>	<b>521.96</b>	<b>17.66%</b>
Finance Cost	52.70	1.78%
Depreciation and Amortization Expenses	40.93	1.38%
<b>Profit before Exceptional Items</b>	<b>428.32</b>	<b>14.49%</b>
Exceptional Items	-	-
<b>Profit/(Loss) before Tax</b>	<b>428.32</b>	<b>14.49%</b>
<b>Tax Expenses:</b>		
MAT credit entitlement	-	-
Current Tax	149.67	5.06%
Deferred Tax	-	0.00%
<b>Profit for the year</b>	<b>278.65</b>	<b>9.43%</b>

#### **DISCUSSION OF PERIOD ENDED January 3, 2024**

##### ***Income***

Our Total Income for the period ended January 3, 2024 was ₹2,955.91 lakhs which includes Revenue from Operation and Other Income.

##### ***Revenue from operations***

Our Revenue from operations for the period ended January 3, 2024 was ₹2,954.72 lakhs which includes Sale of Goods and rental income.

### ***Other Income***

Our Other income for the period ended January 3, 2024 was ₹1.19 lakhs which includes Miscellaneous income.

### ***Expenses***

Our Total Expenses excluding finance cost and depreciation and amortization cost for the period ended January 3, 2024 was ₹2,433.95 lakhs.

### ***Cost of Material consumed***

Our Cost of Materials Consumed for the period ended January 3, 2024 was ₹932.52 lakhs which includes Purchase of Materials and Consumables, Power & Fuel Charges, Transportation, Loading, Clearing and Shipping Expenses, Labour and Job Work Charges and Other direct expenses.

### ***Purchase of Trading Goods***

Our Purchase of Trading Goods for the period ended January 03, 2024 was ₹2,152.15 lakhs.

### ***Change in Inventory of Stock in Trade and Finished Goods***

Our Change in Inventory for the period ended January 03, 2024 was ₹ (721.19) lakhs which includes Changes in Finished goods ₹(157.70) lakhs and Changes in Stock in trade ₹(563.49) lakhs.

### ***Employee benefits expenses***

Our Employee Benefit Expenses for the period ended January 3, 2024 was ₹29.31 lakhs which consist of Salaries, Wages & Bonus, Partners' Remuneration, Director's Remuneration, Contribution to ESI & EPF, Staff Welfare Expenses and Gratuity Provision.

### ***Finance costs***

Our Finance Cost for the period ended January 3, 2024 was ₹52.70 lakhs which includes Interest on Loans and Other Finance Charges.

### ***Depreciation and amortization expenses***

Our Depreciation and Amortization Expenses for the period ended January 3, 2024 was ₹40.93 lakhs.

### ***Other expenses***

Our Other Expenses for the period ended January 3, 2024 was ₹41.16 lakhs consist of Auditors remuneration, Commission Expenses, Rent Expenses, Insurance Expenses, Legal & Professional Charges, Office Expenses, Vehicle Running & Maintenance, Computer, printing and stationery expenses, Other Expense, Rent, Rate and Taxes and Travelling and Conveyance Expenses.

### ***Profit before tax***

Our Profit/(Loss) before Tax for the period ended January 3, 2024 was ₹428.32 lakhs.

### ***Tax expenses***

Our current tax expenses for the period ended January 3, 2024 amounted to ₹ 149.67 Lakhs.

### ***Profit After Tax***

Our Profit for the year for the period ended January 3, 2024 was ₹278.65 lakhs.

**The following table sets forth select financial data of Partnership Firm from our financial statements as restated of profit and loss for the financial years ended on March 31, 2023, 2022 and 2021, the components of which are also expressed as a percentage of total revenue for such periods:**

Particulars	31-03-2023	% of total income	31-03-2022	% of total income	31-03-2021	% of total income
Revenue from Operations	4,600.08	99.08%	2,363.32	51.37%	1,690.50	100.00%
Other income	0.15	0.02%	3.99	0.17%	-	0.00%
<b>Total Revenue (A)</b>	<b>4,600.23</b>	<b>100%</b>	<b>2,367.31</b>	<b>100%</b>	<b>1,691.50</b>	<b>100%</b>
<b>Expenses:</b>						
Cost of Materials Consumed	1,856.52	40.36%	596.46	25.20%	379.64	22.46%
Purchase of Trading Goods	2,153.46	46.81%	1,530.85	64.67%	1,230.03	72.76%
Change in Inventory of Stock in Trade and Finished Goods	-208.62	-4.54%	46.08	1.95%	-30.75	-1.82%
Employee Benefit Expenses	36.79	0.80%	33.21	1.40%	26.92	1.59%
Other Expenses	151.48	3.29%	40.96	1.73%	22.93	1.36%
<b>Total Expenses (B)</b>	<b>3,989.63</b>	<b>86.73%</b>	<b>2,247.57</b>	<b>94.94%</b>	<b>1,628.77</b>	<b>96.35%</b>
<b>Earnings Before Interest, Taxes, Depreciation &amp; Amortization (C=A-B)</b>	<b>610.60</b>	<b>13.27%</b>	<b>119.74</b>	<b>5.06%</b>	<b>61.74</b>	<b>3.65%</b>
Finance costs (D)	29.99	0.65%	47.41	2.00%	20.33	1.20%
Depreciation and amortization expenses (E)	59.43	1.29%	54.89	2.32%	16.87	1.00%
<b>Profit before exceptional items, extraordinary items and tax (F=C-D-E)</b>	<b>521.17</b>	<b>11.33%</b>	<b>17.44</b>	<b>0.74%</b>	<b>24.54</b>	<b>1.45%</b>
Exceptional Items	-	0.00%	-	0.00%	-	0.00%
<b>Profit before tax (F=C-D-E)</b>	<b>521.17</b>	<b>11.33%</b>	<b>17.44</b>	<b>0.74%</b>	<b>24.54</b>	<b>1.45%</b>
<b>Tax Expenses</b>						
MAT credit entitlement			-2.18	-0.09%	0.00	0.00%
- Current Tax	205.20	4.46%	3.77	0.16%	8.69	0.51%
- Deferred Tax	-0.16	0.00%	-0.09	0.00%	-0.09	-0.01%
<b>Tax Expense for The Year (G)</b>	<b>205.03</b>	<b>4.46%</b>	<b>1.50</b>	<b>0.06%</b>	<b>8.60</b>	<b>0.51%</b>
<b>Profit after tax (H=F-G)</b>	<b>316.14</b>	<b>6.87%</b>	<b>15.94</b>	<b>0.67%</b>	<b>15.94</b>	<b>0.94%</b>

## Overview of Revenue and expenditure

**Total Revenue:** Our total revenue comprises of revenue from operations and Other Income.

**Revenue from operations:** Our revenue from operations comprises of Sale of finished goods and traded goods and other operating revenue.

**Expenses:** Our expenses comprise of Cost of Materials Consumed, Purchase of Trading Goods, Changes in Inventories of Finished Goods and Stock-in-trade, Employee Benefits Expense, Finance Costs Depreciation and Amortisation Expense and Other Expenses.

**Cost of Material:** Our Cost of Materials comprises of sales of goods.

**Purchase of Trading Goods:** Our Purchase of Trading Goods includes Purchases of goods

**Change in Inventory of Stock in Trade and Finished Goods:** Our Change in Inventory of Stock in Trade and Finished Goods includes change in Opening and Closing stock of Goods

**Employee Benefit Expenses:** Our employee benefit expense consists of Salaries, Wages & Bonus, Partners' Remuneration, Contribution to ESI & EPF, Staff Welfare Expenses and Gratuity.

**Finance Cost:** Our finance costs comprise of Interest on Loans and Other Finance charges.

**Depreciation and amortisation expenses:** Tangible assets are depreciated over periods corresponding to their estimated useful lives. Depreciation includes depreciation charged on tangible assets.

*Other expenses:* Other expenses include Auditors remuneration, Commission Expenses, Rent Expenses, Rent Expenses, Insurance Expenses, Legal & Professional Charges, Office Expenses, Vehicle Running & Maintenance, Computer, printing and stationery expenses, Other Expense, Rent, Rate and Taxes and Travelling and Conveyance Expenses.

*Provision for Tax:* Income taxes are accounted for in accordance with Accounting Standard – 22 on “Accounting for Taxes on Income” (“AS-22”), prescribed under the Companies (Accounting Standards) Rules, 2006. Our Company provides for current tax, as well as deferred tax, as applicable.

Provision for current taxes is made at the current tax rates after taking into consideration the benefits available to our Company under the provisions of the I. T. Act.

Deferred tax arises from the timing differences between book profits and taxable profits that originate in one period and are capable of reversal in one or more subsequent periods and is measured using the tax rates and laws applicable as of the date of the financial statements. Our Company provides for deferred tax asset / liability on such timing differences subject to prudent considerations in respect of deferred tax assets.

## **COMPARISON OF FY 2022-23 WITH FY 2021-22**

### ***Total Income***

Our Total Income increased by ₹ 2,232.92 lakhs, from ₹ 2,367.31 lakhs for the financial year ended March 31, 2022 to ₹ 4,600.23 lakhs for the financial year ended March 31, 2023, due to the factors described below:

### ***Revenue from operations***

Our Revenue from operations increased by ₹ 2,236.76 lakhs from ₹ 2,363.32 lakhs for the financial year ended March 31, 2022, to ₹ 4,600.08 lakhs for the financial year ended March 31, 2023, representing a growth of 94.64% on account of increase in of sale of finished goods and traded goods.

### ***Other Income***

Our Other income decreased by ₹ 3.84 lakhs, from ₹ 3.99 lakhs for the financial year ended March 31, 2022, to ₹ 0.15 lakhs for the financial year ended March 31, 2023, representing a decline of 96.19% due to decrease in Other Income.

### ***Expenses***

Our Total Expenses excluding finance cost, depreciation and tax expenses was ₹ 3,989.63 lakhs for the year ended March 31, 2023 as compared to ₹ 2,247.57 Lakhs for the financial year March 31, 2022, representing increase of 77.51% due to the factors described below: -

### ***Cost of Materials Consumed***

Our Cost of Materials Consumed increased by ₹ 1,260.06 lakhs, from ₹ 596.46 lakhs for the financial year ended March 31, 2022, to ₹ 1,856.52 lakhs for the financial year ended March 31, 2023 due to increase in production of goods.

### ***Purchase of Trading Goods***

Our Purchase of Trading Goods increased by ₹ 622.60 lakhs, from ₹ 1,530.85 lakhs for the financial year ended March 31, 2022, to ₹ 2,153.46 lakhs for the financial year ended March 31, 2023 which represents increase of 40.67% which is due to increase in purchase to meet higher demand as there is increase in sales.

### ***Change in Inventory of Stock in Trade and Finished Goods***

Our Net Change in Inventory of Stock in Trade and Finished Goods decreased by ₹ 254.71 lakhs, from ₹ 46.08 lakhs for the financial year ended March 31, 2022 to ₹ (208.62) lakhs for the financial year ended March 31, 2023.

### ***Employee benefits expenses***

Our Employee Benefit Expenses increased by ₹ 3.59 lakhs, from ₹ 33.21 lakhs for the financial year ended March 31, 2022, to ₹ 36.79 lakhs for the financial year ended March 31, 2023 which is due to increase in Salaries, Wages and Bonus, Contribution to ESI & EPF, Gratuity which was partially set off by decrease in Partner’s Remuneration and Staff Welfare Expenses.

### ***Finance costs***

Our Finance Cost ₹ 29.99 lakhs for the year ended March 31, 2023 as compared to ₹ 47.41 Lakhs for the financial year March 31, 2022, representing decreased of 36.75% due to decrease in interest expenses.

### ***Depreciation and amortization expense***

Our Depreciation and Amortization Expense increased by ₹ 4.55 lakhs, from ₹ 54.89 lakhs for the financial year ended March 31, 2022, to ₹59.43 lakhs for the financial year ended March 31, 2023 due to increase in assets.

### ***Other expenses***

Our Other Expenses increased by ₹ 110.52 lakhs, from ₹ 40.96 lakhs for the financial year ended March 31, 2022, to ₹ 151.48 lakhs for the financial year ended March 31, 2023, which is 1.73% and 3.29% of the total revenue of respective years. The increase is due to increase in Auditors remuneration, Commission Expenses, Insurance Expenses, Repairs and Maintenance Expenses, Vehicle Running & Maintenance, Rebate and Discount, and Travelling and Conveyance Expenses, Research and Development Expenses and Travelling and Conveyance Expenses which was partially set off by decrease in Rent Expenses, Legal & Professional Charges, Computer, printing and stationery expenses, Other Expense, Rent, Rate and Taxes, Sales Promotion Expenses.

### ***Exceptional Items***

There were no exceptional items in Financial Year 2021-22 and 2022-23.

### ***Profit before tax***

Our Profit before Tax increased by ₹ 503.74 lakhs, from ₹ 17.44 lakhs for the financial year ended March 31, 2022, to ₹ 521.17 lakhs for the financial year ended March 31, 2023 on account of increase in sale of products.

### ***Tax expenses***

Our tax expenses for the financial year 2022-23 amounted to ₹205.03 Lakhs as against tax expenses of ₹ 1.50 Lakhs for the financial year 2021-22. The net increase is on account of increase in Current tax and Deferred Tax.

### ***Profit After Tax***

Our Profit for the year increased by ₹ 300.20 lakhs, from ₹ 15.94 lakhs for the financial year ended March 31, 2022, to ₹ 316.14 lakhs for the financial year ended March 31, 2023 representing a growth of 1883.55%.

## **COMPARISON OF FY 2021-22 WITH FY 2020-21**

### ***Total Income***

Our Total Income increased by ₹ 676.8 lakhs, from ₹ 1,690.50 lakhs for the financial year ended March 31, 2021, to ₹ 2,367.31 lakhs for the financial year ended March 31, 2022, representing a growth of 40.04% on account of increase in revenue from operation and other income.

### ***Revenue from operations***

Our Revenue from operations increased by ₹ 672.81 lakhs, from ₹ 1,690.50 lakhs for the financial year ended March 31, 2021, to ₹ 2,363.32 lakhs for the financial year ended March 31, 2022, representing a growth of 39.80% on account of increase in sale of finished goods and Trading products along with rental income.

### ***Other Income***

Our Other income increased by ₹ 3.99 lakhs, as there was no other income in financial year ended March 31, 2021, as compared to ₹ 3.99 lakhs for the financial year ended March 31, 2022.

### ***Expenses***

Our Total Expenses excluding Finance cost and Depreciation and Amortization Expenses increased by ₹ 618.80 lakhs, from ₹ 1,628.77 lakhs for the financial year ended March 31, 2021, to ₹ 2,247.57 lakhs for the financial year ended March 31, 2022, representing a growth of 37.99% due to the factors described below:

#### ***Cost of Material consumed***

Our Cost of Materials Consumed increased by ₹ 216.82 lakhs, from ₹ 379.64 lakhs for the financial year ended March 31, 2021, to ₹ 596.46 lakhs for the financial year ended March 31, 2022, representing a growth of 57.11% on account of increase in production to meet the increased demand.

#### ***Purchase of Trading Goods***

Our Purchase of Trading Goods increased by ₹ 300.82 lakhs, from ₹ 1,230.03 lakhs for the financial year ended March 31, 2021, to ₹ 1,530.85 lakhs for the financial year ended March 31, 2022, representing a growth of 24.46% on account of increase in purchases in line with increase in sales.

#### ***Change in Inventory of Stock in Trade and Finished Goods***

Our Change in Inventory of Stock in Trade and Finished Goods increased by ₹ 76.84 lakhs, from ₹ (30.75) lakhs for the financial year ended March 31, 2021, to ₹ 46.08 lakhs for the financial year ended March 31, 2022, representing a growth of 249.86%.

#### ***Employee benefits expenses***

Our Employee Benefit Expenses increased by ₹ 6.29 lakhs, from ₹ 26.92 lakhs for the financial year ended March 31, 2021, to ₹ 33.21 lakhs for the financial year ended March 31, 2022, representing a growth of 23.35% on account of increase in Salaries, Wages and Bonus, Contribution to ESI & EPF.

#### ***Finance costs***

Our Finance Cost increased by ₹ 27.08 lakhs, from ₹ 20.33 lakhs for the financial year ended March 31, 2021, to ₹ 47.41 lakhs for the financial year ended March 31, 2022, representing a growth of 133.18% on account of increase in Interest on Loans and Other Finance charges.

#### ***Depreciation and amortization expense***

Our Depreciation and Amortization Expenses increased by ₹ 38.02 lakhs, from ₹ 16.87 lakhs for the financial year ended March 31, 2021, to ₹ 54.89 lakhs for the financial year ended March 31, 2022, representing a growth of 225.42% on account of increase in assets.

#### ***Other expenses***

Our Other Expenses increased by ₹ 18.03 lakhs, from ₹ 22.93 lakhs for the financial year ended March 31, 2021, to ₹ 40.96 lakhs for the financial year ended March 31, 2022, representing a growth of 78.63% on account of increase in Rent Expenses, Legal & Professional Charges, Office Expenses, Repairs & Maintenance Expenses, Vehicle Running and Maintenance Expenses, Computer, Printing & Stationery Expenses, Other Expenses, Rent, Rates and Taxes, Sales Promotion, Website Expenses, Travelling & Conveyance Expenses which was partially set off by decrease in Commission Expenses, Insurance Expenses, Rebate & Discount.

#### ***Exceptional Items***

There were no exceptional items in Financial Year 2020-21 and 2021-22.

#### ***Profit before tax***

Our Profit before Tax is decreased by ₹ 7.10 lakhs, from ₹ 24.54 lakhs for the financial year ended March 31, 2021 to ₹ 17.44 lakhs for the financial year ended March 31, 2022 representing a decline of 28.93% due to factors mentioned above.

#### ***Tax expenses***

Our tax expenses for the financial year 2021-22 amounted to ₹1.50 Lakhs as against tax expenses of ₹8.60 Lakhs for the financial year 2020-21. The net decrease is on account of decrease in Current tax and Deferred Tax.

### Profit After Tax

Our Profit for the year for the F.Y.(s) 2021-22 and 2020-21 were same i.e. ₹ 15.94 lakhs.

### CHANGES IN CASH FLOWS

The table below summaries our cash flows of company from our Restated Financial Statements for the year ended March 31, 2024:

Particulars	For the year ended March 31, 2024
Net cash (used in)/ generated from operating Activities	510.82
Net cash (used in)/ generated from investing Activities	(42.00)
Net cash (used in)/ generated from financing Activities	745.05
Net increase/ (decrease) in cash and cash Equivalents	1,213.87
Cash and Cash Equivalents at the beginning of the period	24.79
Cash and Cash Equivalents at the end of the Period	1,238.66

#### Operating Activities

Our net cash generated in operating activities was ₹510.82 Lakhs for the year ended 31 March 2024. Our operating profit before working capital changes was ₹ 523.43 Lakhs for the period ended March 31, 2024 which was primarily adjusted against decrease in trade receivables by ₹ 708.76 Lakhs, increase in Inventory by ₹62.44 Lakhs, increase in Short Term Loans & Advances ₹ 210.10 Lakhs, decrease in Other Current Assets by ₹ 26.04 Lakhs, decrease in Trade payable ₹465.75 Lakhs, decrease in other current liabilities by ₹ 9.13 Lakhs, increase in short term provision by ₹ 120.75 Lakhs which was further decreased by payment of Income Tax of ₹ 120.74 Lakhs.

#### Investing Activities

Our net cash utilised in investing activities was ₹ 42.00 Lakhs for the period ending March 31,2024. These were on account of purchase of Fixed Asset of ₹ 50.02 lakhs (on Net basis), Decrease in Non-current Assets of ₹ 2.78 Lakhs and Rental Income of ₹ 10.80 lakhs.

#### Financing Activities

Net cash generated in financing activities for the financial year ended March 31, 2024 was ₹ 745.05 Lakhs which was primarily on account of Issue of share capital by ₹1,405.89 Lakhs (on Net basis), Repayment of long term borrowing of ₹13.06 lakhs, Repayment of short-term borrowings of ₹607.34 lakhs and payment of Finance cost of ₹40.44 lakhs.

The table below summaries our cash flows of Partnership firm from our Restated Financial Statements for the period ended January 03, 2024 and financial years ended March 31, 2023, 2022 and 2021:

(₹ in Lakh)

Particulars	For the year ended January 3, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2021
Net cash (used in)/ generated from operating Activities	(393.29)	20.84	(202.03)	(51.83)
Net cash (used in)/ generated from investing Activities	10.70	(31.65)	(189.46)	(238.81)
Net cash (used in)/ generated from financing Activities	394.46	19.87	304.63	372.72
Net increase/ (decrease) in cash and cash Equivalents	11.87	9.06	(86.87)	82.09
Cash and Cash Equivalents at the beginning of the period	12.93	3.86	90.73	8.64
Cash and Cash Equivalents at the end of the Period	24.79	12.92	3.86	90.73

#### Operating Activities

### **Period ended January 3, 2024**

Our net cash used in operating activities was ₹ 393.29 Lakhs for the period ended January 3, 2024. Our operating profit before working capital changes was ₹ 521.96 Lakhs for the period ended January 3, 2024 which was primarily adjusted against increase in trade receivables by ₹ 646.84 Lakhs, increase in Inventory by ₹1,067.18 Lakhs, increase in Short Term Loans & Advances ₹ 4.03 Lakhs, decrease in Other Current Assets by ₹ 9.99 Lakhs, increase in Trade payable ₹ 943.91 Lakhs, increase in other current liabilities by ₹ 26.50 Lakhs, decrease in short term provision by ₹ 35.99 Lakhs which was further decreased by payment of Income Tax of ₹ 149.67 Lakhs.

### **Financial year 2022-23**

Our net cash used in operating activities was ₹20.84 Lakhs for the period ended March 31, 2023. Our operating profit before working capital changes was ₹611.09 Lakhs for the financial year 2022-23 which was primarily adjusted against increase in Inventories by ₹53.81 Lakhs, increase in trade receivables by ₹462.80 Lakhs, decrease in Short Term Loans & Advances by ₹111.54 Lakhs, decrease in Other Current Assets by ₹15.22 Lakhs , decrease in Trade Payable by ₹190.86 lakhs, decrease in Other Current Liabilities by ₹3.60 Lakhs, increase in Short term provision by ₹199.25 Lakhs, which was further decreased by payment of Income Tax of ₹205.20 Lakhs.

### **Financial year 2021-22**

Our net cash used in operating activities was ₹202.03 Lakhs for the period ended March 31, 2022. Our operating profit before working capital changes was ₹120.05 Lakhs for the financial year 2021-22 which was primarily adjusted against increase in Inventories by ₹335.84 Lakhs, increase in trade receivables by ₹29.20 Lakhs, increase in Short Term Loans & Advances by ₹55.12 Lakhs, increase in Other Current Assets by ₹48.74 Lakhs , increase in Trade Payable by ₹142.88 Lakhs, increase in Other Current Liabilities by ₹10.45 Lakhs, decrease in Short term provision by ₹4.92 Lakhs, which was further decreased by payment of Income Tax of ₹1.59 Lakhs.

### **Financial year 2020-21**

Our net cash used in operating activities was ₹51.83 Lakhs for the period ended March 31, 2021. Our operating profit before working capital changes was ₹62.10 Lakhs for the financial year 2020-21 which was primarily adjusted against increase in Inventories by ₹107.65 Lakhs, decrease in trade receivables by ₹41.56 Lakhs, increase in Short Term Loans & Advances by ₹57.81 Lakhs, increase in Other Current Assets by ₹33.09 Lakhs , increase in Trade Payable by ₹20.63 Lakhs, increase in Other Current Liabilities by ₹22.43 Lakhs, increase in Short term provision by ₹8.69 Lakhs, which was further decreased by payment of Income Tax of ₹8.69 Lakhs.

### **Investing Activities**

#### **Period ended January 3, 2024**

Our net cash generated in investing activities for period ended January 03, 2024 was ₹ 10.70 Lakhs. These were on account of sale of Fixed Asset of ₹ 10.70 Lakhs.

#### **Financial year 2022-23**

Our net cash used in investing activities was ₹ 31.65 Lakhs for the period ending March 31, 2023. These were on account of Addition in Fixed Asset of ₹ 38.22 Lakhs, decrease in Other Non-current assets of ₹ 2.82 Lakhs, Interest Income of ₹0.15 Lakhs and Loss on Sale of Fixed Assets of ₹ 3.59 Lakhs.

#### **Financial year 2021-22**

Our net cash utilised in investing activities was ₹ 189.46 Lakhs for the period ending March 31, 2022. These were on account of Addition in Fixed Asset of ₹ 182.35 Lakhs, Decrease in Other Non-current assets of ₹ 7.18 Lakhs, Interest Income of ₹0.06 Lakhs and Loss on Sale of Fixed Assets of ₹ 0.01.

#### **Financial year 2020-21**

Our net cash utilised in investing activities was ₹ 238.81 Lakhs for the period ending March 31, 2021. These were on account of Addition in Fixed Asset of ₹ 236.62 Lakhs and Decrease in Other Non-current assets of ₹ 2.19.

### **Financing Activities**

### Period ended January 3, 2024

Net cash generated in financing activities for the period ending January 3, 2024 was ₹ 394.46 Lakhs which was primarily on account of Decrease in share capital by ₹ 831.42 Lakhs, Repayment from long term borrowing of ₹144.73, Net proceeds short term borrowings of ₹ 1,423.31 lakhs and Payment of Finance cost of ₹ 52.70 lakhs.

### Financial year 2022-23

Net cash generated in financing activities for the financial year ended March 31, 2023 was ₹ 19.87 Lakhs which was primarily on account of decrease in Partners' capital by ₹21.15 Lakhs, Repayment of long-term borrowings ₹ 35.72 lakhs, Net proceeds of short-term borrowings of ₹ 106.73 lakhs and Finance cost of ₹ 29.99 lakhs.

### Financial year 2021-22

Net cash generated in financing activities for the financial year ended March 31, 2022 was ₹304.63 Lakhs which was primarily on account of increase in Partners' capital of ₹5.37 Lakhs, Net Proceeds of long-term borrowings ₹ 110.90 lakhs, Net proceeds of short-term borrowings of ₹ 235.77 lakhs and Finance cost of ₹ 47.41 lakhs.

### Financial year 2020-21

Net cash generated in financing activities for the financial year ended March 31, 2021 was ₹372.72 Lakhs which was primarily on account of Increase in Partners' capital of ₹8.02 Lakhs, Repayment of long-term borrowings ₹ 8.05 lakhs, Net proceeds of short-term borrowings of ₹ 393.08 lakhs and Finance cost of ₹ 20.33 lakhs.

### Other Key Ratios

The table below summaries key ratios in our Restated Financial Statements for the year ended March 31, 2024 and period ended January 03, 2024 and financial years ended March 31, 2023, 2022 and 2021:

Particulars	Company	Partnership Firm			
	For the year ended March 31, 2024	For the year ended January 03, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2021
Fixed Asset Turnover Ratio	1.40	7.87	10.77	5.23	5.21
Current Ratio	1.58	0.91	1.34	1.07	1.12
Debt Equity Ratio	0.54	-	-	-	-
Inventory Turnover Ratio	1.01	1.39	6.06	3.79	6.64

**Fixed Asset Turnover Ratio:** This is defined as revenue from operations divided by total fixed assets based on Financial Statements as Restated.

**Current Ratio:** This is defined as current assets divided by current liabilities, based on Financial Statements as Restated.

**Debt Equity Ratio:** This is defined as total debt divided by total shareholder funds. Total debt is the sum of long-term borrowings, short-term borrowings and current maturities of long-term debt, based on Financial Statements as Restated.

**Inventory Turnover Ratio:** This is defined as cost of goods sold divided by inventory based on Financial Statements as restated.

### Financial Indebtedness

As on January 03, 2024, the total outstanding borrowings of our Company is ₹ 1,609.38 Lakhs. For further details, refer to the chapter titled "*Statement of Financial Indebtedness*" beginning on page 199 of this Prospectus.

(₹ in Lakh)

Particulars	As at March 31, 2024
Loans from Banks & Financial Institutions	1,627.37
Unsecured Loans from directors	-

<b>Total</b>	<b>1,627.37</b>
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### **Related Party Transactions**

Related party transactions with our promoters, directors and their entities and relatives primarily relate to purchase and sale of products and services. For further information, please refer to the chapter titled “*Financial Statements as Restated*” on page 180 of this Prospectus.

### **Off-Balance Sheet Items**

We do not have any other off-balance sheet arrangements, derivative instruments or other relationships with any entity that have been established for the purposes of facilitating off-balance sheet arrangements.

### **Qualitative Disclosure about Market Risk**

#### **Financial Market Risks**

Market risk is the risk of loss related to adverse changes in market prices, including interest rate risk. We are exposed to interest rate risk, inflation and credit risk in the normal course of our business.

#### **Interest Rate Risk**

Our financial results are subject to changes in interest rates, which may affect our debt service obligations and our access to funds.

#### **Effect of Inflation**

We are affected by inflation as it has an impact on the raw material cost, wages, etc. In line with changing inflation rates, we rework our margins so as to absorb the inflationary impact.

#### **Credit Risk**

We are exposed to credit risk on monies owed to us by our customers. If our customers do not pay us promptly, or at all, we may have to make provisions for or write-off such amounts.

### **Reservations, Qualifications and Adverse Remarks**

Except as disclosed in chapter titled “*Financial Statements as Restated*” beginning on page 180 of this Prospectus, there have been no reservations, qualifications and adverse remarks.

Details of Default, if any, including therein the Amount Involved, Duration of Default and Present Status, in Repayment of Statutory Dues or Repayment of Debentures or Repayment of Deposits or Repayment of Loans from any Bank or Financial Institution.

Except as disclosed in chapter titled “*Financial Statements as Restated*” beginning on 180 of this Prospectus, there have been no defaults in payment of statutory dues or repayment of debentures and interest thereon or repayment of deposits and interest thereon or repayment of loans from any bank or financial institution and interest thereon by the Company.

### **FACTORS THAT MAY AFFECT THE RESULTS OF THE OPERATIONS**

#### **Unusual or infrequent events or transactions**

There are no transactions or events, which in our best judgment, would be considered unusual or infrequent that have significantly affected operations of the Company.

#### **Significant economic changes that materially affected or are likely to affect income from continuing operations**

There are no significant economic changes that materially affected Company’s operations or are likely to affect income from continuing operations. Any slowdown in the growth of Indian economy or future volatility in global commodity prices, could affect the business including the future financial performance, shareholders’ funds and ability to implement strategy and the price of the Equity Shares.

### **Known trends or uncertainties that have had or are expected to have a material adverse impact on sales, revenue or income from continuing operations**

Other than as disclosed in the chapter titled “*Risk Factors*” beginning on 29 of this Prospectus to our knowledge, there are no known trends or uncertainties that have or had or are expected to have a material adverse impact on revenues or income of our Company from continuing operations.

### **Future changes in relationship between costs and revenues in case of events such as future increase in labour or material cost or prices that will cause material change**

According to our knowledge, there are no future relationship between cost and income that would be expected to have a material adverse impact on our operations and revenues. However, increase in the cost of the goods in which the Company deals, will affect the profitability of the Company. Further, the Company may not be able to pass on the increase in prices of the services to the customers in full and this can be offset through cost reduction.

### **The extent to which material increases in net sales or revenue are due to increased sales volume, introduction of new products or services or increased prices**

The increase in revenue is by and large linked to increase in volume of all the activities carried out by the Company.

### **Total turnover of each major industry segment in which the Issuer Company operates**

The Company is a Ludhiana, Punjab-based company, specializing in the manufacturing of yarns by recycling waste synthetic fiber, serving the B2B segment of the textile industry. The Company offers a range of products including synthetic fiber and yarns which includes acrylic yarn, polyester yarn, wool yarn, hand-knitting yarn and acrylic blend yarn with quality, finer impact, and lasting excellence. The details have been included in the chapter titled “*Industry Overview*” beginning on 96 of this Prospectus.

### **Competitive Conditions**

We have competition with Indian and international manufacturing companies and our results of operations could be affected by competition in the manufacturing industry in India and international market in the future. We expect competition to intensify due to possible new entrants in the market, existing competitors further expanding their operations and our entry into new markets where we may compete with well-established unorganized companies/entities. This we believe may impact our financial condition and operations. For details, please refer to the chapter titled “*Risk Factors*” beginning on 29 of this Prospectus.

### **Increase in income**

Increases in our income are due to the factors described above in in this chapter under “*Factors Affecting Our Results of Operations*” and chapter titled “*Risk Factors*” beginning on 29 of this Prospectus.

### **Status of any Publicly Announced New Business Segments**

Except as disclosed elsewhere in this Prospectus, we have not announced and do not expect to announce in the near future any new business segments.

## STATEMENTS OF FINANCIAL INDEBTEDNESS

Brief details on the financial indebtedness of the “PARAMOUNT DYE TEC LIMITED” as on March 31, 2024 and June 30, 2024 are as under:

### SECURED LOAN FROM BANKS AND FINANCIAL INSTITUTIONS:

Name of Lender	Purpose	Date of Sanction	Sanctioned Amount (₹ in lakhs)	Rate of Interest	Primary & Collateral Security	Repayment Terms	Outstanding as on 31.03.2024 (₹ in lakhs)	Outstanding as on 30.06.2024 (₹ in lakhs)
Tata Capital Financial Service	Term Loan	05-05-2023*	57.00	11%	Identified Industrial Land and Building	120 Months	48.00	40.54
Axis Bank Limited	Ashok leyland (Temp Loan)	02-08-2021*	60.00	8.75%	Hypothecation of the vehicle for which loan is obtained	48 Months	2.24	1.84
HDFC Bank Limited	Car Loan	01-11-2022*	35.00	7.90%(Approx)	Hypothecation of the vehicle for which loan is obtained	84 Months	29.73	28.68
HDFC Bank Limited	Car Loan	25-08-2021	17.00	7.41%(Approx)	Hypothecation of the vehicle for which loan is obtained	60 Months	8.94	8.09
Axis Bank Limited	Cash Credit Loan	15-03-2024	1,300.00#	Repo + 3% (presently 9.50% per annum)	Primary Security on Stock and Book Debts Along with Collateral Security on Industrial Property at Machhiwara to Koom Kalan Road, Residential Property at Shahid Bhagat, Hypothecation Charge Over All Current Assets of The Co, Personal Guarantee of Kunal and Palki Arora	12 Months	-0.94	-0.15
							1,088.05	906.09
Total							1,176.02	985.09

\*These loans were initially sanctioned in name of erstwhile partnership firm M/s Paramount Dye Tec. The loans are still not transferred in name of M/s Paramount Dye Tec Limited.

# The sanction letter comprises of a sanction of CC limit of Rs. 1300.00 Lakhs and a term loan of Rs.800.00 Lakhs. Since the term loan has not been availed by the company and no disbursement has been yet, it has not been disclosed in the table above.

**UNSECURED LOANS FROM FINANCIAL INSTITUTION:**

Name of Lender	Purpose	Date of Sanction	Sanctioned Amount (₹ in lakhs)	Rate of Interest	Repayment Terms	Outstanding as on 31.03.2024 (₹ in lakhs)	Outstanding as on 30.06.2024 (₹ in lakhs)
Indian Infotech Software Limited	Loan for Capital Expansion	08-03-2024	450.00	10.00%	Repayable on demand after 9 months	451.35	451.35
<b>Total</b>						<b>451.35</b>	<b>451.35</b>

## SECTION X: LEGAL AND OTHER INFORMATION

### OUTSTANDING LITIGATION 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; (iv) disciplinary actions including penalties imposed by SEBI or stock exchanges against the Promoters in the last five financial years, including outstanding action; or (v) Material Litigation (as defined below); involving our Company, its Directors and Promoters.*

*Our Board, in its meeting held on April 16, 2024 determined that outstanding legal proceedings involving the Company, its Directors and Promoters will be considered as material litigation ("Material Litigation") if the aggregate amount involved in such individual litigation exceeds ₹ 10.00 lakhs as per the last audited financial statements of the Company or such litigations outcome could have a material impact on the business, operations, prospects or reputations of the Company.*

*The Company has a policy for identification of Material Outstanding Dues to Creditors in terms of the SEBI (ICDR) Regulations, 2018 as amended for creditors where outstanding due to any one of them exceeds ₹ 10.00 lakhs of the Company's trade payables as per the last restated financial statements.*

#### A. LITIGATION INVOLVING THE COMPANY:

##### (a) Criminal proceedings against the Company

As on the date of this Prospectus, there are no outstanding criminal proceedings initiated against the Company.

##### (b) Criminal proceedings filed by the Company

As on the date of this Prospectus, there are no outstanding criminal proceedings initiated by the Company.

##### (c) Other pending material litigations against the Company

As on the date of this Prospectus, there are no outstanding material litigation initiated against the Company.

##### (d) Other pending material litigations filed by the Company

As on the date of this Prospectus, there are no outstanding material litigation initiated by the Company.

##### (e) Actions by statutory and regulatory authorities against the Company

As on the date of this Prospectus, there are no outstanding actions by statutory or regulatory authorities initiated against the Company.

#### B. LITIGATIONS INVOLVING THE PROMOTERS & DIRECTORS OF THE COMPANY

##### (a) Criminal proceedings against the Promoters & Directors of the Company

As on the date of this Prospectus, there are no outstanding criminal proceedings initiated against the Promoters & Directors of the Company.

##### (b) Criminal proceedings filed by the Promoters & Directors of the Company

As on the date of this Prospectus, there are no outstanding criminal proceedings initiated by the Promoters & Directors of the Company.

##### (c) Other pending material litigations against the Promoters & Directors of the Company

As on the date of this Prospectus, there are no outstanding litigations initiated against the Promoters & Directors, which have been considered material by the Company in accordance with the Materiality Policy.

##### (d) Other pending material litigations filed by the Promoters & Directors of the Company

As on the date of this Prospectus, there are no outstanding litigations initiated by the Promoters & Directors, which have been considered material by the Company in accordance with the Materiality Policy.

**(e) Actions by statutory and regulatory authorities against the Promoters & Directors of the Company**

As on the date of this Prospectus, there are no outstanding actions initiated by the statutory and regulatory authorities against the Promoters & Directors.

**(f) Disciplinary actions including penalties imposed by SEBI or stock exchanges against the Promoters in the last five financial years, including outstanding action**

As on the date of this Prospectus, there are no outstanding actions by SEBI or stock exchanges against the Promoters, nor any penalties have been imposed in the last five years.

**C. LITIGATIONS INVOLVING THE GROUP COMPANY OF THE COMPANY**

**(a) Criminal proceedings against the group company of the Company**

As on the date of this Prospectus, there are no outstanding criminal proceedings initiated against the group company of the company.

**(b) Criminal proceedings filed by the group company of the Company**

As on the date of this Prospectus, there are no outstanding criminal proceedings initiated by the group company of the company.

**(c) Other pending material litigations against the group company of the Company**

As on the date of this Prospectus, there are no outstanding litigations initiated against the group company, which have been considered material by the Company in accordance with the Materiality Policy.

**(d) Other pending material litigations by the group company of the Company**

As on the date of this Prospectus, there are no outstanding litigations initiated by the group company, which have been considered material by the Company in accordance with the Materiality Policy.

**(e) Actions by statutory and regulatory authorities against the group company of the Company**

As on the date of this Prospectus, there are no outstanding actions by statutory or regulatory authorities initiated against the group Company.

**D. TAX PROCEEDINGS**

Nature of Proceedings	Number of cases	Amount involved* (INR)
<b>A. Company</b>		
Income Tax (Outstanding Demand)	NIL	NIL
Income Tax (E Proceedings)	NIL	NIL
Direct Tax (TDS)	1	32,050
Indirect Tax (GST) Demand Notice	NIL	NIL
Indirect Tax (GST) E Proceedings	NIL	NIL
<b>B. Partnership Firm (Paramount Dye Tec) which later converted into Issuer Company</b>		
Income Tax (Outstanding Demand)	3	6,95,908
Income Tax (E Proceedings)	*2	Unascertainable
Direct Tax (TDS)	5	5930
<b>C. Promoters and Directors</b>		
<b>1. Kunal Arora</b>		
Income Tax (Outstanding Demand)	1	2,52,784
Income Tax (E Proceedings)	NIL	NIL
<b>2. Palki Arora</b>		

Income Tax (Outstanding Demand)	NIL	NIL
Income Tax (E Proceedings)	NIL	NIL
<b>3. Prabir Singh</b>		
Income Tax (Outstanding Demand)	NIL	NIL
Income Tax (E Proceedings)	NIL	NIL
<b>4. Manish</b>		
Income Tax (Outstanding Demand)	NIL	NIL
Income Tax (E Proceedings)	NIL	NIL
<b>5. Divya</b>		
Income Tax (Outstanding Demand)	NIL	NIL
Income Tax (E Proceedings)	NIL	NIL
<b>6. Rupesh</b>		
Income Tax (Outstanding Demand)	NIL	NIL
Income Tax (E Proceedings)	NIL	NIL

1. \*Company has received a Notice dated December 31, 2023, U/s 143(1)(a) of Income Tax Act 1961 proposing adjustments to the Total Income for the AY 2023-24
2. \*Company has received a Notice dated August 12, 2022, U/s 143(1)(a) of Income Tax Act 1961 proposing adjustments to the Total Income for the AY 2021-22

#### **E. AMOUNTS OWED TO SMALL SCALE UNDERTAKINGS AND OTHER CREDITORS:**

In accordance with our Company's materiality policy dated April 16, 2024 below are the details of the Creditors where there are outstanding amounts as on March 31, 2024:

(₹ in lakhs)

Types of creditors	Number of creditors	Amount involved
A. Micro, small and medium enterprises	10	187.57
B. Other Creditors	16	359.68
<b>Total (A+B)</b>	26	547.25
C. Material Creditors	03	492.05

The details pertaining to net outstanding dues towards our material creditors as on March 31, 2024 (along with the names and amounts involved for each such material creditor) are available on the website of our Company at [www.paramountdyetec.com](http://www.paramountdyetec.com). It is clarified that such details available on our website do not form a part of this Re Prospectus.

#### **F. MATERIAL DEVELOPMENTS OCCURRING AFTER LAST BALANCE SHEET DATE:**

Except as disclosed in Chapter titled *“Management's Discussion & Analysis of Financial Conditions & Results of Operations”* beginning on page 181 of this Prospectus, there have been no material developments that have occurred after the Last Balance Sheet date.

## GOVERNMENT AND OTHER STATUTORY APPROVALS

Our Company has received the necessary consents, licenses, permissions, registrations and approvals from the Central and State Governments and other government agencies/ regulatory authorities/ certification bodies required to undertake the Issue or continue our business activities and no further approvals are required for carrying on our present or proposed business activities. It must, however, be distinctly understood that in granting the above approvals, the Government of India and other authorities do not take any responsibility for the financial soundness of our Company or for the correctness of any of the statements or any commitments made, or opinions expressed in this behalf. Unless otherwise stated, these approvals are all valid as of the date of this Prospectus.

For details in connection with the regulatory and legal framework within which we operate, see the section titled “**Key Industry Regulations and Policies**” at page 132 of this ring Prospectus. The main objects clause of the Memorandum of Association of our Company and the objects incidental, enable our Company to carry out its activities.

The Company has got following licenses/ registrations/ approvals/ consents/ permissions from the Government and various other Government agencies required for its present business.

### I. APPROVALS FOR THE ISSUE

The following approvals have been obtained in connection with the Issue:

#### **Corporate Approvals:**

- The Board of Directors have, pursuant to Section 62(1)(c) of the Companies Act, 2013, by a resolution passed at its meeting held on April 16, 2024 authorized the Issue, subject to the approval of the shareholders and such other authorities as may be necessary.
- The shareholders of our Company have, pursuant to Section 62(1)(c) of the Companies Act, 2013, by a Special Resolution passed in the Extra Ordinary General Meeting held on May 08, 2024 authorized the Issue.

#### **Approval from the Stock Exchange:**

In-principle approval no. NSE/LIST/4133 dated September 23, 2024 from National Stock Exchange of India Limited for using the name of the Exchange in the offer documents for listing of the Equity Shares on Emerge Platform of National Stock Exchange of India Limited, issued by our Company pursuant to the Issue.

#### **Agreements with National Securities Depository Limited and Central Depository Services (India) Limited :**

- The company has entered into an agreement dated February 12, 2024 with the Central Depository Services (India) Limited (“CDSL”) and the Registrar and Transfer Agent, who in this case is, Bigshare Services Private Limited for the dematerialization of its shares.
- Similarly, the Company has also entered into an agreement dated February 22, 2024 with the National Securities Depository Limited (“NSDL”) and the Registrar and Transfer Agent, who in this case is Bigshare Services Private Limited for the dematerialization of its shares.
- The International Securities Identification Number (ISIN) of our Company is INE0TG801013.

#### **Lenders Consent for the Issue**

Our Company has received NOC dated May 24, 2024, from Axis Bank Limited and NOC dated June 26, 2024 from HDFC Bank.

### II. APPROVALS PERTAINING TO INCORPORATION, NAME AND CONSTITUTION OF OUR COMPANY

Sr. No.	Nature of Registration	CIN	Applicable Laws	Issuing Authority	Date of Certificate	Date of Expiry
1.	Certificate of Incorporation in the name of ‘Paramount Dye Tec Limited’	U13997PB2024PLC060422	The Companies Act, 2013	Registrar of Companies, Central	January 04, 2024	Valid Until Cancelled

Sr. No.	Nature of Registration	CIN	Applicable Laws	Issuing Authority	Date of Certificate	Date of Expiry
				Registration Centre		

### III. OTHER APPROVALS

We require various approvals and/ or licenses under various rules and regulations to conduct our business. Some of the material approvals required by us to undertake our business activities are set out below:

#### A. TAX RELATED APPROVALS

Sr. No	Description	Certificate in the name of	Registration Number	Applicable Laws	Authority	Date of Certificate	Date of Expiry
1.	Permanent Account Number (PAN)	Paramount Dye Tec Limited	AAOCP3705A	Income Tax Act, 1961	Income Tax Department, Government of India	January 04, 2024	Valid Until Cancelled
2.	Tax Deduction Account Number (TAN)	Paramount Dye Tec Limited	JLDP07562C	Income Tax Act, 1961	Income Tax Department, Government of India	January 04, 2024	Valid Until Cancelled
3.	Certificate of Registration of Goods and Services Tax (Punjab)	Paramount Dye Tec Limited	03AAOCP3705 A1ZX	Centre Goods and Services Tax Act, 2017	Assistant Commissioner of State Tax	January 15, 2024, w.e.f. January 04, 2024	Valid Until Cancelled

#### B. BUSINESS OPERATIONS RELATED APPROVALS:

Sr. No	Description	Certificate in the name of	Registration number	Applicable laws	Authority	Date of Certificate	Date of Expiry
1.	Udyam Registration Certificate	Paramount Dye Tec Limited	UDYAM-PB-12-0163775	MSME Development Act, 2006	Ministry of Micro Small & Medium Enterprises, Government of India	February 06, 2024	Valid Until Cancelled
2.	Legal Entity Identifier Certification	Paramount Dye Tec Limited	3358005HB5 Q27GK54N47	RBI Guidelines	Reserve Bank of India	April 10, 2024	Automatic renewal valid till April 10, 2026
3.	Certificate of Importer-Exporter Code (IEC)	Paramount Dye Tec Limited	AAOCP3705 A	The Foreign Trade (Development and Regulation) Act, 1992	Director General of Foreign Trade, Ministry of Commerce and Industry, Government of India	February 01, 2024	Valid Until Cancelled
4.	Registration and Licence to work a Factory at Village Mangarh Machiwar	Paramount Dye Tec Limited	LDH/N70/000 65387	Factory Act, 1948	Chief Inspector of Factories, Department of Labour, Punjab	May 09, 2024	December 31, 2024

Sr. No	Description	Certificate in the name of	Registration number	Applicable laws	Authority	Date of Certificate	Date of Expiry
	Road, Kohara, Ludhiana						
5.	Registration and Licence to work a Factory at Village Koom Khurd	Paramount Dye Tec Limited	LDH/N70/000 65372	Factory Act, 1948	Chief Inspector of Factories, Department of Labour, Punjab	May 02, 2024	December 31, 2024
6.	Consent to Operate the Factory at Village Mangarh, Machiwar Road, Kohara, Ludhiana	Paramount Dye Tec Limited	Certificate No. CTOW/Fresh/LDHI/2024/2 6121825 & Certificate No. CTOA/Fresh/LDHI/2024/2 6121829	Section 25 of the Water (prevention and control of pollution) Act, 1974 & Section 21 of the Air (Prevention and control of Pollution) Act, 1981.	Punjab Pollution Control Board	July 08, 2024	December 31, 2024
7.	Consent to Operate the Factory at Village Koom Khurd	Paramount Dye Tec Limited	Certificate No. CTOW/Varied/LDH1/2024/2 4896230 & Certificate No. CTOA/Varied/LDH1/2024/2 4896238	Section 25 of the Water (prevention and control of pollution) Act, 1974 & Section 21 of the Air (Prevention and control of Pollution) Act, 1981.	Punjab Pollution Control Board	February 13, 2024	March 31, 2029
8.	Permission under Electricity Act/ Load Sanction, for Koom Khurd factory	Paramount Dye Tee (Partnership firm which converted to the Issuer Company	A/C No: R74KR02002 28	The Electricity Act, 2003	Punjab State Power Corporation Limited	Bill dated May 17, 2024	Until surrendered or cancelled
9.	Permission under Electricity Act/ Load Sanction, for Mangarh factory	Paramount Syntex Private Limited Group Company of the Issuer Company	A/C No: R74KR01001 20	The Electricity Act, 2003	Punjab State Power Corporation Limited	Bill dated March 18, 2024	Until surrendered or cancelled
10.	Fire Safety Certificate (Village Mangarh)	Paramount Dye Tec Limited	1204-89454-Fire/66653	The Punjab Safety Measures for Prevention and Control of Fire Act, 2012	Punjab Fire Services, Directorate of Punjab Fire and Emergency Services, Government of Punjab	April 16, 2024	April 15, 2025

Sr. No	Description	Certificate in the name of	Registration number	Applicable laws	Authority	Date of Certificate	Date of Expiry
11.	Fire Safety Certificate (Village Koom Khurd)	Paramount Dye Tec Limited	1210-86046-Fire/63999	The Punjab Safety Measures for Prevention and Control of Fire Act, 2012	Punjab Fire Services, Directorate of Punjab Fire and Emergency Services, Government of Punjab	February 23, 2024	February 22, 2025
12.	No Objection Certificate (NOC) for ground water abstraction (Koom Khurd, Ludhiana)	Paramount Dye Tec Limited	PWSSD-19	Environment (Protection) Act, 1986	Sanitary Inspection, Sanitation Department, Samrala, Department of Water Supply & Sanitation, Government of Punjab	August 31, 2023#	Valid Until Cancelled
13.	No Objection Certificate (NOC) for ground water abstraction (Mangarh, Ludhiana)	Paramount Dye Tec Limited	PWSSD-16	Environment (Protection) Act, 1986	Sanitary Inspection, Sanitation Department, Samrala, Department of Water Supply & Sanitation, Government of Punjab	August 03, 2023#	Valid Until Cancelled
14.	Certificate of Stability of Factory or Part of Factory (Koom Khurd, Ludhiana)	Paramount Dye Tec Limited	Nil	Factories Act, 1948 read with Factories Rules, 1951	Er. Ankush Gupta, Btech (Civil), ME (Structures)	August 03, 2024	Valid Until Cancelled
15.	Certificate of Stability of Factory or Part of Factory (Mangarh, Ludhiana)	Paramount Dye Tec Limited	Nil	Factories Act, 1948 read with Factories Rules, 1951	Er. Ankush Gupta, Btech (Civil), ME (Structures)	August 03, 2024	Valid Until Cancelled

#### C. LABOUR LAW RELATED APPROVALS:

Sr. No	Description	Certificate in the name of	Registration number	Applicable laws	Authority	Date of Certificate	Date of Expiry
1.	Employees' State Insurance Registration	Paramount Dye Tec Limited	26000539180000999	Employees State Insurance Act, 1948	Employee State Insurance Corporation	May 11, 2020#	Valid until Cancelled
2.	Shops & Establishments Registration	Paramount Dye Tec Limited	LDH/N06/00065255	Punjab Shops and Establishment Act, 1958	Labour Inspector, Shops and Commercial	March 05, 2024	Valid until Cancelled

Sr. No	Description	Certificate in the name of	Registration number	Applicable laws	Authority	Date of Certificate	Date of Expiry
	Certificate for Village Mangarh, Machhiwar Road, Kohara, Ludhiana - 141112				Establishment-Ludhiana-11		
	Shops & Establishments Registration Certificate Village Koom Khurd - 141126	Paramount Dye Tec Limited	LDH/N06/000 65372	Punjab Shops and Establishment Act, 1958	Labour Inspector, Shops and Commercial Establishment-Ludhiana-11	March 05, 2024	Valid until Cancelled
3.	*Labour Identification Number (LIN) Certification	Paramount Dye Tec (Partnership firm which has been converted to the Issuer Company)	1-1321-9274-5	Labour Laws	Ministry of Labour & Employment	Not Traceable	Valid until Cancelled
4.	Registration for Employees' Provident Funds	Paramount Dye Tec (Partnership firm which has been converted to the Issuer Company)	LDLDH24526 87000	Employees (Provident Fund and Miscellaneous Provisions) Act, 1952	Employees' Provident Fund Organisation	February 17, 2023#	Valid until Cancelled

\* The above-mentioned approvals are in the name of Partnership Firm which is converted into Company on January 04, 2024. The Company is in the process of changing its name from "Paramount Dye Tec" to "Paramount Dye Tec Limited" in its approval.

#### D. QUALITY CERTIFICATIONS:

Sr. No	Nature of Registration	Certificate is in the name of	Issuing Authority	Certificate No.	Date of Issue	Date of Expiry
1.	Certificate for Quality Management System of the Company under ISO: 9001:2015 with the following scope: Manufacturer & Exporter of: - Various Kinds of Acrylic Yarns, Synthetic Fancy Yarns & Open-End Yarns for both Sites: Village Mangarh and Village Koom Khurd	Paramount Dye Tec Limited	Assurance Quality Certification LLC	23EQLN32/R 2	Issued on November 15, 2023 w.e.f. August 11, 2023#	August 10, 2026
2.	Certificate for Compliance Management System of the Company under	Paramount Dye Tec Limited	Assurance Quality Certification LLC	23EGLY50/R 2	Issued on November 15, 2023#	August 10, 2026

Sr. No	Nature of Registration	Certificate is in the name of	Issuing Authority	Certificate No.	Date of Issue	Date of Expiry
	GMP (Goods Manufacturing Practice) with the following scope:  Manufacturer & Exporter Of:- Various Kinds of Acrylic Yarns, Synthetic Fancy Yarns & Open-End Yarns for both Sites: Village Mangarh and Village Koom Khurd					

*#These Certificates were initially issued in the name of erstwhile partnership firm M/s Paramount Dye Tec. The Certificates are transferred in the name of M/s Paramount Dye Tec Limited after incorporation of the Company.*

#### E. APPROVALS OBTAINED/APPLIED IN RELATION TO INTELLECTUAL PROPERTY RIGHT (IPR)

The Company does not have any registered trademark in its name, as on the date of this Prospectus. However, it has applied, details of which are given below in the section “Approvals or Licences Applied but Not Received.”


#### F. THE DETAILS OF DOMAIN NAME REGISTERED ON THE NAME OF THE COMPANY:

Sr. No.	Domain Name	Name of Registrar/ IANA ID	Creation Date	Expiry Date
1.	PARAMOUNTDYETEC.COM	PDR Ltd./303	Registered on October 16, 2021 Updated on October 17, 2023	October 16, 2024

#### IV. APPROVALS OR LICENSES APPLIED BUT NOT RECEIVED:

- The Company has applied for Electricity Load Sanction in its own name under The Electricity Act, 2003 to Punjab State Power Corporation Limited vide Application No. 73175 dated April 17, 2024, for the factory situated at Village Mangarh.
- The Company has applied for Electricity Load Sanction in its own name under The Electricity Act, 2003 to Punjab State Power Corporation Limited vide Application No. 76612 dated May 10, 2024 for the factory situated at Village Koom Khurd.



- The Company has applied for registration of its Trademark  in Class Numbers 23 and 35 vide application number 6425361 and 6425362 respectively, both dated May 09, 2024, and status of the same as on date of this Prospectus is Formalities Chk Pass.
- The Company has applied for Registration of Professional Tax to Department of Excise and Taxation, Punjab State Development Tax vide Application dated February 29, 2024, RC Number of which is E30AAOCP3705A.

#### V. APPROVALS OR LICENSES YET TO BE APPLIED:

Legal Metrology Certificate: We have purchased the following weights and measures from Unique Trading Company:

- Max Capacity: 150kg, Make: Venuss, Model No. Class III, Minimum Capacity: 4009, E-Value: 20g, D-Value, Sr. No. 100143258

2. Max Capacity: 300kg, Venuss, Model No. Class III, Minimum Capacity: 10009, E-value: 50g, D-Value, Sr. No. 100143235
3. Max Capacity: 500kg, Venuss, Model No. Class III, Minimum Capacity: 10009, E-value: 50g, D-Value, Sr. No. 100143239
4. Max Capacity: 1000kg, Venuss, Model No. Class III, Minimum Capacity: 20009, E-value: 100g, D-Value, Sr. No. 100143269

The Legal Metrology Certificate for the above-mentioned weights and measures was already obtained by the seller, “Unique Trading Company”, which is valid until March 10, 2025. Hence, we do not need to apply for the legal metrology certificate till then.

## OTHER REGULATORY AND STATUTORY DISCLOSURES

### AUTHORITY FOR THE ISSUE

The Board of Directors, pursuant to a resolution passed at their meeting held on April 16, 2024 authorized the Issue, subject to the approval of the shareholders of our Company under Section 62(1)(c) of the Companies Act, 2013, and such other authorities as may be necessary. The shareholders of our Company have, pursuant to a special resolution passed under Section 62(1)(c) of the Companies Act, 2013 at an Extra-Ordinary General Meeting held on May 08, 2024 authorized the Issue.

The Draft Red Herring Prospectus has been approved by our Board pursuant to a resolution dated July 14, 2024.

The Red Herring Prospectus has been approved by our Board pursuant to a resolution dated September 24, 2024.

The Prospectus has been approved by our Board pursuant to a resolution dated October 04, 2024

### In-principle Approval:

Our Company has obtained In-Principle approval from the Emerge Platform of National Stock Exchange of India Limited (“NSE Emerge”) for using its name in the Offer Documents pursuant to an approval letter no. NSE/LIST/4133 dated September 23, 2024 from Emerge Platform of National Stock Exchange of India Limited (“NSE Emerge”). Emerge Platform of National Stock Exchange of India Limited (“NSE Emerge”) is the Designated Stock Exchange.

### PROHIBITION BY SEBI OR OTHER GOVERNMENTAL AUTHORITIES

We confirm that our Company, Promoters, Promoter Group and Directors have not been declared as wilful defaulter(s) or fraudulent borrowers by the RBI or any other governmental authority. Further, there has been no violation of any securities law committed by any of them in the past and no such proceedings are currently pending against any of them.

We confirm that our Company, Promoters, Promoter Group or Directors have not been prohibited from accessing or operating in the capital markets under any order or direction passed by SEBI or any other regulatory or Governmental Authority.

- Neither our Company, nor Promoters, nor Promoter Group, nor any of our Directors or persons in control of our Company are / were associated as promoters, directors or persons in control of any other Company which is debarred from accessing or operating in the capital markets under any order or directions made by the SEBI or any other regulatory or Governmental Authorities.
- None of our Directors are associated with the securities market and there has been no action taken by the SEBI against the Directors or any other entity with which our Directors are associated as Promoters or Director.
- Neither our Promoters, nor Promoter Group, nor any of our Directors is declared as Fugitive Economic Offender.
- Neither our Company, nor our Promoters, nor Promoter Group nor our Directors, are Wilful Defaulters or fraudulent borrowers.

### PROHIBITION BY RBI

Neither our Company, nor Promoters, nor Promoter Group, nor any of our Directors or the person(s) in control of our Company have been identified as a wilful defaulter or fraudulent borrowers by the RBI or other governmental authority and there has been no violation of any securities law committed by any of them in the past and no such proceedings are pending against any of them except as details provided under chapter titled “*Outstanding Litigations and Material Developments*” beginning on page 201 of this Prospectus.

Neither our Company, our Promoters, our Directors, Group companies, relatives (as per Companies Act, 2013) of Promoters or the person(s) in control of our Company have been identified as wilful defaulters or a fraudulent borrower as defined by the SEBI ICDR Regulations, 2018.

### COMPLIANCE WITH THE COMPANIES (SIGNIFICANT BENEFICIAL OWNERSHIP) RULES, 2018

Our Company, the Promoters and the members of the Promoter Group are in compliance with the Companies (Significant Beneficial Ownership) Rules, 2018 (“SBO Rules”), to the extent applicable, as on the date of this Prospectus.

## DIRECTORS ASSOCIATED WITH THE SECURITIES MARKET

None of our Directors are associated with the Securities Market in any manner and no action has been initiated against these entities by SEBI at any time except as stated under the chapters titled “*Outstanding Litigations and Material Developments*” beginning on page 201 respectively, of this Prospectus.

## ELIGIBILITY FOR THE ISSUE

Our Company is an “*unlisted issuer*” in terms of the SEBI (ICDR) Regulations, 2018 and this Issue is an “Initial Public Offer” in terms of the SEBI (ICDR) Regulations, 2018.

Our Company is eligible in terms of Regulation 228, 229(1) and 230 of SEBI (ICDR) Regulations, 2018 and other provisions of Chapter IX of the SEBI (ICDR) Regulations, 2018, Our Company is eligible for the Issue in accordance with Regulation 229(1) of the SEBI (ICDR) Regulations, 2018 and other provisions of Chapter IX of the SEBI (ICDR) Regulations, 2018, as we are an Issuer whose post issue face value capital is less than or equal to ten crore rupees and we may hence, Issue Equity Shares to the public and propose to list the same on the Small and Medium Enterprise Exchange (in this case being the Emerge Platform of National Stock Exchange of India Limited) (“NSE Emerge”).

### We confirm that:

In accordance with Regulation 260 of the SEBI (ICDR) Regulations, 2018, this Issue is 100% underwritten and that the Book Running Lead Manager to the Issue shall underwrite minimum 15% of the total issue size. For further details pertaining to said underwriting please refer to chapter titled “*General Information-Underwriting*” beginning on page 55 of this Prospectus.

In accordance with Regulation 261(1) of the SEBI (ICDR) Regulations, 2018, we hereby confirm that we will enter into an agreement with the Book Running Lead Manager and a Market Maker to ensure compulsory Market Making for a minimum period of three years from the date of listing of Equity Shares in this Issue on the Emerge Platform of National Stock Exchange of India Limited (“NSE Emerge”). For further details of the arrangement of market making please refer to chapter titled “*General Information*” beginning on page 55 and details of the Market Making Arrangements for this please refer to chapter titled “*The Issue*” beginning on page 49 of this Prospectus.

In accordance with Regulation 268(1) of the SEBI (ICDR) Regulations, 2018, we shall ensure that the total number of proposed Allottees in the Issue shall be greater than or equal to fifty (50), otherwise, the entire application money will be refunded forthwith. If such money is not repaid within eight working days from the date our Company becomes liable to repay it, then our Company and every officer in default shall, on and from expiry of eight working days, be liable to repay such application money, with an interest at the rate as prescribed under SEBI (ICDR) Regulations 2018, the Companies Act, 2013 and applicable laws. Further, in accordance with Section 40 of the Companies Act, 2013, the Company and each officer in default may be punishable with fine and / or imprisonment in such a case.

In terms of Regulation 246(5) of the SEBI (ICDR) Regulations, we shall ensure that our Book Running Lead Manager submits a copy of the Prospectus along with a Due Diligence Certificate including additional confirmations as required to SEBI at the time of filing the Prospectus with Stock Exchange and the Registrar of Companies. Further, in terms of Regulation 246(2), SEBI shall not issue observation on the Prospectus.

In accordance with Regulation 228(c) of the SEBI (ICDR) Regulations, Neither the issuer nor any of its promoters or directors is a wilful defaulter or a fraudulent borrower.

In accordance with Regulation 228(d) of the SEBI (ICDR) Regulations, None of the Issuer’s promoters or directors is a fugitive economic offender.

In accordance with Regulation 230(1)(a) of the SEBI (ICDR) Regulations, Application is being made to National Stock Exchange of India Limited and National Stock Exchange of India Limited is the Designated Stock Exchange.

In accordance with Regulation 230(1)(b) of the SEBI (ICDR) Regulations, the Company has entered into agreement with depositories for dematerialisation of specified securities already issued and proposed to be issued.

In accordance with Regulation 230(1)(c) of the SEBI (ICDR) Regulations, all the present Equity share Capital fully Paid-up.

In accordance with Regulation 230(1)(d) of the SEBI (ICDR) Regulations, all the specified securities held by the promoters are already in dematerialised form.

As per Regulation 229(3) of the SEBI (ICDR) Regulations, 2018, our Company satisfies track record and / or other eligibility conditions of Emerge Platform of National Stock Exchange of India Limited (“NSE Emerge”) in accordance with the Restated Financial Statements, prepared in accordance with the Companies Act, 2013 and restated in accordance with the SEBI ICDR Regulations as below:

1. Our Company was incorporated on January 04, 2024 with the Registrar of Companies, Central Registration Centre, under the Companies Act, 2023 in India.
2. Our Company offers a range of products including synthetic fiber and yarns which includes acrylic yarn, polyester yarn, wool yarn, hand-knitting yarn and acrylic blend yarn with quality, finer impact, and lasting excellence.
3. The Paid-up Capital of the Company is ₹451.26 Lakh comprising 45,12,651 Equity shares.
4. The Post Issue Paid up Capital (Face Value) of the company will be ₹ 694.27 Lakh comprising 69,42,651 Equity Shares. So, the company has fulfilled the criteria of Post Issue Paid up Capital shall be less than or equal to ten crore rupees.
5. The Company confirms that it has operating profits (earnings before interest, depreciation and tax) from operations for atleast 3 financial years preceding the application and its net-worth as on March 31, 2024 is positive:

(₹ in Lakhs)

Particulars	For the Period ended	For the Period ended	For Financial Year ended on		
	March 31, 2024	January 03, 2024	March 31, 2023	March 31, 2022	March 31, 2021
	Company	Partnership Firm			
Networth <sup>(1)</sup>	3,032.06	1.00	553.77	258.78	237.48
EBITDA <sup>(2)</sup>	514.43	520.77	610.44	115.75	61.74

<sup>(1)</sup> Networth has been computed as the aggregate of equity shares capital and reserves (excluding revaluation reserves) and after deducting miscellaneous expenditure not written off, if any.

<sup>(2)</sup> EBITDA means Earnings Before Interest, Tax, Depreciation and Amortization.

6. Our Company has facilitated trading in demat securities and has entered into an agreement with both the depositories. Our Company has entered into an agreement with Central Depository Services Limited (CDSL) dated February 12, 2024 and National Securities Depository Limited (NSDL) dated February 22, 2024 for dematerialization of its Equity Shares already issued and proposed to be issued.
7. The Company has not been referred to Board for Industrial and Financial Reconstruction.
8. Our Company has not been referred to the National Company Law Tribunal (NCLT) under Insolvency and Bankruptcy Code, 2016.
9. None of the Directors of our Company have been categorized as a Wilful Defaulter or fraudulent borrowers.
10. There is no winding up petition against the Company, which has been admitted by a court of competent jurisdiction or liquidator has not been appointed.
11. No material regulatory or disciplinary action has been taken by any stock exchange or regulatory authority in the past three years against the Company.
12. There has been no significant change in the promoter(s) of the Company in the one year preceding the date of filing application to Emerge Platform of National Stock Exchange of India Limited (“NSE Emerge”).
13. The Company has a website: [www.paramountdyetec.com](http://www.paramountdyetec.com)

We further confirm that we shall be complying with all other requirements as laid down for such Issue under Chapter IX of SEBI (ICDR) Regulations, as amended from time to time and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

We further confirm that we comply with all the above requirements / conditions so as to be eligible to be listed on the Emerge Platform of National Stock Exchange of India Limited (“NSE Emerge”).

#### **COMPLIANCE WITH PART A OF SCHEDULE VI OF THE SEBI (ICDR) REGULATIONS, 2018**

Our Company is in compliance with the provisions specified in Part A of Schedule VI of the SEBI (ICDR) Regulations, 2018. No exemption from eligibility norms has been sought under Regulation 300 of the SEBI (ICDR) Regulations, 2018, with respect to the Issue.

#### **DISCLAIMER CLAUSE OF SEBI**

**IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF OFFER DOCUMENT TO THE SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE OFFER DOCUMENT. THE BOOK RUNNING LEAD MANAGER, GRETEX CORPORATE SERVICES LIMITED HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE OFFER DOCUMENT ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018. IN FORCE FOR THE TIME BEING. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING INVESTMENT IN THE PROPOSED ISSUE. IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE ISSUER IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE OFFER DOCUMENT, THE BOOK RUNNING LEAD MANAGER, GRETEX CORPORATE SERVICES LIMITED IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE ISSUER DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BOOK RUNNING LEAD MANAGER HAS FURNISHED TO SEBI A DUE DILIGENCE CERTIFICATE DATED SEPTEMBER 24, 2024. THE FILING OF THIS PROSPECTUS DOES NOT, HOWEVER, ABSOLVE OUR COMPANY FROM ANY LIABILITIES UNDER SECTION 34, SECTION 35, SECTION 36 AND SECTION 38 (1) OF THE COMPANIES ACT, 2013 OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY AND / OR OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED ISSUE. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP AT ANY POINT OF TIME, WITH THE BOOK RUNNING LEAD MANAGER ANY IRREGULARITIES OR LAPSES IN THE DRAFT OFFER DOCUMENTS / OFFER DOCUMENTS.**

#### **Note:**

The filing of this Prospectus does not, however, absolve our Company from any liabilities under sections 34, 35 and 36(1) of the Companies Act, 2013 or from the requirement of obtaining such statutory and other clearances as may be required for the purpose of the proposed Issue. SEBI further reserves the right to take up at any point of time, with the Book Running Lead Manager any irregularities or lapses in this Prospectus.

All legal requirements pertaining to the Issue will be complied with at the time of registration of the Prospectus with the Registrar of Companies, Chandigarh in terms of Section 26 & 32 of the Companies Act, 2013.

#### **DISCLAIMER STATEMENT FROM OUR COMPANY AND THE BOOK RUNNING LEAD MANAGER**

Our Company, its Directors and the Book Running Lead Manager accept no responsibility for statements made otherwise than those contained in this Prospectus or, in case of the Company, in any advertisements or any other material issued by or at our Company's instance and anyone placing reliance on any other source of information would be doing so at his or her own risk. The Book Running Lead Manager accept no responsibility, save to the limited extent as provided in the agreement entered between the Book Running Lead Manager (Gretex Corporate Services Limited) and our Company on May 21, 2024 and the Underwriting Agreement dated May 21, 2024 entered into between the Underwriters and our Company and the Market Making Agreement dated May 21, 2024 entered into among the Market Maker and our Company. All information shall be made available by our Company and the Book Running Lead Manager to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever including at road show presentations, in research or sales reports, at collection centres or elsewhere. The Book Running Lead Manager and their respective associates and affiliates may engage in transactions with, and perform services for, our Company, our Promoter Group, or our affiliates or associates in the ordinary course of business and have engaged, or may in future engage, in commercial banking and investment banking transactions with our

Company, our Promoter Group, and our affiliates or associates, for which they have received and may in future receive compensation.

**Note:** Investors who apply in the Issue will be required to confirm and will be deemed to have represented to our Company and the Underwriter and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our Company and will not offer, sell, pledge or transfer the Equity Shares of our Company to any person who is not eligible under applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our Company. Our Company, the Underwriters and their respective directors, officers, agents, affiliates and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire the Equity Shares in the Issue.

## CAUTION

Investors who apply in the Issue will be required to confirm and will be deemed to have represented to our Company and the Underwriters and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our Company and will not Offer, sell, pledge or transfer the Equity Shares of our Company to any person who is not eligible under applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our Company. Our Company, the Underwriters and their respective directors, officers, agents, affiliates and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire the Equity Shares in the Issue.

## PRICE INFORMATION AND THE TRACK RECORD OF THE PAST ISSUES HANDLED BY THE BOOK RUNNING LEAD MANAGER

For details regarding the price information and track record of the past issue handled by M/s. Gretex Corporate Services Limited, as specified in Circular reference CIR/CFD/DIL/7/2015 dated October 30, 2015 issued by SEBI, please refer Annexure A to this Prospectus and the website of the Book Running Lead Manager at [www.gretexcorporate.com](http://www.gretexcorporate.com)

## DISCLAIMER IN RESPECT OF JURISDICTION

This Issue is being made in India to persons resident in India (including Indian nationals resident in India who are majors, HUFs, companies, corporate bodies and societies registered under applicable laws in India and authorized to invest in shares, Indian mutual funds registered with SEBI, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), or trusts under applicable trust law and who are authorized under their constitution to hold and invest in shares, public financial institutions as specified in Section 2(72) of the Companies Act, 2013, AIFs state industrial development corporations, insurance companies registered with the Insurance Regulatory and Development Authority, provident funds (subject to applicable law) with a minimum corpus of ₹ 2,500.00 Lakhs and pension funds with a minimum corpus of ₹ 2,500.00 Lakhs, and permitted non-residents including FIIs, Eligible NRIs, multilateral and bilateral development financial institutions, FVCIs and eligible foreign investors, insurance funds set up and managed by army, navy or air force of the Union of India and insurance funds set up and managed by the Department of Posts, India provided that they are eligible under all applicable laws and regulations to hold Equity Shares of our Company. The Prospectus does not, however, constitute an invitation to purchase shares offered hereby in any jurisdiction other than India to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession this Prospectus comes is required to inform him or herself about, and to observe, any such restrictions.

Any dispute arising out of this Issue will be subject to jurisdiction of the competent court(s) in Ludhiana, Punjab only.

No action has been, or will be, taken to permit a public Issuing in any jurisdiction where action would be required for that purpose, except that this Prospectus has been filed at Emerge Platform of National Stock Exchange of India Limited (“NSE Emerge”) for its observations and National Stock Exchange of India Limited will give its observations in due course. Accordingly, the Equity Shares represented hereby may not be Issued or sold, directly or indirectly, and this Prospectus may not be distributed in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this Prospectus nor any sale hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of our Company from the date hereof or that the information contained herein is correct as of any time subsequent to this date.

The Equity Shares have not been, and will not be, registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Further, each applicant where required agrees that such applicant will not sell or transfer any Equity Shares or create any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the

Equity Shares or any similar security, other than pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with applicable laws, legislations and Prospectus in each jurisdiction, including India.

#### **DISCLAIMER CLAUSE OF THE EMERGE PLATFORM OF NATIONAL STOCK EXCHANGE OF INDIA LIMITED**

As required, a copy of this Offer Document has been submitted to National Stock Exchange of India Limited (hereinafter referred to as NSE). National Stock Exchange of India Limited has given vide its letter Ref.: NSE/LIST/4133 dated September 23, 2024, permission to the Issuer to use the Exchange's name in this Offer Document as one of the stock exchanges on which this Issuer's securities are proposed to be listed.

The Exchange has scrutinized draft offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Issuer.

It is to be distinctly understood that the aforesaid permission given by National Stock Exchange of India Limited should not in any way be deemed or construed that the offer document has been cleared or approved by NSE; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; nor does it warrant that this Issuer's securities will be listed or will continue to be listed on the Exchange; nor does it take any responsibility for the financial or other soundness of this Issuer, its Promoter, its management or any scheme or project of this Issuer.

Every person who desires to apply for or otherwise acquire any securities of this Issuer may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription /acquisition whether by reason of anything stated or omitted to be stated herein or any other reason whatsoever.

#### **DISCLAIMER CLAUSE UNDER RULE 144A OF THE U.S. SECURITIES ACT**

The Equity Shares have not been, and will not be, registered under the U.S. Securities Act 1933, as amended (the "Securities Act") or any state securities laws in the United States and may not be Issued or sold within the United States or to, or for the account or benefit of, "U.S. persons" (as defined in Regulation S under the Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Equity Shares will be Issued and sold outside the United States in compliance with Regulation S of the Securities Act and the applicable laws of the jurisdiction where those Issues and sales occur.

The Equity Shares have not been, and will not be, registered, listed or otherwise qualified in any other jurisdiction outside India and may not be issued or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Further, each Applicant where required agrees that such Applicant will not sell or transfer any Equity Shares or create any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with applicable laws and legislations in each jurisdiction, including India.

#### **FILING**

The Prospectus is being filed with Emerge Platform of National Stock Exchange of India Limited ("NSE Emerge") Exchange Plaza, C/1, G Block, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051, Maharashtra, India. The Red Herring Prospectus will not be filed with SEBI, nor will SEBI issue any observation on the Offer Document in terms of Regulation 246(2) of SEBI (ICDR) Regulations, 2018.

Pursuant to Regulation 246(5) of SEBI (ICDR) Regulations, 2018 and SEBI Circular Number SEBI/HO/CFD/DIL1/CIR/P/2018/011 dated January 19, 2018, a copy of Red Herring Prospectus / Prospectus will be filed online through SEBI Intermediary Portal at <https://siportal.sebi.gov.in>.

A copy of the Red Herring Prospectus/Prospectus, along with the material contracts and documents referred elsewhere in the Prospectus, will be delivered for filing to the Registrar of Companies, Chandigarh, 1st Floor, Corporate Bhawan, Plot No.4-B, Sector 27-B, PIN-160019, Chandigarh.

#### **LISTING**

An Application have been made to Emerge Platform of National Stock Exchange of India Limited (“NSE Emerge”) for obtaining permission for listing of the Equity Shares being offered and sold in the issue on its Emerge Platform of National Stock Exchange of India Limited (“NSE Emerge”) after the allotment in the Issue. Emerge Platform of National Stock Exchange of India Limited (“NSE Emerge”) is the Designated Stock Exchange, with which the Basis of Allotment will be finalized for the Issue.

National Stock Exchange of India Limited will be the Designated Stock Exchange, with which the Basis of Allotment will be finalized for the Issue. If the permission to deal in and for an official quotation of the Equity Shares on the NSE Emerge is not granted by National Stock Exchange of India Limited, our Company shall forthwith repay, without interest, all moneys received from the applicants in pursuance of this Prospectus. If such money is not repaid within the prescribed time then our Company becomes liable to repay it, then our Company and every officer in default shall, shall be liable to repay such application money, with interest, as prescribed under the applicable law. Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the NSE Emerge of National Stock Exchange of India Limited mentioned above are taken within three (3) Working Days of the Issue Closing Date. If Equity Shares are not Allotted pursuant to the Issue within three (3) Working Days from the Issue Closing Date or within such timeline as prescribed by the SEBI, our Company shall repay with interest all monies received from applicants, failing which interest shall be due to be paid to the applicants at the rate of 15% per annum for the delayed period Subject to applicable law.

The Company has obtained approval from National Stock Exchange of India Limited vide letter no. NSE/LIST/4133 dated September 23, 2024 to use the name of National Stock Exchange of India Limited in this issue document for listing of equity shares on Emerge Platform of National Stock Exchange of India Limited (“NSE Emerge”).

## IMPERSONATION

Attention of the Applicants is specifically drawn to the provisions of Section 38(1) of the Companies Act, 2013 which is reproduced below:

*Any person who-*

- *Makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or*
- *Makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or*
- *Otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable to action under Section 447 of the Companies, Act 2013.*

## CONSENTS

Consents in writing of Our Directors, Promoter, Company Secretary & Compliance Officer, Chief Financial Officer, Statutory Auditor, Peer Review Auditor for the Issue, Key Managerial Personnel, Book Running Lead Manager, Underwriters, Market Maker to the Issue, Registrar to the Issue, Legal Advisor to the Issue, Banker to the Issue, Syndicate Member and Banker(s) to the Company to act in their respective capacities shall be obtained as required as required under Section 26 & 32 of the Companies Act, 2013 and such consents shall not be withdrawn up to the time of delivery of the Prospectus for registration with the Registrar of Companies. Our Statutory Auditor holds Peer Reviewed Certificate. For the purpose of inclusion of Restated Financial Statements in the Offer Document, M/s. Jay Gupta & Associates has given their written consent to the inclusion of their report in the form and context in which it appears in this Prospectus and such consent and report shall not be withdrawn up to the time of delivery of the Prospectus for filing with the Registrar of Companies.

In accordance with the Companies Act, 2013 and the SEBI (ICDR) Regulations, 2018, M/s. Jay Gupta & Associates, Chartered Accountants, the Peer Review Auditor for the Issue have agreed to provide their written consent to the inclusion of their respective reports on “**Statement of Possible Tax Benefits**” relating to the possible tax benefits and restated financial statements as included in this Prospectus in the form and context in which they appear therein and such consent and reports will not be withdrawn up to the time of delivery of this Prospectus.

## EXPERT TO THE ISSUE

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

- Report of the Statement of Possible of Tax Benefits dated June 25, 2024.
- Report of the Auditor on the Restated Financial Statements of our Company for the Period Year ended March 31, 2024 and Report of the Auditor on the Restated Financial Statements of Partnership Firm for the period ended January 03, 2024, and Financial Year ended March 31, 2023, March 31, 2022 and March 31, 2021 dated June 25, 2024.

## EXPENSES TO THE ISSUE

The expenses of this Issue include, among others, underwriting and management fees, printing and distribution expenses, legal fees, statutory advertisement expenses and listing fees. For details of total expenses of the Issue, refer to chapter “*Objects of the Issue*” beginning on page 77 of this Prospectus.

## DETAILS OF FEES PAYABLE

### Fees Payable to the Book Running Lead Manager

The total fees payable to the Book Running Lead Manager will be as per the Mandate Letter issued by our Company to the Book Running Lead Manager, the copy of which is available for inspection at our Registered Office.

### Fees Payable to the Registrar to the Issue

The fees payable to the Registrar to the Issue will be as per the Agreement signed by our Company and the Registrar to the Issue dated May 21, 2024, a copy of which is available for inspection at our Registered Office. The Registrar to the Issue will be reimbursed for all out-of-pocket expenses including cost of stationery, postage, and stamp duty and communication expenses. Adequate funds will be provided by the Company to the Registrar to the Issue to enable them to send refund orders or allotment advice by registered post / speed post / under certificate of posting.

### Fees Payable to Others

The total fees payable to the Legal Advisor, Auditor and Advertiser, etc. will be as per the terms of their respective engagement letters if any.

## UNDERWRITING COMMISSION, BROKERAGE AND SELLING COMMISSION

The underwriting commission and the selling commission for the Issue are as set out in the Underwriting Agreement amongst the Company and Underwriters. The underwriting commission shall be paid as set out in the Underwriting Agreement based on the Issue price and the amount underwritten in the manner mentioned in accordance with Section 40 of the Companies Act, 2013 and the Companies (Prospectus and Allotment of Securities) Rule, 2013.

## PREVIOUS RIGHTS AND PUBLIC ISSUES SINCE THE INCORPORATION

We have not made any previous rights and / or public issues since incorporation and are an “*Unlisted Issuer*” in terms of the SEBI (ICDR) Regulations, 2018 and this Issue is an “*Initial Public Offering*” in terms of the SEBI (ICDR) Regulations, 2018.

## CAPITAL ISSUES IN THE LAST THREE (3) YEARS BY LISTED GROUP COMPANIES / SUBSIDIARY / ASSOCIATES

None of our Group Company / Associates that are listed on any Stock Exchange has made any Capital Issue in the last three (3) years. We do not have any subsidiary as on date of this Prospectus.

## PREVIOUS ISSUES OF SHARES OTHERWISE THAN FOR CASH

Except as stated in the chapter titled “*Capital Structure*” beginning on page 66 of this Prospectus, our Company has not issued any Equity Shares for consideration otherwise than for cash.

## COMMISSION AND BROKERAGE ON PREVIOUS ISSUES

Since this is the Initial Public Offer of the Equity Shares by our Company, no sum has been paid or has been payable as commission or brokerage for subscribing to or procuring or agreeing to procure subscription for any of our Equity Shares since our inception.

### **PARTICULARS IN REGARD TO OUR COMPANY AND OTHER LISTED COMPANIES UNDER THE SAME MANAGEMENT WITHIN THE MEANING OF SECTION 370(1B) OF THE COMPANIES ACT, 1956 / SECTION 186 OF THE COMPANIES ACT, 2013 WHICH MADE ANY CAPITAL ISSUE DURING THE LAST THREE YEARS**

None of the equity shares of Companies under same management are listed on any recognized stock exchange. None of the above companies have raised any capital during the past 3 years.

### **PROMISE VERSUS PERFORMANCE FOR OUR COMPANY**

Our Company is an “*Unlisted Issuer*” in terms of the SEBI (ICDR) Regulations, 2018, and this Issue is an “Initial Public Offering” in terms of the SEBI (ICDR) Regulations, 2018. Therefore, data regarding promise versus performance is not applicable to us.

### **LISTED SUBSIDIARY / PROMOTER**

We do not have any listed Subsidiary or Promoter Company as on date of this Prospectus.

### **OPTION TO SUBSCRIBE**

- a) Investors will get the allotment of specified securities in dematerialization form only.
- b) The equity shares, on allotment, shall be traded on stock exchange in Demat segment only.

### **OUTSTANDING DEBENTURES, BONDS, REDEEMABLE PREFERENCE SHARES AND OTHER INSTRUMENTS ISSUED BY OUR COMPANY**

Our company has issued debentures and the details of the debentures are mentioned in the chapter “*Statement of Financial Indebtedness*” on page 199 of this Prospectus.

### **OUTSTANDING CONVERTIBLE INSTRUMENTS:**

Our Company does not have any outstanding convertible instruments as on the date of filing this Prospectus

### **PARTLY PAID-UP SHARES**

As on the date of this Prospectus, there are no partly paid-up Equity Shares of our Company.

### **STOCK MARKET DATA FOR OUR EQUITY SHARES**

Our Company is an “*Unlisted Issuer*” in terms of the SEBI (ICDR) Regulations, 2018, and this Issue is an “*Initial Public Offering*” in terms of the SEBI (ICDR) Regulations, 2018. Thus, there is no stock market data available for the Equity Shares of our Company.

### **MECHANISM FOR REDRESSAL OF INVESTOR GRIEVANCES**

The Agreement between the Registrar and Our Company provides for retention of records with the Registrar for a period of at least three years from the last date of dispatch of the letters of allotment, demat credit and unblocking of funds to enable the investors to approach the Registrar to this Issue for redressal of their grievances. All grievances relating to this Issue may be addressed to the Registrar with a copy to the Compliance Officer, giving full details such as the name, address of the applicant, number of Equity Shares applied for, amount paid on application and the bank branch or collection center where the application was submitted.

All grievances relating to the ASBA process may be addressed to the SCSB, giving full details such as name, address of the applicant, number of Equity Shares applied for, amount paid on application and the Designated Branch or the collection centre of the SCSB where the Application Form was submitted by the ASBA applicants.

### **DISPOSAL OF INVESTOR GRIEVANCES BY OUR COMPANY**

Our Company has appointed Bigshare Services Private Limited as the Registrar to the Issue to handle the investor grievances in co-ordination with the Compliance Officer of the Company. All grievances relating to the present Issue may be addressed to the Registrar with a copy to the Compliance Officer, giving full details such as name, address of the applicant, number of Equity Shares applied for, amount paid on application and name of bank and branch. The Company would monitor the work of the Registrar to ensure that the investor grievances are settled expeditiously and satisfactorily.

The Registrar to the Issue will handle investor's grievances pertaining to the Issue. A fortnightly status report of the complaints received and redressed by them would be forwarded to the Company. The Company would also be co-ordinating with the Registrar to the Issue in attending to the grievances to the investor.

All grievances relating to the ASBA process and UPI may be addressed to the SCSBs, giving full details such as name, address of the Applicant, number of Equity Shares applied for, amount paid on application and the Designated Branch of the SCSB where the Application Form was submitted by the ASBA Applicant. We estimate that the average time required by us or the Registrar to the Issue or the SCSBs for the redressal of routine investor grievances will be seven (7) business days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, we will seek to redress these complaints as expeditiously as possible.

All grievances relating to the ASBA process may be addressed to the SCSBs, giving full details such as name, address of the applicant, number of Equity Shares applied for, amount paid on application and the Designated Branch of the SCSB where the Application Form was submitted by the ASBA Applicant. We estimate that the average time required by us or the Registrar to the Issue or the SCSBs for the redressal of routine investor grievances will be seven business days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, we will seek to redress these complaints as expeditiously as possible.

Our Company will obtain authentication on the SCORES in compliance with the SEBI circular (CIR/OIAE/1/2013) dated April 17, 2013, SEBI Circular (CIR/OIAE/1/2014) dated December 18, 2014, and SEBI circular (SEBI/HO/OIAE/IGRD/CIR/P/2021/642) dated October 14, 2021 in relation to redressal of investor grievances through SCORES. This would enable investors to lodge and follow up their complaints and track the status of redressal of such complaints from anywhere. For more details, investors are requested to visit the website [www.scores.gov.in](http://www.scores.gov.in)

We have constituted the Stakeholders Relationship Committee of the Board vide resolution passed at the Board Meeting held on April 16, 2024. For further details, please refer to the chapter titled "**Our Management**" beginning on page 148 of this Prospectus.

Our Company has appointed Ms. Chandni Jain as Company Secretary and Compliance Officer and she may be contacted at the following address:

**Ms. Chandni Jain**

Village Mangarh, Machiwara Road, Kohara, Ludhiana - 141112, Punjab, India

**Contact No.:** +91 9056855519

**Email:** [cs@paramountdyetec.com](mailto:cs@paramountdyetec.com)

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

Investors can contact the Company Secretary and Compliance Officer or the Registrar in case of any Pre-Issue or Post-Issue related problems such as non-receipt of letters of allocation, credit of allotted Equity Shares in the respective beneficiary account or unblocking of funds, etc.

### **Status of Investor Complaints**

We confirm that we have not received any investor complaint during the three years preceding the date of this Prospectus and hence there are no pending investor complaints as on the date of this Prospectus.

### **Disposal of Investor Grievances by Listed Companies under the same Management**

None of our Group Companies / Associates / Subsidiary are listed on any Stock Exchange as on the date of filing this Prospectus.

## **CAPITALISATION OF RESERVES OR PROFITS**

Save and except as stated in the chapter titled "**Capital Structure**" beginning on page 66 of this Prospectus, our Company has not capitalized its reserves or profits during the last five years.

## REVALUATION OF ASSETS

Our Company has not revalued its assets since incorporation.

## TAX IMPLICATIONS

Investors who are allotted Equity Shares in the Issue will be subject to capital gains tax on any resale of the Equity Shares at applicable rates, depending on the duration for which the investors have held the Equity Shares prior to such resale and whether the Equity Shares are sold on the Stock Exchanges. For details, please refer the section titled “*Statement of Possible Tax Benefits*” beginning on page 91 of this Prospectus.

## PURCHASE OF PROPERTY

Other than as disclosed in this Prospectus, there is no property which has been purchased or acquired or is proposed to be purchased or acquired which is to be paid for wholly or partly from the proceeds of the present Issue or the purchase or acquisition of which has not been completed on the date of this Prospectus.

Except as stated elsewhere in this Prospectus, our Company has not purchased any property in which the Promoters and / or Directors have any direct or indirect interest in any payment made there under.

## SERVICING BEHAVIOR

There has been no default in payment of statutory dues or of interest or principal in respect of our borrowings or deposits.

## PAYMENT OR BENEFIT TO OFFICERS OF OUR COMPANY

Except statutory benefits upon termination of their employment in our Company or superannuation, no officer of our Company is entitled to any benefit upon termination of his employment in our Company or superannuation. Except as disclosed under sections titled “*Our Management*” and “*Related Party Transactions*” beginning on pages 148 and 179 respectively of this Prospectus none of the beneficiaries of loans and advances and sundry debtors are related to the Directors of our Company.

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

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

## SECTION XI: ISSUE RELATED INFORMATION

### TERMS OF THE ISSUE

*The Equity Shares being Issued are subject to the provisions of the Companies Act, SCRA, SCRR, SEBI (ICDR) Regulations, the SEBI Listing Regulations, our Memorandum and Articles of Association, the terms of the Draft Red Herring Prospectus, Red Herring Prospectus, Prospectus, Application Form, any Confirmation of Allocation Note (“CAN”), the Revision Form, Allotment advices, and other terms and conditions as may be incorporated in the Allotment advices and other documents / certificates that may be executed in respect of the Issue. The Equity Shares shall also be subject to all applicable laws, guidelines, rules, notifications and regulations relating to the issue of capital and listing and trading of securities issued from time to time by SEBI, the Government Of India, the Stock Exchange, the Registrar of Companies, the RBI and / or other authorities, as in force on the date of the Issue and to the extent applicable or such other conditions as may be prescribed by SEBI, RBI, the Government Of India, the Stock Exchange, the Registrar of Companies and / or any other authorities while granting its approval for the Issue.*

*Please note that, in terms of Regulation 256 of the SEBI (ICDR) Regulations 2018 read with SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, all the investors applying in a public issue shall use only Application Supported by Blocked Amount (ASBA) process for application providing details of the bank account which will be blocked by the Self-Certified Syndicate Banks (SCSBs) for the same. Further, SEBI through its circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 read with its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 and circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, (together, the “UPI Circular”) in relation to clarifications on streamlining the process of public issue of equity shares and convertibles it has proposed to introduce an alternate payment mechanism using Unified Payments Interface (“UPI”) and consequent reduction in timelines for listing in a phased manner. Currently, for application by RIIs through Designated Intermediaries, the existing process of physical movement of forms from Designated Intermediaries to SCSBs for blocking of funds is discontinued and RIIs submitting their Application Forms through Designated Intermediaries (other than SCSBs) can only use the UPI mechanism with existing timeline of T+6 days until March 31, 2020 (“UPI Phase II”). Further SEBI through its circular no SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020 has decided to continue with the Phase II of the UPI ASBA till further notice. However, due to the outbreak of COVID19 pandemic, UPI Phase II has been further extended by SEBI until further notice, by its circular (SEBI/HO/CFD/DIL2/CIR/P/2020/50) dated March 30, 2020. Thereafter, vide SEBI circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023, Phase III has been notified, and accordingly the revised timeline of T+3 days (i.e., the time duration from public issue closure to listing of be 3 Working Days) has been made applicable in two phases i.e., (i) voluntary for all public issues opening on or after September 1, 2023; and (ii) mandatory on or after December 1, 2023 (“UPI Phase III”). Accordingly, the Issue will be undertaken pursuant to the processes and procedures under UPI Phase III, subject to any circulars, clarification or notification issued by the SEBI from time to time. Further, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 read with circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and SEBI Circular no. SEBI/HO/CFD/P/CIR/2022/75 dated May 30, 2022 has introduced certain additional measures for streamlining the process of initial public offers and redressing investor grievances.*

*Further vide the said circular Registrar to the Issue and Depository Participants have been also authorized to collect the Application forms. Investor may visit the official website of the concerned for any information on operationalization of this facility of form collection by the Registrar to the Issue and Depository Participants as and when the same is made available.*

### AUTHORITY FOR THE PRESENT ISSUE

This Public Issue has been authorized by a resolution of our Board of Directors passed at their meeting held on April 16, 2024 subject to the approval of shareholders through a special resolution to be passed pursuant to Section 62(1)(c) of the Companies Act, 2013 at the General Meeting. The shareholders have authorized the Issue by a Special Resolution in accordance with Section 62(1)(c) of the Companies Act, 2013 passed at the Extra Ordinary General Meeting of our Company held on May 08, 2024

### RANKING OF EQUITY SHARES

The Equity Shares being issued shall be subject to the provisions of the Companies Act, and our Memorandum of Association and Articles of Association and shall rank pari-passu in all respects with the existing Equity Shares of our Company including rights in respect of dividends and other corporate benefits, if any, declared by us after the date of Allotment. The Allottees, upon Allotment of Equity Shares under this Issue, will be entitled to receive dividends and

other corporate benefits, if any, declared by our Company after the date of Allotment. For further details, please refer to section titled, '**Main Provisions of Article of Association**', beginning on page 272 of this Prospectus.

## **MODE OF PAYMENT OF DIVIDEND**

The declaration and payment of dividend will be as per the provisions of Companies Act, 2013, Article of Association, the provision of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 any other rules, regulations or guidelines as may be issued by Government of India in connection there to and as per the recommendation by the Board of Directors and the Shareholders at their discretion and will depend on a number of factors, including but not limited to earnings, capital requirements and overall financial condition of our Company. We shall pay dividend, in cash as per the provisions of the Companies Act and our Articles of Association. Further Interim Dividend (if any declared) will be approved by the Board of Directors. For further details in relation to dividends, please refer to sections titled, '**Dividend Policy**' and '**Main Provisions of Article of Association**', beginning on page 178 and 272 respectively, of this Prospectus.

## **FACE VALUE AND ISSUE PRICE**

The face value of each Equity Share of our Company is ₹ 10.00 and the Issue Price at the lower end of the Price Band is ₹ 111.00 per Equity Share ("Floor Price") and at the higher end of the Price Band is ₹ 117.00 per Equity Share ("Cap Price"). The Anchor Investor Issue Price is ₹ 117.00 per Equity Share.

The Price Band, along with the relevant financial ratios calculated at the Floor Price and at the Cap Price, shall be pre-filled in the Bid cum Application Forms available on the website of the Stock Exchange. The Issue Price shall be determined by our Company and in consultation with the Book Running Lead Manager, after the Bid / Issue Closing Date, on the basis of assessment of market demand for the Equity Shares offered by way of Book Building Process.

The Issue Price is determined by our Company in consultation with the Book Running Lead Manager and is justified under the Section titled, '**Basis for Issue Price**', beginning on page 87 of this Prospectus.

At any given point of time there shall be only one denomination of the Equity Shares of our Company, subject to applicable laws.

## **COMPLIANCE WITH ICDR REGULATIONS**

Our Company shall comply with all requirements of the SEBI (ICDR) Regulations, as amended time to time.

## **COMPLIANCE WITH DISCLOSURE AND ACCOUNTING NORMS**

Our Company shall comply with all disclosure and accounting norms as specified by SEBI from time to time.

## **RIGHTS OF THE EQUITY SHAREHOLDERS**

Subject to applicable laws, rules, regulations and guidelines and the 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, in accordance with the provisions of the Companies Act, 2013;
- Right to receive Issue for rights shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation; subject to any statutory or preferential claims being satisfied;
- Right of free transferability of the Equity Shares, subject to applicable laws, including any RBI rules and regulations; and

- Such other rights, as may be available to a shareholder of a listed public limited company under the Companies Act, 2013, as may be applicable, terms of the Listing Regulations and the Memorandum of Association and Articles of Association of our Company.

For further details on the main provision of our Company's Articles of Association dealing with voting rights, dividend, forfeiture and lien, transfer and transmission and / or consolidation / splitting, etc., please refer to Section titled, '**Main Provisions of the Articles of Association**', beginning on page 272 of this Prospectus.

### **MINIMUM APPLICATION VALUE, MARKET LOT AND TRADING LOT**

In terms of Section 29 of the Companies Act, 2013, the Equity Shares shall be Allotted only in dematerialized form. As per the existing ICDR Regulations, the trading of the Equity Shares shall only be in dematerialized form for all Applicants.

In this context, two agreements have been signed among our Company, the respective Depositories and the Registrar to the Issue:

- Tripartite Agreement dated between February 22, 2024 between National Securities Depository Limited, our Company and Registrar to the Issue; and
- Tripartite Agreement dated February 12, 2024 between Central Depository Services (India) Limited, our Company and Registrar to the Issue.

The ISIN of the company is INE0TG801013.

### **MARKET LOT AND TRADING LOT**

Trading of the Equity Shares will happen in the minimum contract size of 1,200 Equity Shares in terms of the SEBI circular no. CIR/MRD/DSA/06/2012 dated February 21, 2012, and the same may be modified by National Stock Exchange of India Limited from time to time by giving prior notice to investors at large.

Allocation and allotment of Equity Shares through this Issue will be done in multiples of 1,200 Equity Share subject to a minimum allotment of 1,200 Equity Shares to the successful Applicants. Further, in accordance with SEBI (ICDR) Regulations the minimum application size in terms of number of specified securities shall not be less than Rupees One Lakhs per application.

### **MINIMUM NUMBER OF ALLOTTEES**

In accordance with the Regulation 268 of ICDR Regulations, the minimum number of Allottees in this Issue shall be 50 shareholders. In case the minimum number of prospective Allottees is less than 50, no Allotment will be made pursuant to this Issue and the monies blocked by the SCSBs shall be unblocked within 2 Working Days of closure of Issue.

### **JOINT HOLDERS**

Where 2 (two) or more persons are registered as the holders of any Equity Shares, they will be deemed to hold such Equity Shares as joint holders with benefits of survivorship.

### **NOMINATION FACILITY TO INVESTOR**

In accordance with Section 72 of the Companies Act, 2013, the First / Sole Applicant, along with other joint Applicant, may nominate any one person in whom, in the event of the death of Sole Applicant or in case of joint Applicant, death of all the Applicants, as the case may be, the Equity Shares Allotted, if any, shall vest. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall in accordance with Section 72 of the Companies Act, 2013, be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale of Equity Share(s) by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at the Registered Office of our Company or to the Registrar and Transfer Agents of our Company.

In accordance with Section 72 of the Companies Act, 2013, any Person who becomes a nominee by virtue of this section shall upon the production of such evidence as may be required by the Board of Directors, elect either:

- to register himself or herself as the holder of the Equity Shares; or
- to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, our Board of Directors may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of 90 days, the Board of Directors may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the Allotment of Equity Shares in the Issue will be made only in dematerialized form, there is no need to make a separate nomination with our Company. Nominations registered with the respective Depository Participant of the applicant would prevail. If the Applicants require changing the nomination, they are requested to inform their respective Depository Participant.

## WITHDRAWAL OF THE ISSUE

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

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

Further, the Stock Exchanges shall be informed promptly in this regard and the Book Running Lead Manager, through the Registrar to the Issue, shall notify the SCSBs to unblock the Bank Accounts of the ASBA Applicants within one Working Day from the date of receipt of such notification.

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

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

## ISSUE PROGRAM

<b>Bid / Issue Opened on</b>	Monday, September 30, 2024 <sup>(1)</sup>
<b>Bid / Issue Closed on</b>	Thursday, October 03, 2024
<b>Finalization of Basis of Allotment with the Designated Stock Exchange</b>	On or about Friday, October 04, 2024
<b>Initiation of Allotment / Refunds / Unblocking of Funds from ASBA Account or UPI ID linked bank account*</b>	On or about Monday, October 07, 2024
<b>Credit of Equity Shares to Demat accounts of Allottees</b>	On or about Monday, October 07, 2024
<b>Commencement of trading of the Equity Shares on the Stock Exchange</b>	On or about Tuesday, October 08, 2024

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

*\*In case of (i) any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) for cancelled / withdrawn / deleted ASBA Forms, the Applicant shall be compensated at a uniform rate of ₹ 100 per day or 15% per annum of the Application Amount, whichever is higher from the date on which the request for cancellation / withdrawal / deletion is placed in the Stock Exchanges Applying platform until the date on which the amounts are unblocked (ii) any blocking of multiple amounts for the same ASBA Form (for amounts blocked through the UPI Mechanism), the Applicant shall be compensated at a uniform rate ₹ 100 per day or 15% per annum of the total cumulative blocked amount except the original application amount, whichever is higher from the date on which such multiple amounts were blocked till the date of actual unblock; (iii) any blocking of amounts more than the Application Amount, the Applicant shall be compensated at a uniform rate of ₹ 100 per day or 15% per annum of the difference in amount, whichever is higher from the date on which such excess amounts were blocked till the date of actual unblock;*

(iv) any delay in unblocking of non-allotted / partially allotted Application, exceeding four Working Days from the Issue Closing Date, the Applicant shall be compensated at a uniform rate of ₹ 100 per day or 15% per annum of the Application Amount, whichever is higher for the entire duration of delay exceeding four Working Days from the Issue Closing Date by the SCSB responsible for causing such delay in unblocking. The post Issue Book Running Lead Manager shall be liable for compensating the Applicant at a uniform rate of 100 per day or 15% per annum of the Application Amount, whichever is higher from the date of receipt of the Investor grievance until the date on which the blocked amounts are unblocked. For the avoidance of doubt, the provisions of the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 shall be deemed to be incorporated in the deemed agreement of the Company with the SCSBs to the extent applicable.

*Note - Our Company in consultation with the Book Running Lead Manager, may consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bid/Issue Period shall be one Working Day prior to the Bid/Issue Opening Date in accordance with the SEBI ICDR Regulations.*

The above timetable is indicative and does not constitute any obligation on our Company or the Book Running Lead Manager. Whilst our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchange are taken within 3 Working Days of the Bid / Issue Closing Date, the timetable may change due to various factors, such as extension of the Bid / Issue Period by our Company, revision of the Price Band or any delays in receiving the final listing and trading approval from the Stock Exchange. The Commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchange and in accordance with the applicable laws.

Submission of Application Forms:

<b>Issue period (except the Issue Closing Date)</b>	
Submission and Revision of Application Form	Only between 10.00 a.m. to 5.00 p.m. IST
<b>Issue Closing Date</b>	
Submission and Revision of Application Form	Only between 10.00 a.m. to 3.00*# p.m. IST

\*UPI mandate end time and date shall be at 5.00 pm on Issue / Issue Closing Date

**# On the Issue Closing Date, the Applications shall be uploaded until:**

Until 4.00 p.m. IST in case of application by QIBs and Non – Institutional Investors and Until 5.00 p.m. IST or such extended time as permitted by the Stock Exchange, in case of Retail Individual Investors which may be extended up to such time as deemed fit by the Stock Exchange after taking into account the total number of applications received up to the closure of timings and reported by Book Running Lead Manager to the Stock Exchange.

SEBI vide circular SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 has reduced the post issue timeline for IPOs. The revised timeline of T+3 days has been made applicable in two phases, i.e., voluntary for all public issues opening on or after September 1, 2023 and mandatory on or after December 1, 2023. Accordingly, the Issue has been made under UPI Phase III, subject to the timing of the Issue and any circulars, clarification or notification issued by the SEBI from time to time, including with respect to SEBI circular SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023.

The SEBI is in the process of streamlining and reducing the post Issue timeline for initial public offerings. Any circulars or notifications from the SEBI after the date of the Prospectus may result in changes to the abovementioned timelines. Further, the Issue procedure is subject to change to any revised circulars issued by the SEBI to this effect.

The Book Running Lead Manager will be required to submit reports of compliance with listing timelines and activities, identifying non- adherence to timelines and processes and an analysis of entities responsible for the delay and the reasons associated with it.

Due to the limitation of time available for uploading the Bid-Cum-Application Forms on the Bid / Issue Closing Date, Applicants are advised to submit their applications 1(one) day prior to the Issue Closing Date and, in any case, not later than 3:00 p.m. (IST) on the Bid / Issue Closing Date. Any time mentioned in this Prospectus is IST. Applicants are cautioned that, in the event a large number of Bid-Cum-Application Forms are received on the Issue Closing Date, as is typically experienced in public issue, some Bid-Cum-Application Forms may not get uploaded due to the lack of sufficient time. Such Bid-Cum-Application Forms that cannot be uploaded will not be considered for allocation under this Issue. Bid-Cum-Applications will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holidays). Neither our Company nor the Book Running Lead Manager is liable for any failure in uploading the Bid-Cum-Application Forms due to faults in any software / hardware system or otherwise.

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

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

Our Company in consultation with the Book Running Lead Manager, reserves the right to revise the Price Band during the Bid / Issue Period. The revision in the Price Band shall not exceed 20% on either side, i.e. the Floor Price can move up or down to the extent of 20% of the Floor Price and the Cap Price will be revised accordingly. The Floor Price shall not be less than the face value of the Equity Shares.

In case of any revision to the Price Band, the Bid / Issue Period will be extended by at least three additional Working Days following such revision of the Price Band, subject to the Bid / Issue Period not exceeding a total of 10 Working Days. In cases of force majeure, banking strike or similar circumstances, our Company in consultation with the Book Running Lead Manager, for reasons to be recorded in writing, extend the Bid / Issue Period for a minimum of three Working Days, subject to the Bid / Issue Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bid / Issue Period, if applicable, will be widely disseminated by notification to the Stock Exchange, by issuing a public notice, and also by indicating the change on the respective websites of the Book Running Lead Manager and the terminals of the Syndicate Members, if any and by intimation to SCSBs, other Designated Intermediaries and the Sponsor Bank, as applicable. In case of revision of Price Band, the Bid Lot shall remain the same.

## **MINIMUM SUBSCRIPTION**

In accordance with Regulation 260 (1) of ICDR Regulations, this Issue is 100% underwritten, so this Issue is not restricted to any minimum subscription level.

As per section 39 of the new Companies Act, if the “stated minimum amount” has not been subscribed and the sum payable on Application is not received within a period of 30 days from the date of Prospectus, the Application Amount has to be returned within such period as may be prescribed.

If our Company does not receive the subscription of 100% of the Issue through this Offer document including devolvement of Underwriters, our Company shall forthwith unblock the entire subscription amount received.

In terms of Regulation 272(2) of SEBI ICDR Regulations, in case the Company fails to obtain listing or trading permission from the stock exchanges where the specified securities are proposed to be listed, it shall refund through verifiable means the entire monies received within four days of receipt of intimation from stock exchange(s) rejecting the application for listing of specified securities, and if any such money is not repaid within four days after the issuer becomes liable to repay it, the issuer and every director of the company who is an officer in default shall, on and from the expiry of the fourth day, be jointly and severally liable to repay that money with interest at the rate of fifteen per cent per annum.

In accordance with Regulation 260 (1) of the SEBI ICDR Regulations, our Issue shall be hundred percent underwritten. Thus, the underwriting obligations shall be for the entire hundred percent of the Issue through the Prospectus and shall not be restricted to the minimum subscription level. Further, in accordance with Regulation 267 (2) of the SEBI ICDR Regulations, our Company shall ensure that the minimum application size shall not be less than ₹1.00 Lakhs (Rupees One Lakhs) per application.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be issued or sold, and Applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

## **ARRANGEMENTS FOR DISPOSAL OF ODD LOTS**

The trading of the Equity Shares will happen in the minimum contract size of 1,200 Equity Shares in terms of the SEBI Circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012. However, in terms of Regulation 261 (5) of the ICDR Regulations, the Market Maker shall buy the entire shareholding of a shareholder in one lot, where value of such

shareholding is less than the minimum contract size allowed for trading on the EMERGE platform of National Stock Exchange of India Limited.

### **APPLICATION BY ELIGIBLE NRIS, FPIS / FIIS REGISTERED WITH SEBI, VCFS REGISTERED WITH SEBI AND ELIGIBLE QFIS**

It is to be understood that there is no reservation for Eligible NRIs or FPIS / FIIs registered with SEBI or VCFs or Eligible QFIs. Such Eligible NRIs, Eligible QFIs, FIIs registered with SEBI will be treated on the same basis with other categories for the purpose of allocation.

NRIs, FPIS / FIIs and foreign venture capital investors registered with SEBI are permitted to purchase shares of an Indian company in a public issue without the prior approval of the RBI, so long as the price of the Equity Shares to be issued is not less than the price at which the Equity Shares are issued to residents. The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the FIPB or the RBI, provided that (i) the activities of the investee company are under the automatic route under the foreign direct investment (“FDI”) Policy and the non-resident shareholding is within the sectoral limits under the FDI policy; and (ii) the pricing is in accordance with the guidelines prescribed by the SEBI / RBI.

The current provisions of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, provides a general permission for the NRIs, FPIS and foreign venture capital investors registered with SEBI to invest in shares of Indian companies by way of subscription in an IPO. However, such investments would be subject to other investment restrictions under the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, RBI and / or SEBI regulations as may be applicable to such investors.

The Allotment of the Equity Shares to Non-Residents shall be subject to the conditions, if any, as may be prescribed by the Government of India / RBI while granting such approvals.

### **AS PER THE EXTANT POLICY OF THE GOVERNMENT OF INDIA, OCBs CANNOT PARTICIPATE IN THIS ISSUE.**

As per the existing regulations, OCBs are not eligible to participate in this Issue. The RBI has however clarified in its circular, A.P. (DIR Series) Circular No. 44, dated December 8, 2003 that OCBs which are incorporated and are not under the adverse notice of the RBI are permitted to undertake fresh investments as incorporated non-resident entities in terms of Regulation 5(1) of RBI Notification No. 20/2000-RB dated May 03, 2000 under FDI Scheme with the prior approval of Government if the investment is through Government Route and with the prior approval of RBI if the investment is through Automatic Route on case by case basis. OCBs may invest in this Issue provided it obtains a prior approval from the RBI. On submission of such approval along with the Application Form, the OCB shall be eligible to be considered for Equity Share allocation.

### **RESTRICTIONS ON TRANSFER AND TRANSMISSION OF SHARES OR DEBENTURES AND ON THEIR CONSOLIDATION OR SPLITTING**

Except for lock-in of the pre-issue Equity Shares and Promoters’ minimum contribution in the Issue as detailed in the Section titled, ‘*Capital Structure*’, beginning on page 66 of this Prospectus, and except as provided in the Articles of Association of our Company, there are no restrictions on transfer and transmission and on their consolidation / splitting of Equity Shares. For further details, please refer to the Section titled, ‘*Main Provisions of the Articles of Association*’, beginning on page 272 of this Prospectus.

The above information is given for the benefit of the Applicants. The Applicants are advised to make their own enquiries about the limits applicable to them. Our Company and the Book Running Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated hereinabove. Our Company and the Book Running Lead Manager are not liable to inform the Applicants of any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of this Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws or regulations.

### **NEW FINANCIAL INSTRUMENTS**

As on the date of this Prospectus, there are no outstanding warrants, new financial instruments or any rights, which would entitle the shareholders of our Company, including our Promoters, to acquire or receive any Equity Shares after the Issue.

### **ALLOTMENT OF EQUITY SHARES IN DEMATERIALIZED FORM**

As per the provisions of the Depositories Act, 1996 and the regulations made under and Section 29(1) of the Companies Act, 2013 the Equity Shares to be allotted must be in Dematerialized form i.e. not in the form of physical certificates but be fungible and be represented by the statement issued through electronic mode.

Further, in accordance with the ICDR Regulations, Allotment of Equity Shares to successful Applicants will only be in the dematerialized form. Applicants will not have the option of Allotment of the Equity Shares in physical form. The Equity Shares on Allotment will be traded only on the dematerialized segment of the Stock Exchange. Hence, the Equity Shares being offered can be applied for in the dematerialized form only.

## MIGRATION TO MAIN BOARD

As per the provisions of the Chapter IX of the SEBI ICDR Regulations, our Company may migrate to the main board of National Stock Exchange of India Limited from the NSE EMERGE if we fulfil the criteria as per SEBI (ICDR) Regulation and as per NSE Circular dated March 07, 2024.

### A. As per NSE guidelines:

As per NSE Circular dated March 07, 2024, our Company may migrate its securities from the Emerge Platform of National Stock Exchange of India Limited to main board platform of National Stock Exchange of India Limited.

Parameter	Migration policy from NSE Emerge Platform to NSE Main Board
Paid up Capital & Market Capitalisation	<p>The paid-up equity capital of the applicant shall not be less than 10 crores and the capitalisation of the applicant's equity shall not be less than 25 crores**</p> <p>** Explanation For this purpose, capitalisation will be the product of the price (average of the weekly high and low of the closing prices of the related shares quoted on the stock exchange during 3 months preceding the application date) and the post issue number of equity shares</p>
Earnings before Interest, Depreciation and Tax (EBITDA) and Profit After Tax (PAT)	The applicant company should have positive cash accruals (Earnings before Interest, Depreciation and Tax) from operations for each of the 3 financial years preceding the migration application and has positive PAT in the immediate Financial Year of making the migration application to Exchange.
Listing period	The applicant should have been listed on SME platform of the Exchange for at least 3 years.
Other Listing conditions	<p>The applicant Company has not referred to the Board of Industrial &amp; Financial Reconstruction (BIFR) &amp;/OR No proceedings have been admitted under Insolvency and Bankruptcy Code against the issuer and Promoting companies.</p> <p>The company has not received any winding up petition admitted by a NCLT.</p> <p>The Networth* of the company should be at least 75 crores</p> <p>* Networth – as defined under SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018</p>
Public Shareholders	Total number of public shareholders on the last day of preceding quarter from date of application should be at least 1000.
The applicant desirous of listing its securities on the main board	The Company should have made disclosures for all material Litigation(s) / dispute(s) / regulatory action(s) to the stock exchanges where its shares are listed in adequate and timely manner.

### B. As per ICDR guidelines:

*If the Paid up Capital of our Company is likely to increase above ₹2,500 lakhs by virtue of any further issue of capital by way of rights issue, preferential issue, bonus issue etc. (which has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoter in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal and for which the company has obtained in-principal approval from the Main Board), our Company shall apply to National Stock Exchange of India Limited for listing of its shares on its Main Board subject to the fulfilment of the eligibility criteria for listing of specified securities laid down by the Main Board.*

OR

*If the Paid up Capital of our company is more than ₹1,000 lakhs but below ₹2,500 lakhs, our Company may still apply for migration to the Main Board and if the Company fulfils the eligible criteria for listing laid by the Main Board and if the same has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoter in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal.*

*Any company desiring to migrate to the Main board from the Emerge Platform within three years of listing on Emerge platform of National Stock Exchange of India Limited has to fulfil following conditions:*

- i. The increase in post issue face value capital beyond ₹ 25 crore should arise only because of merger/acquisition or for expansion purposes.*
- ii. The company should have a minimum turnover of ₹ 100 crore as per last audited financials and market capitalization of ₹ 100 crore.*
- iii. The company should have a minimum profit before tax of ₹ 10 crore for two years out of three preceding years.*
- iv. There should not be any action against the company by any regulatory agency at the time of application for migration.*

*For detailed criteria please refer to [www.nseindia.com](http://www.nseindia.com)*

## MARKET MAKING

The Equity Shares offered through this Issue are proposed to be listed on the Emerge Platform of National Stock Exchange of India Limited, wherein the Market Maker to this Issue shall ensure compulsory Market Making through the registered Market Makers of the Emerge platform of National Stock Exchange of India Limited for a minimum period of 3 years from the date of listing on the Emerge Platform of National Stock Exchange of India Limited.

For further details of the agreement entered into between our Company, the Book Running Lead Manager and the Market Maker please refer to Section titled, '**General Information - Details of the Market Making Arrangements for this Issue**', beginning on page 55 of this Prospectus.

## JURISDICTION

Exclusive jurisdiction for the purpose of this Issue is with the competent courts / authorities in Ludhiana, Punjab.

The Equity Shares have not been and will not be registered under the U.S. Securities Act or any state securities laws in the United States, and may not be Issued or sold within the United States to, or for the account or benefit of "U.S. persons" (as defined in Regulation S), except pursuant to an exemption from or in a transaction not subject to, registration requirements of the U.S. Securities Act and applicable U.S. state Securities laws. Accordingly, the Equity Shares are only being Issued or sold outside the United States in compliance with Regulation S under the Securities Act and the applicable laws of the jurisdictions where those Issues and sales occur.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be Issued or sold, and Applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

## PRE-ISSUE ADVERTISEMENT

Subject to Section 30 of the Companies Act, 2013 our Company shall, after registering the Red Herring Prospectus with the Registrar of Companies publish a pre-Issue advertisement, in the form prescribed by the SEBI (ICDR) Regulations, in one widely circulated English language national daily newspaper; one widely circulated Hindi language national daily newspaper and one regional newspaper with wide circulation where the Registered Office of our Company is situated.

*The above information is given for the benefit of the Applicants. The Applicants are advised to make their own enquiries about the limits applicable to them. Our Company and the Book Running Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated hereinabove. Our Company and the Book Running Lead Manager are not liable to inform the investors of any amendments or modifications or changes in applicable laws and regulations, which may occur after the date of this Prospectus. Applicants are advised to make their independent*

*investigations and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws and regulations.*

## ISSUE STRUCTURE

This Issue is being made in terms of Regulation 229(1) of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time, whereby, our Company's post issue paid up capital is less than or equal to ten crore rupees. Our Company shall issue equity shares to the public and propose to list the same on the Emerge Platform of National Stock Exchange of India Limited. For further details regarding the salient features and terms of such this issue, please refer to chapter titled ***"Terms of the Issue"*** and ***"Issue Procedure"*** beginning on page 222 and 236 respectively of this Prospectus.

Initial Public Issue of 24,30,000\* Equity Shares of ₹10.00 each (the "Equity Shares") for cash at a price of ₹ 117.00 per Equity Share (including a Share Premium of ₹ 107.00 per Equity Share), aggregating up to ₹ 2,843.10 Lakhs ("the Issue") by the issuer Company (the "Company").

\* Subject to finalization of the Basis of Allotment

The Issue comprises a reservation of 1,22,400 Equity Shares of face value of ₹10.00 each fully paid for cash at price of ₹ 117.00 per Equity Share (including a premium of ₹ 107.00 per Equity Share) aggregating to ₹ 143.21 Lakhs for subscription by the designated Market Maker (Market Maker Reservation Portion) and a Net Issue to Public of 23,07,600 Equity Shares of face value of ₹ 10.00 each fully paid for cash at price of ₹ 117.00 per Equity Share (including a premium of ₹ 107.00 per Equity Share) aggregating to ₹ 2,699.89 Lakhs (the Net Issue). The Issue and the Net Issue will constitute 35.00 % and 33.24 % respectively of the Post Issue Paid-up Equity Share Capital of the Company. The Issue is being made through the Book Building Process.

Particulars of the Issue <sup>(2)</sup>	Market Maker Reservation Portion	QIBs <sup>(1)</sup>	Non-Institutional Investors	Retail Individual Investors
<b>Number of Equity Shares available for allocation</b>	1,22,400 Equity Shares	Not more than 11,52,000 Equity Shares	Not less than 3,46,800 Equity Shares available for allocation or Issue less allocation to QIB Bidders and Retail Individual Bidders.	Not less than 8,08,800 Equity Shares available for allocation or Issue less allocation to QIB Bidders and Non-Institutional Bidders.
<b>Percentage of Issue Size available for allocation</b>	5.04 % of the Issue Size	Not more than 50% of the Net Issue being available for allocation to QIB Bidders. However, up to 5% of the Net QIB Portion will be available for allocation proportionately to Mutual Funds only. Mutual Funds participating in the Mutual Fund Portion will also be eligible for allocation in the remaining QIB Portion. The unsubscribed portion in the Mutual Fund Portion will be added to the Net QIB Portion.	Not less than 15% of the Issue less allocation to QIB Bidders and RIBs will be available for allocation.	Not less than 35% of the Issue less allocation to QIBs and Non-Institutional Bidders will be available for allocation
<b>Basis of Allotment <sup>(3)</sup></b>	Firm Allotment	Proportionate as follows (excluding the Anchor Investor Portion):	Allotment to each Non-Institutional Bidder shall not be less than the Minimum NIB	Allotment to each Retail Individual Bidder shall not be less than the maximum Bid lot,

Particulars of the Issue <sup>(2)</sup>	Market Maker Reservation Portion	QIBs <sup>(1)</sup>	Non-Institutional Investors	Retail Individual Investors
		<p>(a) Up to 22,800 Equity Shares shall be available for allocation on a proportionate basis to Mutual Funds only; and</p> <p>Up to 4,60,800 Equity Shares shall be available for allocation on a proportionate basis to all QIBs, including Mutual Funds receiving allocation as per (a) above.</p> <p>Up to 6,91,200 Equity Shares may be allocated on a discretionary basis to Anchor Investors of which one-third shall be available for allocation to Mutual Funds only, subject to valid Bid received from Mutual Funds at or above the Anchor Investor Allocation</p>	<p>Application Size, subject to the availability of Equity Shares in the Non-Institutional Portion, and the remaining Equity Shares, if any, shall be allotted on a proportionate basis. For details, see “<b>Issue Procedure</b>” beginning on page 236 of this Prospectus.</p>	<p>subject to availability of Equity Shares in the Retail Portion and the remaining available Equity Shares is any, shall be allotted on proportionate basis. For details, see “<b>Issue Procedure</b>” beginning on page 236 of this Prospectus.</p>
<b>Mode of Allotment</b>	Compulsorily in dematerialized form.			
<b>Minimum Bid Size</b>	1,22,400 Equity Shares	Such number of Equity Shares and in multiples of 1,200 Equity Shares that the Bid Amount exceeds ₹200,000	Such number of Equity Shares and in multiples of 1,200 Equity Shares that the Bid Amount exceeds ₹200,000	1,200 Equity Shares
<b>Maximum Bid Size</b>	1,22,400 Equity Shares	Such number of Equity Shares in multiples of 1,200 Equity Shares not exceeding the size of the Net Issue, subject to applicable limits	Such number of Equity Shares in multiples of 1,200 Equity Shares not exceeding the size of the Net Issue (excluding the QIB portion), subject to applicable limits	Such number of Equity Shares in multiples of 1,200 Equity Shares so that the Bid Amount does not exceed ₹200,000
<b>Trading Lot</b>	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.	1,200 Equity Shares and in multiples thereof	1,200 Equity Shares and in multiples thereof	1,200 Equity Shares and in multiples thereof

Particulars of the Issue <sup>(2)</sup>	Market Maker Reservation Portion	QIBs <sup>(1)</sup>	Non-Institutional Investors	Retail Individual Investors
<b>Terms of Payment</b>	Full Bid Amount shall be blocked by the SCSBs in the bank account of the ASBA Bidder (other than Anchor Investors) or by the Sponsor Bank through the UPI Mechanism, that is specified in the ASBA Form at the time of submission of the ASBA Form. In case of Anchor Investors: Full Bid Amount shall be payable by the Anchor Investors at the time of submission of their Bids <sup>(4)</sup>			
<b>Mode of Bid</b>	Only through the ASBA process.			Through ASBA Process or Through Banks or by using UPI ID for payment

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

*(1) Our Company, in consultation with the Book Running Lead Managers, allocate up to 49.92% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations. One-third of the Anchor Investor Portion was reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price Anchor Investor Allocation Price.*

*(2) In terms of Rule 19(2) of the SCRR read with Regulation 252 of the SEBI (ICDR) Regulations, 2018 this is an Issue for at least 25% of the post issue paid-up Equity share capital of the Company. This Issue is being made through Book Building Process, wherein allocation to the public shall be as per Regulation 252 of the SEBI (ICDR) Regulations.*

*(3) Subject to valid Bids being received at or above the Issue Price, undersubscription, if any, in any category, except in the QIB Portion, would be allowed to be met with spill-over from any other category or combination of categories of Bidders at the discretion of our Company in consultation with the Book Running Lead Manager and the Designated Stock Exchange, subject to applicable laws.*

*(4) Full Bid Amount was payable by the Anchor Investors at the time of submission of the Anchor Investor Application Forms provided that any difference between the Anchor Investor Allocation Price and the Anchor Investor Issue Price shall be payable by the Anchor Investor Pay-In Date as indicated in the CAN.*

The Bids by FPIs with certain structures as described under **“Issue Procedure - Bids by FPIs”** on page 236 and having same PAN may be collated and identified as a single Bid in the Bidding process. The Equity Shares Allocated and Allotted to such successful Bidders (with same PAN) may be proportionately distributed.

If the Bid is submitted in joint names, the Bid cum Application Form should contain only the name of the first Bidder whose name should also appear as the first holder of the depository account held in joint names. The signature of only the first Bidder would be required in the Bid cum Application Form and such first Bidder would be deemed to have signed on behalf of the joint holders. Bidders will be required to confirm and will be deemed to have represented to our Company, the Underwriters, their respective directors, officers, agents, affiliates and representatives that they are eligible under applicable law, rules, regulations, guidelines and approvals to acquire the Equity Shares.

## **WITHDRAWAL OF THE ISSUE**

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

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

Further, the Stock Exchanges shall be informed promptly in this regard and the Book Running Lead Manager, through the Registrar to the Issue, shall notify the SCSBs to unblock the Bank Accounts of the ASBA Applicants within one Working Day from the date of receipt of such notification.

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

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

## JURISDICTION

Exclusive jurisdiction for the purpose of this issue is with the competent courts / authorities at Ludhiana, Punjab.

## ISSUE PROGRAMME

<b>Bid / Issue Opened on</b>	Monday, September 30, 2024 <sup>(1)</sup>
<b>Bid / Issue Closed on</b>	Thursday, October 03, 2024
<b>Finalization of Basis of Allotment with the Designated Stock Exchange</b>	On or about Friday, October 04, 2024
<b>Initiation of Allotment / Refunds / Unblocking of Funds from ASBA Account or UPI ID linked bank account*</b>	On or about Monday, October 07, 2024
<b>Credit of Equity Shares to Demat accounts of Allottees</b>	On or about Monday, October 07, 2024
<b>Commencement of trading of the Equity Shares on the Stock Exchange</b>	On or about Tuesday, October 08, 2024

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

Standardization of cut-off time for uploading of applications on the Bid / Issue Closing Date:

- A standard cut-off time of 3.00 P.M. for acceptance of applications.
- A standard cut-off time of 4.00 P.M. for uploading of applications received from other than retail individual applicants.
- A standard cut-off time of 5.00 P.M. for uploading of applications received from only retail individual applicants, which may be extended up to such time as deemed fit by National Stock Exchange of India Limited after taking into account the total number of applications received up to the closure of timings and reported by Book Running Lead Manager to National Stock Exchange of India Limited within half an hour of such closure.

It is clarified that Bids not uploaded would be rejected. In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical Bid-Cum- Application Form, for a particular bidder, the details as per physical Bid-Cum-application form of that Bidder may be taken as the final data for the purpose of allotment.

Bids will be accepted only on Working Days, i.e., Monday to Friday (excluding bank holidays).

## ISSUE PROCEDURE

All Applicants should review the General Information Document for Investing in Public Issue, prepared and issued in accordance with the circular SEBI/HO/CFD/DIL2/CIR/P/2020/37 dated 17th March 2020 notified by SEBI and updated pursuant to SEBI Circular CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, the SEBI Circular SEBI/HO/CFD/DIL2/CIR/P/2016/26 dated January 21, 2016, SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 and updated pursuant to SEBI Circular SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020 (the “General Information Document”) which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, the SCRA, the SCRR and the SEBI ICDR Regulations. The General Information Document is available on the websites of Stock Exchange, the Company and the Book Running Lead Manager. Please refer to the relevant provisions of the General Information Document which are applicable to the Issue.

Additionally, all Applicants may refer to the General Information Document for information in relation to (i) Category of investor eligible to participate in the Issue; (ii) maximum and minimum Issue size; (iii) price discovery and allocation; (iv) Payment Instructions for ASBA Applicants; (v) Issuance of CAN and Allotment in the Issue; (vi) General instructions (limited to instructions for completing the Application Form); (vii) designated date; (viii) disposal of applications; (ix) submission of Application Form; (x) other instructions (limited to joint applications in cases of individual, multiple applications and instances when an application would be rejected on technical grounds); (xi) applicable provisions of Companies Act, 2013 relating to punishment for fictitious applications; (xii) mode of making refunds; and (xiii) interest in case of delay in Allotment or refund.

SEBI through its circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 read with its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019 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 RIBs applying through Designated Intermediaries was made effective along with the existing process and existing timeline of T+6 days. (“UPI Phase I”). The UPI Phase I was effective till June 30, 2019.

Subsequently, for applications by Retail Individual Investors through Designated Intermediaries, the process of physical movement of forms from Designated Intermediaries to SCSBs for blocking of funds has been discontinued and only the UPI Mechanism with existing timeline of T+6 days is applicable for a period of 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 final reduced timeline of T+3 days for the UPI Mechanism for applications by UPI Bidders (“UPI Phase III”), as may be prescribed by SEBI. Further, SEBI, vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, and circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, has introduced certain additional measures for streamlining the process of initial public offers and redressing investor grievances. This circular is effective for initial public offers opening on / or after May 1, 2021, except as amended pursuant to SEBI circular SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, and the provisions of this circular are deemed to form part of this Prospectus. Furthermore, pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022, all individual Investors in initial public offerings (opening on or after May 1, 2022) whose application sizes are up to ₹500,000 shall use the UPI Mechanism.

Furthermore, SEBI vide press release bearing number 12/2023 has approved the proposal for reducing the time period for listing of shares in public issue from existing 6 working days to 3 working days from the date of the closure of the issue. The revised timeline of T+3 days shall be made applicable in two phases i.e. voluntary for all public issues opening on or after September 1, 2023 and mandatory on or after December 1, 2023. Further, SEBI has vide its circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 reduced the time taken for listing of specified securities after the closure of a public issue to three Working Days. Accordingly, the Issue will be made under UPI Phase III on a mandatory basis, subject to any circulars, clarification or notification issued by the SEBI from time to time.

The list of Banks that have been notified by SEBI as Issuer Banks for UPI are provided on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40>. The list of Stockbrokers, Depository Participants (DP), Registrar to an Issue and Share Transfer Agent (RTA) that have been notified by EMERGE Platform of National Stock Exchange of India Limited (“NSE EMERGE”) to act as intermediaries for submitting Application Forms are provided on [www1.nseindia.com/emerge](http://www1.nseindia.com/emerge) For details on their designated branches for submitting

*Application Forms, please see the above-mentioned website of Platform of National Stock Exchange of India Limited ("NSE EMERGE").*

*Our Company and Book Running Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated in this section and the General Information Document and is not liable for any amendment, modification or change in the applicable law, which may occur after the date of this Prospectus. Applicants are advised to make their independent investigations and ensure that their application are submitted in accordance with applicable laws and do not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or as specified in this Prospectus.*

*Further, the Company and the Book Running Lead Manager are not liable for any adverse occurrence's consequent to the implementation of the UPI Mechanism for application in this Issue.*

## **PHASED IMPLEMENTATION OF UPI FOR BIDS BY RETAIL INDIVIDUAL BIDDERS AS PER THE UPI CIRCULAR**

SEBI has issued circular bearing number SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018, circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 08, 2019 and circular SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020 (collectively the "UPI Circulars") in relation to streamlining the process of public issue of equity shares and convertibles. 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 the ASBA) for applications by RIBs through intermediaries with the objective to reduce the time duration from public issue closure to listing from six working days to up to three working days. Considering the time required for making necessary changes to the systems and to ensure complete and smooth transition to the UPI payment mechanism, the UPI Circular proposes to introduce and implement the UPI payment mechanism in three phases in the following manner:

**Phase I:** This phase was applicable from January 1, 2019 until March 31, 2019 or floating of five main board public issues, whichever is later. Subsequently, the timeline for implementation of Phase I was extended till June 30, 2019. Under this phase, a Retail Individual had the option to submit the Application Form with any of the intermediary and use his / her UPI ID for the purpose of blocking of funds. The time duration from public issue closure to listing continued to be six working days.

**Phase II:** This phase has become applicable from July 1, 2019 and was to initially continue for a period of three months or floating of five main board public issues, whichever is later. Subsequently, it was decided to extend the timeline for implementation of Phase II until March 31, 2020. Further still, as per SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, the current Phase II of Unified Payments Interface with Application Supported by Blocked Amount is continued till further notice. Under this phase, submission of the ASBA Form by RIBs through Designated Intermediaries (other than SCSBs) to SCSBs for blocking of funds will be discontinued and will be replaced by the UPI payment mechanism. However, the time duration from public issue closure to listing continues to be six working days during this phase.

**Phase III:** This phase has become applicable on a voluntary basis for all issues opening on or after September 1, 2023 and on a mandatory basis for all issues opening on or after December 1, 2023, vide SEBI circular bearing number SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 ("T+3 Notification"). In this phase, the time duration from public issue closure to listing has been reduced to three Working Days. The Issue shall be undertaken pursuant to the processes and procedures as notified in the T+3 Notification as applicable, subject to any circulars, clarification or 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 payment mechanism.

For further details, refer to the General Information Document available on the websites of the Stock Exchanges and the Book Running Lead Manager.

Pursuant to the SEBI UPI Circular, SEBI has set out specific requirements for redressal of investor grievances for applications that have been made through the UPI Mechanism. The requirements of the SEBI UPI Circular include,

appointment of a nodal officer by the SCSB and submission of their details to SEBI, the requirement for SCSBs to send SMS alerts for the blocking and unblocking of UPI mandates, the requirement for the Registrar to submit details of cancelled, withdrawn or deleted applications, and the requirement for the bank accounts of unsuccessful Bidders to be unblocked not later than one day from the date on which the Basis of Allotment is finalised. Failure to unblock the accounts within the timeline would result in the SCSBs being penalised under the relevant securities law. Additionally, if there is any delay in the redressal of investors' complaints in this regard, the relevant SCSB as well as the post – issue Book Running Lead Manager will be required to compensate the concerned investor.

All SCSBs offering facility of making application in public issues shall also provide facility to make application using the UPI Mechanism. The Issuers will be required to appoint one of the SCSBs as a sponsor bank to act as a conduit between the Stock Exchanges and NPCI in order to facilitate collection of requests and / or payment instructions of the Retail Individual Applicants into the UPI payment mechanism.

The processing fees for applications made by UPI Bidders using the UPI Mechanism may be released to the remitter banks (SCSBs) only after such banks make an application as prescribed in Annexure I of SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and provide a written confirmation on compliance with SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 read with SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021.

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>.

Further, pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 5, 2022, all UPI Bidders applying in public Offers where the application amount is up to ₹ 5,00,000 shall use the UPI Mechanism and shall also provide their UPI ID in the Bid cum Application Form submitted with any of the entities mentioned herein below:

- a syndicate member
- a stock broker registered with a recognized stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity) (“broker”)
- a depository participant (“DP”) (whose name is mentioned on the website of the stock exchange as eligible for this activity)
- a registrar to the issue and shares transfer agent (“RTA”) (whose name is mentioned on the website of the stock exchange as eligible for this activity)

For further details, refer to the General Information Document to be available on the website of the Stock Exchange and the Book Running Lead Manager's.

## BOOK BUILDING PROCEDURE

In terms of Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended (the “SCRR”) read with Regulation 252 of SEBI ICDR Regulations, 2018, the Issue is being made for at least 25% of the post-Issue Paid-up Equity Share capital of our Company. The Issue is being made under Regulation 229(1) of Chapter IX of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 via book building process.

The allocation to the public will be made as per Regulation 253 of SEBI ICDR Regulations, wherein not more than 50% of the Issue shall be allocated on a proportionate basis to QIBs, provided that our Company, in consultation with the Book Running Lead Manager, allocated up to 49.92% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations, of which one-third was reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. Further, 5% of the QIB Portion (excluding the Anchor Investor Portion) was available for allocation on a proportionate basis only to Mutual Funds, and the remainder of the QIB Portion was available for allocation on a proportionate basis to all QIBs (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Issue Price. Further, not less than 15% of the Issue shall be available for allocation on a proportionate basis to Non-Institutional Investors and not less than 35% of the Issue shall be available for allocation to Retail Individual Investors in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Issue Price.

Accordingly, we have allocated the Net Issue i.e., not less than 35% of the Net Issue shall be available for allocation to Retail Individual Bidders and not less than 15% of the Net Issue shall be available for allocation to Non-institutional bidders and not more than 50% of the Net Issue shall be allocated on a proportionate basis to QIBs.

Subject to valid Bids being received at or above the Issue Price, undersubscription, if any, in any category, except the QIB Portion, would be allowed to be met with spill-over from any other category or a combination of categories at the discretion of our Company in consultation with the Book Running Lead Manager, and the Designated Stock Exchange. However, under-subscription, if any, in the QIB Portion will not be allowed to be met with spill over from other categories or a combination of categories.

The Equity Shares, on Allotment, shall be traded only in the dematerialised segment of the Stock Exchanges.

***Bidders should note that the Equity Shares will be allotted to all successful Bidders only in dematerialized form. The Bid cum Application Forms which do not have the details of the Bidders' depository account, including DP ID, Client ID and PAN and UPI ID (for RIBs using the UPI Mechanism), shall be treated as incomplete and will be rejected. Eligible Employees Bidding in the Employee Reservation Portion Bidding using the UPI Mechanism, shall be treated as incomplete and will be rejected. Bidders will not have the option of being Allotted Equity Shares in physical form.***

***Investors must ensure that their PAN is linked with Aadhaar and are in compliance with the notification dated February 13, 2020 issued by the Central Board of Direct Taxes and the press release dated June 25, 2021.***

## **AVAILABILITY OF RED HERRING PROSPECTUS AND APPLICATION FORMS**

The Memorandum containing the salient features of the Red Herring Prospectus together with the Application Forms and copies of the Prospectus were made available at the Registered Office of our Company, from the Registered Office of the Book Running Lead Manager to the Issue, Registrar to the Issue as mentioned in the Application form. The application forms were also available for downloading from the website of National Stock Exchange of India Limited i.e. [www.nseindia.com](http://www.nseindia.com). Applicants shall only use the specified Application Form for the purpose of making an Application in terms of the Red Herring Prospectus. All the applicants shall have to apply only through the ASBA process. ASBA Applicants shall submit an Application Form either in physical or electronic form to the SCSB's authorizing blocking of funds that are available in the bank account specified in the Applicants shall only use the specified Application Form for the purpose of making an Application in terms of the Prospectus. The Application Form shall contain space for Indicating number of specified securities subscribed for in Demat form.

## **BID CUM APPLICATION FORM**

Copies of the Bid cum Application Form and the abridged prospectus will be available at the offices of the Book Running Lead Manager, the Designated Intermediaries, and the Registered Office of our Company. An electronic copy of the Application Form will also be available for download on the websites of the National Stock Exchange of India Limited ([www.nseindia.com](http://www.nseindia.com)), the SCSBs, the Registered Brokers, the RTAs and the CDPs at least one day prior to the Issue Opening Date.

All ASBA Bidders must provide either (i) the bank account details and authorization to block funds in the ASBA Form, or (ii) the UPI ID (in case of UPI Bidders), as applicable, in the relevant space provided in the ASBA Form. The ASBA Forms that do not contain such details will be rejected.

UPI Bidders Bidding using the UPI Mechanism must provide the UPI ID in the relevant space provided in the Bid cum Application Form. Bid cum Application Forms that do not contain the UPI ID are liable to be rejected. Applications made by the UPI Bidder using third party bank account or using third party linked bank account UPI ID are liable for rejection. UPI Bidders Bidding using the UPI Mechanism may also apply through the SCSBs and mobile applications using the UPI handles as provided on the website of SEBI.

Further, Bidders shall ensure that the Bids are submitted at the Bidding Centres only on Bid cum Application Forms bearing the stamp of a Designated Intermediary (except in case of electronic Bid cum Application Forms) and Bid cum Application Forms not bearing such specified stamp may be liable for rejection.

ASBA Bidders are also required to ensure that the ASBA Account has sufficient credit balance as an amount equivalent to the full Bid Amount which can be blocked by the SCSBs or sponsor banks, as applicable, at the time of submitting the Bid. In order to ensure timely information to investors, SCSBs are required to send SMS alerts to investors intimating them about Bid Amounts blocked/ unblocked including details as prescribed in Annexure II of SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022.

The prescribed colour of the Application Form for various categories is as follows:

Category	Colour of Bid cum Application Form*
Anchor Investors <sup>1</sup>	Grey
Resident Indians, including resident QIBs, Non-Institutional Investors, Retail Individual Investors and Eligible NRIs applying on a non-repatriation basis <sup>^</sup>	White
Non-Residents including FPIs, Eligible NRIs, FVCIs and registered bilateral and multilateral institutions applying on a repatriation basis <sup>^</sup>	Blue

\*Excluding electronic Bid cum Application Form

<sup>^</sup>Electronic Bid cum Application Form and the abridge prospectus were made available for download on the website of the stock exchange ([www.nseindia.com](http://www.nseindia.com))

<sup>1</sup> Bid cum Application Forms for Anchor Investors were available at the offices of the Book Running Lead Manager

Designated Intermediaries (other than SCSBs) after accepting Bid Cum Application Form submitted by RIIs (without using UPI for payment), NIIs and QIBs shall capture and upload the relevant details in the electronic bidding system of stock exchange(s) and shall submit / deliver the Bid Cum Application Forms to respective SCSBs where the Bidders has a bank account and shall not submit it to any non-SCSB Bank.

Further, for applications submitted to designated intermediaries (other than SCSBs), with use of UPI for payment, after accepting the Bid Cum Application Form, respective intermediary shall capture and upload the relevant application details, including UPI ID, in the electronic bidding system of stock exchange(s).

Bidders shall only use the specified Bid Cum Application Form for making an Application in terms of the Prospectus.

The Bid Cum Application Form shall contain information about the Bidder and the price and the number of Equity Shares that the Bidders wish to apply for. Bid Cum Application Forms downloaded and printed from the websites of the Stock Exchange shall bear a system generated unique application number. Bidders are required to ensure that the ASBA Account has sufficient credit balance as an amount equivalent to the full Application Amount can be blocked by the SCSB or Sponsor Bank at the time of submitting the Application.

An Investor, intending to subscribe to this Issue, shall submit a completed Bid Cum Application Form to any of the following intermediaries (Collectively called – “Designated Intermediaries”)

Sr. No.	Designated Intermediaries
1.	An SCSB, with whom the bank account to be blocked, is maintained
2.	A syndicate member (or sub-syndicate member)
3.	A stock broker registered with a recognized stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity) (‘broker’)
4.	A depository participant (‘DP’) (whose name is mentioned on the website of the stock exchange as eligible for this activity)
5.	A registrar to an issue and share transfer agent (‘RTA’) (whose name is mentioned on the website of the stock exchange as eligible for this activity)

Retails investors submitting application with any of the entities at (ii) to (v) above (hereinafter referred as “Intermediaries”), and intending to use UPI, shall also enter their UPI ID in the Bid Cum Application Form.

The aforesaid intermediary shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the Bid Cum Application Form, in physical or electronic mode, respectively.

The upload of the details in the electronic bidding system of stock exchange will be done by:

<b>For Applications submitted by Investors to SCSB:</b>	After accepting the form, SCSB shall capture and upload the relevant details in the electronic bidding system as specified by the stock exchange and may begin blocking funds available in the bank account specified in the form, to the extent of the application money specified.
<b>For applications submitted by investors to intermediaries other than SCSBs:</b>	After accepting the Bid Cum Application Form, respective Intermediary shall capture and upload the relevant details in the electronic bidding system of the stock exchange. Post uploading, they shall forward a schedule as per prescribed format along with the Bid Cum Application Forms to designated branches of the respective SCSBs for blocking of funds within one day of closure of Issue.

<b>For applications submitted by investors to intermediaries other than SCSBs with use of UPI for payment:</b>	After accepting the Bid Cum Application Form, respective intermediary shall capture and upload the relevant application details, including UPI ID, in the electronic bidding system of stock exchange. Stock exchange shall share application details including the UPI ID with sponsor bank on a continuous basis, to enable sponsor bank to initiate mandate request on investors for blocking of funds. Sponsor bank shall initiate request for blocking of funds through NPCI to investor. Investor to accept mandate request for blocking of funds, on his / her mobile application, associated with UPI ID linked bank account.
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The Stock Exchanges shall accept the ASBA applications in their electronic bidding system only with a mandatory confirmation on the application monies blocked. For UPI Bidders using UPI Mechanism, the Stock Exchanges shall share the Bid details (including UPI ID) with the Sponsor Bank on a continuous basis to enable the Sponsor Bank to initiate UPI Mandate Request to UPI Bidders for blocking of funds. For ASBA Forms (other than UPI Mechanism) Designated Intermediaries (other than SCSBs) shall submit / deliver the ASBA Forms to the respective SCSB where the Bidder has an ASBA bank account and shall not submit it to any non-SCSB bank or any Escrow Collection Bank.

For UPI Bidders using UPI Mechanism, the Stock Exchanges shall share the Bid details (including UPI ID) with the Sponsor Bank on a continuous basis to enable the Sponsor Bank to initiate UPI Mandate Request to UPI Bidders for blocking of funds. The Sponsor Bank shall initiate request for blocking of funds through NPCI to UPI Bidders, who shall accept the UPI Mandate Request for blocking of funds on their respective mobile applications associated with UPI ID linked bank account. In accordance with BSE Circular No: 20220803-40 and National Stock Exchange of India Limited Circular No: 25/2022, each dated August 3, 2022, for all pending UPI Mandate Requests, the Sponsor Bank shall initiate requests for blocking of funds in the ASBA Accounts of relevant Bidders with a confirmation cut-off time of 5:00 pm on the Bid / Issue Closing Date ("Cut-Off Time"). Accordingly, UPI Bidders should accept UPI Mandate Requests for blocking off funds prior to the Cut- off Time and all pending UPI Mandate Requests at the Cut-Off Time shall lapse. Further, modification of Bids shall be allowed in parallel during the Bid / Issue Period until the Cut-Off Time. The NPCI shall maintain an audit trail for every bid entered in the Stock Exchanges bidding platform, and the liability to compensate UPI Bidders (using the UPI Mechanism) in case of failed transactions shall be with the concerned entity (i.e., the Sponsor Bank, NPCI or the bankers to an issue) at whose end the lifecycle of the transaction has come to a halt. The NPCI shall share the audit trail of all disputed transactions / investor complaints to the Sponsor Bank and the Bankers to the Issue. The Book Running Lead Manager s shall also be required to obtain the audit trail from the Sponsor Bank and the Bankers to the Issue for analysing the same and fixing liability.

Stock exchange shall allow modification of selected fields viz. DP ID / Client ID or Pan ID (Either DP ID / Client ID or Pan ID can be modified but not BOTH), Bank code and Location code, in the bid details already uploaded.

Upon completion and submission of the Bid Cum Application Form to Application Collecting intermediaries, the Bidders are deemed to have authorized our Company to make the necessary changes in the Prospectus, without prior or subsequent notice of such changes to the Bidders.

#### **Availability of Red Herring Prospectus and Bid Cum Application Forms**

Copies of the Bid cum Application Form and the abridged prospectus were available at the offices of the Book Running Lead Manager, the Designated Intermediaries at Bidding Centres, and Registered Office of our Company. An electronic copy of the Bid cum Application Form was also be available for download on the websites of SCSBs (via Internet Banking) and National Stock Exchange of India Limited ([www.nseindia.com](http://www.nseindia.com)) at least one day prior to the Bid / Issue Opening Date.

Bid cum application for Anchor Investor shall be made available at the Office of the Book Running Lead Manager.

#### **Who can Bid?**

Each Bidder should check whether it is eligible to apply under applicable law, rules, regulations, guidelines and policies. Furthermore, certain categories of Bidders, such as NRIs, FPIs and FVCIs may not be allowed to apply in the Issue or to hold Equity Shares, in excess of certain limits specified under applicable law. Bidders are requested to refer to the Prospectus for more details.

Subject to the above, an illustrative list of Bidders is as follows:

- Indian nationals' resident in India who are not incompetent to contract under the Indian Contract Act, 1872, as amended, in single or as a joint application and minors having valid Demat account as per Demographic Details provided by the Depositories. Furthermore, based on the information provided by the Depositories, our Company shall have the right to accept the Applications belonging to an account for the benefit of minor (under guardianship);

- Hindu Undivided Families or HUFs, in the individual name of the Karta. The Bidder should specify that the application is being made in the name of the HUF in the Bid Cum Application Form as follows: —Name of Sole or First Bidder: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Kartal. Applications by HUFs would be considered at par with those from individuals;
- Companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in the Equity Shares under their respective constitutional and charter documents;
- Mutual Funds registered with SEBI;
- Eligible NRIs on a repatriation basis or on a non-repatriation basis, subject to applicable laws. NRIs other than Eligible NRIs are not eligible to participate in this Issue;
- Indian Financial Institutions scheduled commercial banks, regional rural banks, co-operative banks (subject to RBI permission, and the SEBI Regulations and other laws, as applicable);
- FPIs other than Category III FPI; VCFs and FVCIs registered with SEBI;
- Limited Liability Partnerships (LLPs) registered in India and authorized to invest in equity shares;
- Sub-accounts of FIIs registered with SEBI, which are foreign corporate or foreign individuals only under the Non-Institutional Bidder 's category;
- Venture Capital Funds and Alternative Investment Fund (I) registered with SEBI; State Industrial Development Corporations;
- Foreign Venture Capital Investors registered with the SEBI;
- Trusts / societies registered under the Societies Registration Act, 1860, as amended, or under any other law relating to Trusts and who are authorized under their constitution to hold and invest in equity shares;
- Scientific and / or Industrial Research Organizations authorized to invest in equity shares;
- Insurance Companies registered with Insurance Regulatory and Development Authority, India;
- Provident Funds with minimum corpus of ₹ 25 Crores and who are authorized under their constitution to hold and invest in equity shares;
- Pension Funds and Pension Funds with minimum corpus of ₹ 25 Crores and who are authorized under their constitution to hold and invest in equity shares;
- National Investment Fund set up by Resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of Government of India published in the Gazette of India;
- Multilateral and bilateral development financial institution;
- Eligible QFIs;
- Insurance funds set up and managed by army, navy or air force of the Union of India;
- Insurance funds set up and managed by the Department of Posts, India;
- Any other person eligible to apply in this Issue, under the laws, rules, regulations, guidelines and policies applicable to them.

**Applications not to be made by:**

- Minors (except through their Guardians)

- Partnership firms or their nominations
- Foreign Nationals (except NRIs)
- Overseas Corporate Bodies

As per the existing regulations, OCBs are not eligible to participate in this Issue. The RBI has however clarified in its circular, A.P. (DIR Series) Circular No. 44, dated December 8, 2003 that OCBs which are incorporated and are not under the adverse notice of the RBI are permitted to undertake fresh investments as 138 incorporated non-resident entities in terms of Regulation 5(1) of RBI Notification No. 20/2000-RB dated May 3, 2000 under FDI Scheme with the prior approval of Government if the investment is through Government Route and with the prior approval of RBI if the investment is through Automatic Route on case by case basis. OCBs may invest in this Issue provided it obtains a prior approval from the RBI. On submission of such approval along with the Bid Cum Application Form, the OCB shall be eligible to be considered for share allocation.

## MAXIMUM AND MINIMUM APPLICATION SIZE

### 1. For Retail Individual Bidders

The Application must be for a minimum of 1,200 Equity Shares and in multiples of 1,200 Equity Shares thereafter, so as to ensure that the Application Price payable by the Bidder does not exceed 2,00,000.00. In case of revision of Applications, the Retail Individual Bidders have to ensure that the Application Price does not exceed 2,00,000.00.

### 2. For Other than Retail Individual Bidders (Non-Institutional Applicants and QIBs):

The Application must be for a minimum of such number of Equity Shares that the Application Amount exceeds ₹2,00,000.00 and in multiples of 1,200 Equity Shares thereafter. An application cannot be submitted for more than the Net Issue Size. However, the maximum Application by a QIB investor should not exceed the investment limits prescribed for them by applicable laws. Under existing SEBI Regulations, a QIB Bidder cannot withdraw its Application after the Issue Closing Date and is required to pay 100% QIB Margin upon submission of Application.

In case of revision in Applications, the Non-Institutional Bidders, who are individuals, have to ensure that the Application Amount is greater than ₹2,00,000.00 for being considered for allocation in the Non-Institutional Portion.

**Bidders are advised to ensure that any single Application from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Prospectus.**

**The above information is given for the benefit of the Bidders. The Company and the Book Running Lead Managers are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Prospectus. Bidders are advised to make their independent investigations and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws or regulations.**

## METHOD OF BIDDING PROCESS

Our Company in consultation with the Book Running Lead Manager will decide the Price Band and the minimum Bid lot size for the Issue. The Book Running Lead Manager and the SCSBs shall accept Bids from the Bidders during the Bid / Issue Period.

- The Bid / Issue Period was for a minimum of three Working Days and shall not exceed 10 Working Days. The Bid / Issue Period maybe extended, if required, by an additional three Working Days, subject to the total Bid / Issue Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bid / Issue Period, if applicable, will be published in all editions of the English national newspaper Financial Express, all editions of Hindi national newspaper Jansatta and Jalandhar Edition of Regional newspaper Nawan Zamana where the registered office of the company is situated, each with wide circulation and also by indicating the change on the websites of the Book Running Lead Manager.
- During the Bid / Issue Period, Retail Individual Bidders, should approach the Book Running Lead Manager or their authorized agents to register their Bids. The Book Running Lead Manager shall accept Bids from Anchor Investors and ASBA Bidders in Specified Cities and it shall have the right to vet the Bids during the Bid / Issue Period in accordance with the terms of the Prospectus. ASBA Bidders should approach the Designated Branches or the Book Running Lead Manager (for the Bids to be submitted in the Specified Cities) to register their Bids.

- c) Each Bid cum Application Form will give the Bidder the choice to Bid for up to three optional prices (for details refer to the paragraph titled “Bids at Different Price Levels and Revision of Bids” below) within the Price Band and specify the demand (i.e., the number of Equity Shares Bid for) in each option. The price and demand options submitted by the Bidder in the Bid cum Application Form will be treated as optional demands from the Bidder and will not be cumulated. After determination of the Issue Price, the maximum number of Equity Shares Bid for by a Bidder / Applicant at or above the Issue Price will be considered for allocation / Allotment and the rest of the Bid(s), irrespective of the Bid Amount, will become automatically invalid.
- d) The Bidder / Applicant cannot Bid through another Bid cum Application Form after Bids through one Bid cum Application Form have been submitted to a Book Running Lead Manager or the SCSBs. Submission of a second Bid cum Application Form to either the same or to another Book Running Lead Manager or SCSB will be treated as multiple Bid and is liable to be rejected either before entering the Bid into the electronic bidding system, or at any point of time prior to the allocation or Allotment of Equity Shares in this Issue. However, the Bidder can revise the Bid through the Revision Form, the procedure for which is detailed under the paragraph **“Build-up of the Book and Revision of Bids”**.
- e) Except in relation to the Bids received from the Anchor Investors, the Book Running Lead Manager / the SCSBs will enter each Bid option into the electronic bidding system as a separate Bid and generate a Transaction Registration Slip, (“TRS”), for each price and demand option and give the same to the Bidder. Therefore, a Bidder can receive up to three TRSs for each Bid cum Application Form.
- f) The Book Running Lead Manager shall accept the Bids from the Anchor Investors during the Anchor Investor Bid / Issue Period i.e., one working day prior to the Bid / Issue Opening Date. Bids by QIBs under the Anchor Investor Portion and the QIB Portion shall not be considered as multiple Bids.
- g) Along with the Bid cum Application Form, Anchor Investors will make payment in the manner described in “Escrow Mechanism - Terms of payment and payment into the Escrow Accounts” in the section **“Issue Procedure”** beginning on page 236 of this Prospectus.
- h) Upon receipt of the Bid cum Application Form, submitted whether in physical or electronic mode, the Designated Branch of the SCSB shall verify if sufficient funds equal to the Bid Amount are available in the ASBA Account, as mentioned in the Bid cum Application Form, prior to uploading such Bids with the Stock Exchange.
- i) If sufficient funds are not available in the ASBA Account, the Designated Branch of the SCSB shall reject such Bids and shall not upload such Bids with the Stock Exchange.
- j) If sufficient funds are available in the ASBA Account, the SCSB shall block an amount equivalent to the Bid Amount mentioned in the Bid cum Application Form and will enter each Bid option into the electronic bidding system as a separate Bid and generate a TRS for each price and demand option. The TRS shall be furnished to the ASBA Bidder on request.
- k) The Bid Amount shall remain blocked in the aforesaid ASBA Account until finalisation of the Basis of Allotment and consequent transfer of the Bid Amount against the Allotted Equity Shares to the Public Issue Account, or until withdrawal / failure of the Issue or until withdrawal / rejection of the Bid cum Application Form, as the case may be. Once the Basis of Allotment is finalized, the Registrar to the Issue shall send an appropriate request to the SCSB for unblocking the relevant ASBA Accounts and for transferring the amount allocable to the successful Bidders to the Public Issue Account. In case of withdrawal / failure of the Issue, the blocked amount shall be unblocked on receipt of such information from the Registrar to the Issue.

#### **BIDS AT DIFFERENT PRICE LEVELS AND REVISION OF BIDS**

- a) Our Company in consultation with the Book Running Lead Manager , and without the prior approval of, or intimation, to the Bidders, reserves the right to revise the Price Band during the Bid / Issue Period, in accordance with the SEBI ICDR Regulations, provided that (i) the Cap Price shall be less than or equal to 120% of the Floor Price, (ii) the Cap Price will be at least 105% of the Floor Price, and (iii) the Floor Price shall not be less than the face value of the Equity Shares. The revision in Price Band shall not exceed 20% on the either side i.e., the floor price can move up or down to the extent of 20% of the floor price disclosed. If the revised price band decided, falls within two different price bands than the minimum application lot size shall be decided based on the price band in which the higher price falls into.

- b) Our Company in consultation with the Book Running Lead Manager, will finalize the Issue Price within the Price Band, without the prior approval of, or intimation, to the Bidders.
- c) The Bidders can Bid at any price within the Price Band. The Bidder has to Bid for the desired number of Equity Shares at a specific price. Retail Individual Bidders may Bid at the Cut-off Price. However, bidding at the Cut-off Price is prohibited for QIB and Non-Institutional Bidders and such Bids from QIB and Non-Institutional Bidders shall be rejected.
- d) Retail Individual Bidders, who Bid at Cut-off Price agree that they shall purchase the Equity Shares at any price within the Price Band. Retail Individual Bidders shall submit the Bid cum Application Form along with a cheque / demand draft for the Bid Amount based on the Cap Price with the Syndicate. In case of ASBA Bidders (excluding Non-Institutional Bidders and QIB Bidders) bidding at Cut-off Price, the ASBA Bidders shall instruct the SCSBs to block an amount based on the Cap Price.
- e) The price of the specified securities offered to an anchor investor shall not be lower than the price offered to other applicants.

#### **PARTICIPATION BY ASSOCIATES / AFFILIATES OF BOOK RUNNING LEAD MANAGER AND THE SYNDICATE MEMBERS**

The Book Running Lead Manager and the Syndicate Members, if any, shall not be allowed to purchase in this Issue in any manner, except towards fulfilling their underwriting obligations. However, the associates and affiliates of the Book Running Lead Manager and the Syndicate Members, if any, may subscribe the Equity Shares in the Issue, either in the QIB Category or in the Non-Institutional Category as may be applicable to such Bidders, where the allocation is on a proportionate basis and such subscription may be on their own account or on behalf of their clients.

Neither the Book Running Lead Manager nor any persons related to the Book Running Lead Manager (other than Mutual Funds sponsored by entities related to the Book Running Lead Manager), Promoters and Promoter Group can apply in the Issue under the Anchor Investor Portion.

#### **OPTION TO SUBSCRIBE IN THE ISSUE**

- a) As per Section 29(1) of the Companies Act 2013, allotment of Equity Shares shall be made in dematerialized form only. Investors will not have the option of getting allotment of specified securities in physical form.
- b) The Equity Shares, on allotment, shall be traded on the Stock Exchange in Demat segment only.
- c) A single application from any investor shall not exceed the investment limit / minimum number of Equity Shares that can be held by him / her / it under the relevant regulations / statutory guidelines and applicable law.

#### **INFORMATION FOR THE BIDDERS**

1. Our Company and the Book Running Lead Manager declared the Issue Opening Date and Issue Closing Date in the Red Herring Prospectus to be registered with the Registrar of Companies and also published the same in two national newspapers (one each in English and Hindi) and in a regional newspaper with wide circulation. This advertisement shall be in prescribed format.
2. Our Company has filed the Red Herring Prospectus with the Registrar of Companies at least 3 (three) days before the Issue Opening Date.
3. Copies of the Bid Cum Application Form along with Abridged Prospectus and copies of the Red Herring Prospectus were made available with the Book Running Lead Manager, the Registrar to the Issue, and at the Registered Office of our Company. Electronic Bid Cum Application Forms were also made available on the websites of the Stock Exchange.
4. Any Bidder who would like to obtain the Red Herring Prospectus and / or the Bid Cum Application Form can obtain the same from our Registered Office.
5. Bidders who are interested in subscribing for the Equity Shares should approach Designated Intermediaries to register their applications.

6. Bid Cum Application Forms submitted directly to the SCSBs should bear the stamp of the SCSBs and / or the Designated Branch, or the respective Designated Intermediaries. Bid Cum Application Form submitted by Applicants whose beneficiary account is inactive shall be rejected.
7. The Bid Cum Application Form can be submitted either in physical or electronic mode, to the SCSBs with whom the ASBA Account is maintained, or other Designated Intermediaries (Other than SCSBs). SCSBs may provide the electronic mode of collecting either through an internet enabled collecting and banking facility or such other secured, electronically enabled mechanism for applying and blocking funds in the ASBA Account. The Retail Individual Applicants has to apply only through UPI Channel, they have to provide the UPI ID and validate the blocking of the funds and such Bid Cum Application Forms that do not contain such details are liable to be rejected.
8. Bidders applying directly through the SCSBs should ensure that the Bid Cum Application Form is submitted to a Designated Branch of SCSB, where the ASBA Account is maintained. Applications submitted directly to the SCSB's or other Designated Intermediaries (Other than SCSBs), the relevant SCSB, shall block an amount in the ASBA Account equal to the Application Amount specified in the Bid Cum Application Form, before entering the ASBA application into the electronic system.
9. Except for applications by or on behalf of the Central or State Government and the Officials appointed by the courts and by investors residing in the State of Sikkim, the Bidders, or in the case of application in joint names, the first Bidder (the first name under which the beneficiary account is held), should mention his / her PAN allotted under the Income Tax Act. In accordance with the SEBI Regulations, the PAN would be the sole identification number for participating transacting in the securities market, irrespective of the amount of transaction. Any Bid Cum Application Form without PAN is liable to be rejected. The demat accounts of Bidders for whom PAN details have not been verified, excluding person resident in the State of Sikkim or persons who may be exempted from specifying their PAN for transacting in the securities market, shall be "suspended for credit" and no credit of Equity Shares pursuant to the Issue will be made into the accounts of such Bidders.
10. The Bidders may note that in case the PAN, the DP ID and Client ID mentioned in the Bid Cum Application Form and entered into the electronic collecting system of the Stock Exchange Designated Intermediaries do not match with PAN, the DP ID and Client ID available in the Depository database, the Bid Cum Application Form is liable to be rejected.

## **BIDS BY ANCHOR INVESTORS**

Our Company in consultation with the Book Running Lead Manager, may consider participation by Anchor Investors in the Issue for up to 49.92% of the QIB Portion in accordance with the SEBI Regulations. Only QIBs as defined in Regulation 2(1) (ss) of the SEBI Regulations and not otherwise excluded pursuant to Schedule XIII of the SEBI Regulations are eligible to invest. The QIB Portion will be reduced in proportion to allocation under the Anchor Investor Portion. In the event of undersubscription in the Anchor Investor Portion, the balance Equity Shares will be added to the QIB Portion. In accordance with the SEBI Regulations, the key terms for participation in the Anchor Investor Portion are provided below.

1. Anchor Investor Bid cum Application Forms will be made available for the Anchor Investors at the offices of the Book Running Lead Manager.
2. The Bid must be for a minimum of such number of Equity Shares so that the Bid Amount is at least 200.00 lakhs. A Bid cannot be submitted for over 60% of the QIB Portion. In case of a Mutual Fund, separate Bids by individual schemes of a Mutual Fund will be aggregated to determine the minimum application size of 200.00 lakhs.
3. One-third of the Anchor Investor Portion will be reserved for allocation to domestic Mutual Funds.
4. Bidding for Anchor Investors will open one Working Day before the Bid / Issue Opening Date and be completed on the same day.
5. Our Company in consultation with the Book Running Lead Manager, will finalize allocation to the Anchor Investors on a discretionary basis, provided that the minimum and maximum number of Allottees in the Anchor Investor Portion will be, as mentioned below:
  - where allocation in the Anchor Investor Portion is up to 200.00 Lakhs, maximum of 2 (two) Anchor Investors.

- where the allocation under the Anchor Investor Portion is more than 200.00 Lakhs but upto 2500.00 Lakhs, minimum of 2 (two) and maximum of 15 (fifteen) Anchor Investors, subject to a minimum Allotment of 100.00 Lakhs per Anchor Investor; and
  - where the allocation under the Anchor Investor portion is more than 2500.00 Lakhs; (i) minimum of 5 (five) and maximum of 15 (fifteen) Anchor Investors for allocation upto 2500.00 Lakhs; and (ii) an additional 10 Anchor Investors for every additional allocation of 2500.00 Lakhs or part thereof in the Anchor Investor Portion; subject to a minimum Allotment of 100.00 Lakhs per Anchor Investor.
6. Allocation to Anchor Investors will be completed on the Anchor Investor Bid / Issue Period. The number of Equity Shares allocated to Anchor Investors and the price at which the allocation is made will be made available in the public domain by the Book Running Lead Manager before the Bid / Issue Opening Date, through intimation to the Stock Exchange.
  7. Anchor Investors cannot withdraw or lower the size of their Bids at any stage after submission of the Bid.
  8. If the Issue Price is greater than the Anchor Investor Allocation Price, the additional amount being the difference between the Issue Price and the Anchor Investor Allocation Price will be payable by the Anchor Investors within 2 (two) Working Days from the Bid / Issue Closing Date. If the Issue Price is lower than the Anchor Investor Allocation Price, Allotment to successful Anchor Investors will be at the higher price, i.e., the Anchor Investor Issue Price.
  9. At the end of each day of the bidding period, the demand including allocation made to anchor investors, shall be shown graphically on the bidding terminals of syndicate members and website of stock exchange offering electronically linked transparent bidding facility, for information of public.
  10. Equity Shares Allotted in the Anchor Investor Portion will be locked in for a period of 30 days from the date of Allotment.
  11. The Book Running Lead Manager, our Promoters, Promoter Group or any person related to them (except for Mutual Funds sponsored by entities related to the Book Running Lead Manager) will not participate in the Anchor Investor Portion. The parameters for selection of Anchor Investors will be clearly identified by the Book Running Lead Manager and made available as part of the records of the Book Running Lead Manager for inspection by SEBI.
  12. Bids made by QIBs under both the Anchor Investor Portion and the QIB Portion will not be considered multiple Bids.
  13. Anchor Investors are not permitted to Bid in the Issue through the ASBA process.

#### **BIDS BY ELIGIBLE NRI'S**

Eligible NRIs may obtain copies of Bid cum Application Form from the offices of the Book Running Lead Manager and the Designated Intermediaries. Eligible NRI Bidders bidding on a repatriation basis by using the Non- Resident Forms should authorize their SCSB to block their Non-Resident External (“NRE”) accounts, or Foreign Currency Non-Resident (“FCNR”) ASBA Accounts, and eligible NRI Bidders bidding on a non-repatriation basis by using Resident Forms should authorize their SCSB to block their Non- Resident Ordinary (“NRO”) accounts for the full Bid Amount, at the time of the submission of the Bid cum Application Form.

Eligible NRIs bidding on non-repatriation basis are advised to use the Bid cum Application Form for residents (white in colour).

Eligible NRIs bidding on a repatriation basis are advised to use the Bid cum Application Form meant for Non-Residents (blue in colour).

#### **BIDS BY FPI INCLUDING FII'S**

In terms of the SEBI FPI Regulations, any qualified foreign investor or FII who holds a valid certificate of registration from SEBI shall be deemed to be an FPI until the expiry of the block of three years for which fees have been paid as per the SEBI FII Regulations. An FII or a sub-account may participate in this Issue, in accordance with Schedule 2 of the FEMA Regulations, until the expiry of its registration with SEBI as an FII or a sub-account. An FII shall not be eligible to invest as an FII after registering as an FPI under the SEBI FPI Regulations.

In case of Bids made by FPIs, a certified copy of the certificate of registration issued by the designated depository participant under the FPI Regulations is required to be attached to the Bid cum Application Form, failing which our Company reserves the right to reject any Bid without assigning any reason. An FII or subaccount may, subject to payment of conversion fees under the SEBI FPI Regulations, participate in the Issue, until the expiry of its registration as a FII or sub-account, or until it obtains a certificate of registration as FPI, whichever is earlier. Further, in case of Bids made by SEBI-registered FIIs or sub-accounts, which are not registered as FPIs, a certified copy of the certificate of registration as an FII issued by SEBI is required to be attached to the Bid cum Application Form, failing which our Company reserves the right to reject any Bid without assigning any reason.

In terms of the SEBI FPI Regulations, the Issue of Equity Shares to a single FPI or an investor group (which means the same set of ultimate beneficial owner(s) investing through multiple entities) must be below 10% of our post-Issue Equity Share capital. Further, in terms of the FEMA Regulations, the total holding by each FPI shall be below 10% of the total paid-up Equity Share capital of our Company and the total holdings of all FPIs put together shall not exceed 24% of the paid-up Equity Share capital of our Company. The aggregate limit of 24% may be increased up to the sectorial cap by way of a resolution passed by the Board of Directors followed by a special resolution passed by the Shareholders of our Company and subject to prior intimation to RBI. In terms of the FEMA Regulations, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs as well as holding of FIIs (being deemed FPIs) shall be included. The existing individual and aggregate investment limits an FII or sub account in our Company is 10% and 24% of the total paid-up Equity Share capital of our Company, respectively.

FPIs are permitted to participate in the Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 22 of the SEBI FPI Regulations, an FPI, other than Category III foreign portfolio and unregulated broad based funds, which are classified as Category II foreign portfolio investor by virtue of their investment manager being appropriately regulated, may issue or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by an FPI against securities held by it that are listed or proposed to be listed on any recognized stock exchange in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only to persons who are regulated by an appropriate regulatory authority; and (ii) such offshore derivative instruments are issued after compliance with know your client norms. An FPI is also required to ensure that no further issue or transfer of any offshore derivative instrument is made by or on behalf of it to any persons that are not regulated by an appropriate foreign regulatory authority.

FPIs who wish to participate in the Issue are advised to use the Bid cum Application Form for Non- Residents (blue in colour).

#### **BIDS BY SEBI REGISTERED VCF'S, AIF'S AND FVCI'S**

The SEBI FVCI Regulations, SEBI VCF Regulations and the SEBI AIF Regulations prescribe, inter alia, the investment restrictions on the FVCIs, VCFs and AIFs registered with SEBI respectively. Further, VCFs and FVCIs can invest only up to 33.33% of the investible funds by way of subscription to an initial public offering. Category I AIF and Category II AIF cannot invest more than 25% of the investible funds in one Investee Company directly or through investment in the units of other AIFs. A Category III AIF cannot invest more than 10% of the investible funds in one Investee Company directly or through investment in the units of other AIFs. AIFs which are authorized under the fund documents to invest in units of AIFs are prohibited from offering their units for subscription to other AIFs. A VCF registered as a Category I AIF, as defined in the SEBI AIF Regulations, cannot invest more than 1/3rd of its investible funds by way of subscription to an initial public offering of a venture capital undertaking. Additionally, a VCF that has not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the SEBI VCF Regulations (and accordingly shall not be allowed to participate in the Issue) until the existing fund or scheme managed by the fund is wound up and such funds shall not launch any new scheme after the notification of the SEBI AIF Regulations.

There is no reservation for Eligible NRIs, FPIs and FVCIs and all Bidders will be treated on the same basis with other categories for the purpose of allocation.

Further, the shareholding of VCFs, category I AIFs or category II AIFs and FVCIs holding Equity Shares prior to Issue, shall be locked-in for a period of at least one year from the date of purchase of such Equity Shares.

All non-resident investors should note that refunds, dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and commission.

Our Company or the Book Running Lead Manager will not be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.

#### **BIDS BY HUFs**

Hindu Undivided Families or HUFs, in the individual name of the Karta. The Bidder should specify that the Application is being made in the name of the HUF in the Bid cum Application Form as follows: “Name of sole or first Applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta”. Bid cum Applications by HUFs may be considered at par with Bid cum Applications from individuals.

#### **BIDS BY MUTUAL FUNDS**

No Mutual Fund scheme shall invest more than 10% of its net asset value in equity shares or equity related instruments of any single company provided that the limit of 10% shall not be applicable for investments in index funds or sector or industry specific funds. No Mutual Fund under all its schemes should own more than 10% of any company’s paid-up share capital carrying voting rights.

With respect to Bids by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged with the Bid cum Application Form. Failing this, our Company reserves the right to accept or reject any Bid cum Application in whole or in part, in either case, without assigning any reason thereof.

In case of a mutual fund, a separate Bid cum Application can be made in respect of each scheme of the mutual fund registered with SEBI and such Applications in respect of more than one scheme of the mutual fund will not be treated as multiple applications provided that the Bids clearly indicate the scheme concerned for which the Bids has been made.

The Bids made by the asset management companies or custodians of Mutual Funds shall specifically state the names of the concerned schemes for which the Applications are made.

#### **BIDS BY SYSTEMATICALLY IMPORTANT NON-BANKING FINANCIAL COMPANIES**

In case of Applications made by Systemically Important Non-Banking Financial Companies, a certified copy of the certificate of registration issued by the RBI, a certified copy of its last audited financial statements and a Networth certificate from its statutory auditor(s) and such other approval as may be required by the Systemically Important NBFCs are required to be attached to the Bid cum Application Form.

Failing this, our Company reserve the right to reject any Application, without assigning any reason thereof. Systemically Important Non-Banking Financial Companies participating in the Issue shall comply with all applicable legislations, regulations, directions, guidelines and circulars issued by RBI from time to time.

The investment limit for Systemically Important NBFCs shall be as prescribed by RBI from time to time.

#### **BIDS BY LIMITED LIABILITY PARTNERSHIPS**

In case of Bids made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Bid cum Application Form. Failing this, our Company reserves the right to reject any bid without assigning any reason thereof. Limited liability partnerships can participate in the Issue only through the ASBA process.

#### **BIDS BY INSURANCE COMPANIES**

In case of Bids made by insurance companies registered with the IRDA, a certified copy of certificate of registration issued by IRDA must be attached to the Bid cum Application Form. Failing this, our Company reserves the right to reject any Bid by Insurance Companies without assigning any reason thereof. The exposure norms for insurers, prescribed under the Insurance Regulatory and Development Authority (Investment) Regulations, 2000, based on investments in equity shares of the investee company, the entire group of the investee company and the industry sector in which the investee company operates. Insurance companies participating in the Issue are advised to refer to the IRDAI Investment Regulations 2016, as amended, are broadly set forth below:

- Equity shares of a company: the least of 10% of the investee company’s subscribed capital (face value) or 10% of the respective fund in case of life insurer or 10% of investment assets in case of general insurer or reinsurer;

- The entire group of the investee company: not more than 15% of the respective fund in case of a life insurer or 15% of investment assets in case of a general insurer or reinsurer or 15% of the investment assets in all companies belonging to the group, whichever is lower; and
- The industry sector in which the investee company belong to: not more than 15% of the fund of a life insurer or a general insurer or a reinsurer or 15% of the investment asset, whichever is lower.

The maximum exposure limit, in the case of an investment in equity shares, cannot exceed the lower of an amount of 10% of the investment assets of a life insurer or general insurer and the amount calculated under (1), (2) and (3) above, as the case may be.

*\*The above limit of 10% shall stand substituted as 15% of outstanding equity shares (face value) for insurance companies with investment assets of ₹ 25,000,000 lakhs or more and 12% of outstanding equity shares (face value) for insurers with investment assets of ₹ 5,000,000 lakhs or more but less than ₹ 25,000,000 lakhs.*

Insurance companies participating in this Issue shall comply with all applicable regulations, guidelines and circulars issued by IRDAI from time to time.

### **BIDS UNDER POWER OF ATTORNEY**

In case of Bids made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, FIIs, Eligible FPI's, Mutual Funds, insurance companies, Systemically Important NBFCs, , insurance funds set up by the army, navy or air force of the Union of India, insurance funds set up by the Department of Posts, India, or the National Investment Fund and provident funds with a minimum corpus of ₹ 2500 Lakhs (subject to applicable law) and pension funds with a minimum corpus of ₹2500 Lakhs, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and / or bye laws must be lodged along with the Bid cum Application Form. Failing this, our Company reserves the right to accept or reject any Bid in whole or in part, in either case, without assigning any reasons thereof. In addition to the above, certain additional documents are required to be submitted by the following entities:

- a) With respect to Bids by FIIs and Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Bid cum Application Form.
- b) With respect to Bids by insurance companies registered with the Insurance Regulatory and Development Authority, in addition to the above, a certified copy of the certificate of registration issued by the Insurance Regulatory and Development Authority must be lodged along with the Bid cum Application Form.
- c) With respect to Bids made by provident funds with a minimum corpus of ₹ 2500 Lakhs (subject to applicable law) and pension funds with a minimum corpus of ₹ 2500 Lakhs, a certified copy of a certificate from a chartered accountant certifying the corpus of the provident fund / pension fund must be lodged along with the Bid cum Application Form.
- d) With respect to Bids made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Bid cum Application Form.
- e) Our Company in consultation with the Book Running Lead Manager in their absolute discretion, reserves the right to relax the above condition of simultaneous lodging of the power of attorney along with the Bid cum Application form, subject to such terms and conditions that our Company and the Book Running Lead Manager may deem fit.

The above information is given for the benefit of the Bidders. Our Company, the Book Running Lead Manager and the Syndicate Members are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of the Red Herring Prospectus. Bidders are advised to make their independent investigations and Bidders are advised to ensure that any single Bid from them does not exceed the applicable investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in the Red Herring Prospectus.

### **BIDS BY PROVIDENT FUNDS / PENSION FUNDS**

In case of Bids made by provident funds with minimum corpus of ₹25.00 Crore (subject to applicable law) and pension funds with minimum corpus of ₹25.00 Crore, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund / pension fund must be lodged along with the Bid cum Application Form. Failing this, the

Company reserves the right to accept or reject any bid in whole or in part, in either case, without assigning any reason thereof.

## **BIDS BY BANKING COMPANY**

In case of Bids made by banking companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, and (ii) the approval of such banking company's investment committee are required to be attached to the Bid cum Application Form, failing which our Company reserves the right to reject any Bid by a banking company without assigning any reason.

The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, 1949, as amended (the "Banking Regulation Act"), and the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, is 10% of the paid-up share capital of the investee company not being its subsidiary engaged in non-financial services or 10% of the banks' own paid-up share capital and reserves, whichever is lower. However, a banking company would be permitted to invest in excess of 10% but not exceeding 30% of the paid-up share capital of such investee company if (i) the investee company is engaged in non-financial activities permitted for banks in terms of Section 6(1) of the Banking Regulation Act, or (ii) the additional acquisition is through restructuring of debt / corporate debt restructuring / strategic debt restructuring, or to protect the banks' interest on loans / investments made to a company. The bank is required to submit a time bound action plan for disposal of such shares within a specified period to RBI. A banking company would require a prior approval of RBI to make (i) investment in a subsidiary and a financial services company that is not a subsidiary (with certain exception prescribed), and (ii) investment in a nonfinancial services company in excess of 10% of such investee company's paid-up share capital as stated in 5(a)(v)(c)(i) of the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016.

## **BIDS BY SCSB'S**

SCSBs participating in the Issue are required to comply with the terms of the SEBI circulars dated September 13, 2012 and January 2, 2013. Such SCSBs are required to ensure that for making Bid cum Applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account shall be used solely for the purpose of making Bid cum application in public issues and clear demarcated funds should be available in such account for such Bid cum applications.

## **ISSUANCE OF A CONFIRMATION NOTE ("CAN") AND ALLOTMENT IN THE ISSUE**

1. Upon approval of the basis of allotment by the Designated Stock Exchange, the Book Running Lead Manager or Registrar to the Issue shall send to the SCSBs a list of their Bidders who have been allocated Equity Shares in the Issue.
2. The Registrar will then dispatch a CAN to their Bidders who have been allocated Equity Shares in the Issue. The dispatch of a CAN shall be deemed a valid, binding and irrevocable contract for the Bidder.

## **ISSUE PROCEDURE FOR APPLICATION SUPPORTED BY BLOCKED ACCOUNT (ASBA) BIDDERS**

In accordance with the SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the Bidders have to compulsorily apply through the ASBA Process. Our Company and the Book Running Lead Manager are not liable for any amendments, modifications, or changes in applicable laws or regulations, which may occur after the date of the Red Herring Prospectus. ASBA Bidders are advised to make their independent investigations and to ensure that the ASBA Bid Cum Application Form is correctly filled up, as described in this section.

The lists of banks that have been notified by SEBI to act as SCSB (Self-Certified Syndicate Banks) for the ASBA Process are provided on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>. For details on designated branches of SCSB collecting the Bid Cum Application Form, please refer the above-mentioned SEBI link.

## **TERMS OF PAYMENT**

The entire Issue price of ₹ 117.00 per share is payable on application. In case of allotment of lesser number of Equity Shares than the number applied, the Registrar shall instruct the SCSBs to unblock the excess amount paid on Application to the Bidders.

SCSBs will transfer the amount as per the instruction of the Registrar to the Public Issue Account, the balance amount after transfer will be unblocked by the SCSBs.

The Bidders should note that the arrangement with Bankers to the Issue or the Registrar is not prescribed by SEBI and has been established as an arrangement between our Company, Banker to the Issue and the Registrar to the Issue to facilitate collections from the Bidders.

## **PAYMENT MECHANISM**

The Bidders shall specify the bank account number in their Bid Cum Application Form and the SCSBs shall block an amount equivalent to the Application Amount in the bank account specified in the Bid Cum Application Form. The SCSB shall keep the Application Amount in the relevant bank account blocked until withdrawal / rejection of the Application or receipt of instructions from the Registrar to unblock the Application Amount. However, Non-Retail Bidders shall neither withdraw nor lower the size of their applications at any stage. In the event of withdrawal or rejection of the Bid Cum Application Form or for unsuccessful Bid Cum Application Forms, the Registrar to the Issue shall give instructions to the SCSBs to unblock the application money in the relevant bank account within one day of receipt of such instruction. The Application Amount shall remain blocked in the ASBA Account until finalization of the Basis of Allotment in the Issue and consequent transfer of the Application Amount to the Public Issue Account, or until withdrawal / failure of the Issue or until rejection of the Application by the ASBA Bidder, as the case may be.

Please note that, in terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, all the investors applying in a public Issue shall use only Application Supported by Blocked Amount (ASBA) process for application providing details of the bank account which will be blocked by the Self-Certified Syndicate Banks (SCSBs) for the same. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018, Retail Individual Investors applying in public Issue have to use UPI as a payment mechanism with Application Supported by Blocked Amount for making application.

## **PAYMENT INTO ESCROW ACCOUNT FOR ANCHOR INVESTORS**

All the investors other than Anchor Investors are required to bid through ASBA Mode. Anchor Investors are requested to note the following:

Our Company in consultation with the Book Running Lead Manager, in its absolute discretion, decided the list of Anchor Investors to whom the CAN was sent, pursuant to which the details of the Equity Shares allocated to them in their respective names was notified to such Anchor Investors. For Anchor Investors, the payment instruments for payment into the Escrow Account should be drawn in favour of:

- a) In case of resident Anchor Investors: — “PARAMOUNT DYE TEC LIMITED ANCHOR INVESTOR-R”
- b) In case of Non-Resident Anchor Investors: — “PARAMOUNT DYE TEC LIMITED ANCHOR INVESTOR-NR”
- c) Bidders should note that the escrow mechanism is not prescribed by SEBI and has been established as an arrangement between our Company, the Syndicate, the Escrow Collection Bank and the Registrar to the Issue to facilitate collections from the Anchor Investors.

## **ELECTRONIC REGISTRATION OF APPLICATIONS**

1. The Designated Intermediaries will register the applications using the on-line facilities of the Stock Exchange.
2. The Designated Intermediaries will undertake modification of selected fields in the application details already uploaded before 1.00 p.m. of next Working Day from the Issue Closing Date.
3. The Designated Intermediaries shall be responsible for any acts, mistakes or errors or omissions and commissions in relation to,
  - a) the applications accepted by them,
  - b) the applications uploaded by them
  - c) the applications accepted but not uploaded by them or
  - d) With respect to applications by Bidders, applications accepted and uploaded by any Designated Intermediary other than SCSBs, the Bid Cum Application Form along with relevant schedules shall be sent to the SCSBs or the Designated Branch of the relevant SCSBs for blocking of funds and they will be responsible for blocking the necessary amounts in the ASBA Accounts. In case of Application accepted and uploaded by SCSBs, the SCSBs

or the Designated Branch of the relevant SCSBs will be responsible for blocking the necessary amounts in the ASBA Accounts.

4. Neither the Book Running Lead Manager nor our Company nor the Registrar to the Issue, shall be responsible for any acts, mistakes or errors or omission and commissions in relation to;
  - (i) The applications accepted by any Designated Intermediaries
  - (ii) The applications uploaded by any Designated Intermediaries or
  - (iii) The applications accepted but not uploaded by any Designated Intermediaries
5. The Stock Exchange will offer an electronic facility for registering applications for the Issue. This facility will be available at the terminals of Designated Intermediaries and their authorized agents during the Issue Period. The Designated Branches or agents of Designated Intermediaries can also set up facilities for off-line electronic registration of applications subject to the condition that they will subsequently upload the off-line data file into the online facilities on a regular basis. On the Issue Closing Date, the Designated Intermediaries shall upload the applications till such time as may be permitted by the Stock Exchange. This information will be available with the Book Running Lead Manager on a regular basis.
6. With respect to applications by Bidders, at the time of registering such applications, the Syndicate Bakers, DPs and RTAs shall forward a Schedule as per format given below along with the Bid Cum Application Forms to Designated Branches of the SCSBs for blocking of funds:

Sr. No.	Details*
1.	Symbol
2.	Intermediary Code
3.	Location Code
4.	Application No.
5.	Category
6.	PAN
7.	DP ID
8.	Client ID
9.	Quantity
10.	Amount

*\*Stock Exchanges shall uniformly prescribe character length for each of the above-mentioned fields.*

7. With respect to applications by Bidders, at the time of registering such applications, the Designated Intermediaries shall enter the following information pertaining to the Bidders into the on-line system:
  - Name of the Bidder;
  - IPO Name;
  - Bid Cum Application Form Number;
  - Investor Category PAN (of First Bidder, if more than one Bidder);
  - DP ID of the demat account of the Bidder;
  - Client Identification Number of the demat account of the Bidder;
  - Number of Equity Shares Applied for;
  - Bank Account details;
  - Locations of the Banker to the Issue or Designated Branch, as applicable, and bank code of the SCSB branch where the ASBA Account is maintained; and
  - Bank account number.

8. In case of submission of the Application by a Bidder through the Electronic Mode, the Bidder shall complete the above- mentioned details and mention the bank account number, except the Electronic ASBA Bid Cum Application Form number which shall be system generated.
9. The aforesaid Designated Intermediaries shall, at the time of receipt of application, give an acknowledgment to the investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the Bid Cum Application Form in physical as well as electronic mode. The registration of the Application by the Designated Intermediaries does not guarantee that the Equity Shares shall be allocated / allotted either by our Company.
10. Such acknowledgment will be non-negotiable and by itself will not create any obligation of any kind.
11. In case of Non-Retail Bidders and Retail Individual Bidders, applications would not be rejected except on the technical grounds as mentioned in the Red Herring Prospectus. The Designated Intermediaries shall have no right to reject applications, except on technical grounds.
12. The permission given by the Stock Exchanges to use their network and software of the Online IPO system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company and / or the Book Running Lead Manager are cleared or approved by the Stock Exchanges; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the compliance with the statutory and other requirements nor does it take any responsibility for the financial or other soundness of our company; our Promoters, our management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of the Red Herring Prospectus, nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges.
13. The Designated Intermediaries will be given time till 1.00 p.m. on the next working day after the Bid / Issue Closing Date to verify the DP ID and Client ID uploaded in the online IPO system during the Issue Period, after which the Registrar to the Issue will receive this data from the Stock Exchange and will validate the electronic application details with Depository's records. In case no corresponding record is available with Depositories, which matches the three parameters, namely DP ID, Client ID and PAN, then such applications are liable to be rejected.
14. The SCSBs was given one day after the Bid / Issue Closing Date to send confirmation of Funds blocked (Final certificate) to the Registrar to the Issue.
15. The details uploaded in the online IPO system was considered as final and Allotment was based on such details for applications.

#### **BUILD OF THE BOOK**

- a) Bids received from various Bidders through the Designated Intermediaries was electronically uploaded on the Bidding Platform of the Stock Exchange on a regular basis. The book gets built up at various price levels. This information may be available with the Book Running Lead Manager at the end of the Bid / Issue Period.
- b) Based on the aggregate demand and price for Bids registered on the Stock Exchange Platform, a graphical representation of consolidated demand and price as available on the websites of the Stock Exchange may be made available at the Bidding centres during the Bid / Issue Period.

#### **WITHDRAWAL OF BIDS**

- a) RIIs can withdraw their Bids until Bid / Issue Closing Date. In case a RII wishes to withdraw the Bid during the Bid / Issue Period, the same can be done by submitting a request for the same to the concerned Designated Intermediary who shall do the requisite, including unblocking of the funds by the SCSB in the ASBA Account.
- b) The Registrar to the Issue shall give instruction to the SCSB for unblocking the ASBA Account on the Designated Date. QIBs and NIIs can neither withdraw nor lower the size of their Bids at any stage.

#### **PRICE DISCOVERY AND ALLOCATION**

- a) Based on the demand generated at various price levels, our Company in consultation with the Book Running Lead Manager, shall finalise the Issue Price and the Anchor Investor Issue Price.

- b) The SEBI ICDR Regulations, 2018 specify the allocation or Allotment that may be made to various categories of Bidders in an Issue depending on compliance with the eligibility conditions. Certain details pertaining to the percentage of Issue size available for allocation to each category is disclosed overleaf of the Bid cum Application Form and in the Red Herring Prospectus. For details in relation to allocation, the Bidder may refer to the Red Herring Prospectus.
- c) Under-subscription in any category (except QIB Category) is allowed to be met with spill over from any other category or combination of categories at the discretion of the Issuer and the in consultation with the Book Running Lead Manager and the Designated Stock Exchange and in accordance with the SEBI ICDR Regulations. Unsubscribed portion in QIB Category is not available for subscription to other categories.
- d) In case of under subscription in the Issue, spill-over to the extent of such under-subscription may be permitted from the Reserved Portion to the Issue. For allocation in the event of an undersubscription applicable to the Issuer, Bidders may refer to the Red Herring Prospectus.
- e) In case if the Retail Individual Investor category is entitled to more than the allocated portion on proportionate basis, the category shall be allotted that higher percentage.
- f) Allocation to Anchor Investors shall be at the discretion of our Company and in consultation with the Book Running Lead Manager, subject to compliance with the SEBI Regulations.

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

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

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

#### **SIGNING OF UNDERWRITING AGREEMENT AND REGISTERING OF RED HERRING PROSPECTUS / PROSPECTUS WITH REGISTRAR OF COMPANIES**

- a) Our company has entered into an Underwriting Agreement dated May 21, 2024.
- b) A copy of Red Herring Prospectus was registered with the Registrar of Companies and copy of Prospectus will be registered with Registrar of Companies in terms of Section 26 & 32 of Companies Act, 2013.

#### **PRE-ISSUE ADVERTISEMENT**

Subject to Section 30 of the Companies Act 2013, our Company shall, after registering the Red Herring Prospectus with the Registrar of Companies, published a pre-Issue advertisement, in the form prescribed by the SEBI Regulations, in (i) English National Newspaper; (ii) Hindi National Newspaper and (iii) Regional Newspaper each with wide circulation. In the pre-Issue advertisement, we shall state the Bid Opening Date and the Bid / Issue Closing Date and the floor price or price band along with necessary details subject to regulation 250 of SEBI ICDR Regulations. This advertisement, subject to the provisions of section 30 of the Companies Act, 2013, shall be in the format prescribed in Part A of Schedule X of the SEBI Regulations.

#### **ADVERTISEMENT REGARDING ISSUE PRICE AND PROSPECTUS**

Our Company will issue a statutory advertisement after the filing of the Prospectus with the Registrar of Companies. This advertisement, in addition to the information that has to be set out in the statutory advertisement, shall indicate the final derived Issue Price. Any material updates between the date of the Red Herring Prospectus and the date of Prospectus will be included in such statutory advertisement.

## GENERAL INSTRUCTIONS

Please note that the NIIs are not permitted to withdraw their bids or lower the size of Bids in terms of quantity of Equity Shares or Bid Amount) at any stage. Retail Individual Investor can revise their Bids during the Bid / Issue period and withdraw their Bids until Bid / Issue Closing date.

Anchor investors are not allowed to withdraw their Bids after Anchor Investors bidding date.

### Do's:

1. Check if you are eligible to apply as per the terms of the Red Herring Prospectus and under applicable law, rules, regulations, guidelines and approvals;
2. Ensure that you have Bid within the Price Band;
3. Read all the instructions carefully and complete the Bid cum Application Form in the prescribed form;
4. Ensure that the details about the PAN, DP ID, Client ID, UPI ID are correct, and the Bidders depository account is active, as Allotment of the Equity Shares will be in the dematerialized form only;
5. Ensure that your Bid cum Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the Bidding Centre;
6. If the first applicant is not the account holder, ensure that the Bid cum Application Form is signed by the account holder. Ensure that you have mentioned the correct bank account number in the Bid cum Application Form;
7. In case of Joint bids, ensure the first bidder is the ASBA Account holder (or the UPI linked bank account holder, as the case may be) and the signature of the first bidder is included in the Bid cum Application Form;
8. QIBs, Non-Institutional Bidders and the Retail Bidders should submit their Bids through the ASBA process only. However, pursuant to SEBI circular dated November 01, 2018, RII may submit their bid by using UPI mechanism for payment.
9. Ensure that the name(s) given in the Bid cum Application Form is / are exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case of joint Bids, the Bid cum Application Form should contain only the name of the First Bidder whose name should also appear as the first holder of the beneficiary account held in joint names;
10. Ensure that you request for and receive a stamped acknowledgement of the Bid cum Application Form for all your Bid options;
11. Ensure that you have funds equal to the Bid Amount in the Bank Account maintained with the SCSB before submitting the Bid cum Application Form under the ASBA process or application forms submitted by RIIs using UPI mechanism for payment, to the respective member of the Syndicate (in the Specified Locations), the SCSBs, the Registered Broker (at the Broker Centers), the RTA (at the Designated RTA Locations) or CDP (at the Designated CDP Locations);
12. Submit revised Bids to the same Designated Intermediary, through whom the original Bid was placed and obtain a revised acknowledgment;
13. Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of a SEBI circular dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, and (ii) Bids by persons resident in the state of Sikkim, who, in terms of a SEBI circular dated July 20, 2006, may be exempted from specifying their PAN for transacting in the securities market, all Bidders should mention their PAN allotted under the IT Act. The exemption for the Central or the State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the Demographic Details received from the respective depositories confirming the exemption granted to the beneficiary owner by a

suitable description in the PAN field and the beneficiary account remaining in “active status”; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same. All other applications in which PAN is not mentioned will be rejected;

14. Ensure that the Demographic Details are updated, true and correct in all respects;
15. Ensure that the signature of the First Bidder in case of joint Bids, is included in the Bid cum Application Forms;
16. Ensure that thumb impressions and signatures other than in the languages specified in the Eighth Schedule to the Constitution of India are attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal;
17. Ensure that the category and the investor status is indicated;
18. Ensure that in case of Bids under power of attorney or by limited companies, corporate, trust etc., relevant documents are submitted;
19. Ensure that Bids submitted by any person outside India should be in compliance with applicable foreign and Indian laws;
20. Bidders should note that in case the DP ID, Client ID and the PAN mentioned in their Bid cum Application Form and entered into the online IPO system of the Stock Exchange by the relevant Designated Intermediary, as the case may be, do not match with the DP ID, Client ID and PAN available in the Depository database, then such Bids are liable to be rejected. Where the Bid cum Application Form is submitted in joint names, ensure that the beneficiary account is also held in the same joint names and such names are in the same sequence in which they appear in the Bid cum Application Form;
21. Ensure that the Bid cum Application Forms are delivered by the Bidders within the time prescribed as per the Bid cum Application Form and the Red Herring Prospectus;
22. Ensure that you have mentioned the correct ASBA Account number or UPI ID in the Bid cum Application Form;
23. Ensure that you have mentioned the details of your own bank account for blocking of fund or your own bank account linked UPI ID to make application in the Public Issue;
24. Ensure that on receipt of the mandate request from sponsor bank, you have taken necessary step in timely manner for blocking of fund on your account through UPI ID using UPI application;
25. Ensure that you have correctly signed the authorization / undertaking box in the Bid cum Application Form, or have otherwise provided an authorization to the SCSB via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form at the time of submission of the Bid;
26. Ensure that you receive an acknowledgement from the concerned Designated Intermediary, for the submission of your Bid cum Application Form; and
27. The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

#### **Don'ts:**

1. Do not Bid for lower than the minimum Bid size;
2. Do not Bid / revise Bid Amount to less than the Floor Price or higher than the Cap Price;
3. Do not pay the Bid Amount in cash, by money order, cheques or demand drafts or by postal order or by stock invest;
4. Do not send Bid cum Application Forms by post; instead submit the same to the Designated Intermediary only.

5. Do not submit the Bid cum Application Forms to any non-SCSB bank or our Company;
6. Do not Bid on a Bid cum Application Form that does not have the stamp of the relevant Designated Intermediary;
7. Do not Bid at Cut-off Price (for Bids by QIBs and Non-Institutional Bidders);
8. Do not instruct your respective Banks to release the funds blocked in the ASBA Account under the ASBA process;
9. Do not Bid for a Bid Amount exceed ₹ 2,00,000.00 (for Applications by Retail Individual Bidders);
10. Do not fill up the Bid cum Application Form such that the Equity Shares Application exceeds the Issue size and / or investment limit or maximum number of the Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations or under the terms of the Red Herring Prospectus;
11. Do not submit the General Index Register number instead of the PAN;
12. Do not submit the Bid without ensuring that funds equivalent to the entire Bid Amount are blocked in the relevant ASBA Account;
13. Do not submit Bids on plain paper or on incomplete or illegible Bid cum Application Forms or on Bid cum Application Forms in a colour prescribed for another category of Applicant;
14. Do not submit a Bid in case you are not eligible to acquire Equity Shares under applicable law or your relevant constitutional documents or otherwise;
15. Do not Bid if you are not competent to contract under the Indian Contract Act, 1872 (other than minors having valid depository accounts as per Demographic Details provided by the depository);
16. Do not submit a Bid by using details of the third party's bank account or UPI ID which is linked with bank account of the third party. Kindly note that Bids made using third party bank account or using third party linked bank account UPI ID are liable for rejection.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

## OTHER INSTRUCTIONS FOR THE BIDDERS' JOINT BIDS

### **Joint Bids**

In the case of Joint Bids, the Bids should be made in the name of the Bidders whose name appears first in the Depository account. The name so entered should be the same as it appears in the Depository records. The signature of only such first Bidders would be required in the Bid cum Application Form / Application Form and such first Bidder would be deemed to have signed on behalf of the joint holders. All payments may be made out in favour of the Bidder whose name appears in the Bid cum Application Form or the Revision Form and all communications may be addressed to such Bidder and may be dispatched to his or her address as per the Demographic Details received from the Depositories.

### **Multiple Bids**

Bidder should submit only one Bid cum Application Form. Bidder shall have the option to make a maximum of Bids at three different price levels in the Bid cum Application Form and such options are not considered as multiple Bids. Submission of a second Bid cum Application Form to either the same or to another member of the Syndicate, SCSB or Registered Broker and duplicate copies of Bid\ cum Application Forms bearing the same application number shall be treated as multiple Bids and are liable to be rejected.

### **Investor Grievance**

In case of any pre-issue or post issue related problems regarding demat credit / refund orders / unblocking etc. the Investors can contact the Compliance Officer of our Company.

### **Nomination Facility to Bidders**

Nomination facility is available in accordance with the provisions of Section 72 of the Companies Act, 2013. In case of allotment of the Equity Shares in dematerialized form, there is no need to make a separate nomination as the nomination registered with the Depository may prevail. For changing nominations, the Bidders should inform their respective DP.

### Submission of Bids

- a) During the Bid / Issue Period, Bidders may approach any of the Designated Intermediaries to register their Bids.
- b) In case of Bidders (excluding NIIs and QIBs) Bidding at cut-off price, the Bidders may instruct the SCSBs to block Bid Amount based on the Cap Price less Discount (if applicable).
- c) For details of the timing on acceptance and upload of Bids in the Stock Exchange platform Bidders are requested to refer to the Red Herring Prospectus.

### GROUND OFS OF TECHNICAL REJECTIONS

Bidders are advised to note that Bids are liable to be rejected inter alia on the following technical grounds:

- Amount blocked does not tally with the amount payable for the Equity Shares applied for;
- In case of partnership firms, Equity Shares may be registered in the names of the individual partners and no firm as such shall be entitled to apply;
- Bid by persons not competent to contract under the Indian Contract Act, 1872 including minors, insane persons;
- PAN not mentioned in the Bid cum Application Form;
- Bids at a price less than the Floor Price and Bids at a price more than the Cap Price;
- GIR number furnished instead of PAN;
- Bid for lower number of Equity Shares than specified for that category of investors;
- Bids at Cut-off Price by NIIs and QIBs;
- Bids for number of Equity Shares which are not in multiples Equity Shares which are not in multiples as specified in the Red Herring Prospectus;
- The amounts mentioned in the Bid cum Application Form / Application Form does not tally with the amount payable for the value of the Equity Shares Bid / Applied for;
- Bids for lower number of Equity Shares than the minimum specified for that category of investors;
- Category not ticked;
- Multiple Bids as defined in the Red Herring Prospectus;
- In case of Bids under power of attorney or by limited companies, corporate, trust etc., where relevant documents are not submitted;
- Bid accompanied by Stock invest / money order / postal order / cash / cheque / demand draft / pay order;
- Signature of sole Bidder is missing;
- Bid cum Application Forms not delivered by the Bidder within the time prescribed as per the Bid cum Application Forms, Bid / Issue Opening Date advertisement and the Red Herring Prospectus and as per the instructions in the Red Herring Prospectus and the Bid cum Application Forms;
- In case no corresponding record is available with the Depositories that matches three parameters namely, names of the Bidders (including the order of names of joint holders), the Depository Participant 's identity (DP ID) and the beneficiary 's account numbers.

- Bids for amounts greater than the maximum permissible amounts prescribed by the regulations;
- Bid by OCBs;
- Bids by US persons other than in reliance on Regulation S or “qualified institutional buyers” as defined in Rule 144A under the Securities Act.
- Inadequate funds in the bank account to block the Bid Amount specified in the Bid cum Application Form / Application Form at the time of blocking such Bid Amount in the bank account;
- Bids not uploaded on the terminals of the Stock Exchanges.
- Where no confirmation is received from SCSB for blocking of funds;
- Bids by SCSBs wherein a separate account in its own name held with any other SCSB is not mentioned as the ASBA Account in the Bid cum Application Form / Application Form. Bids not duly signed by the sole / First Bidder;
- Bids by any persons outside India if not in compliance with applicable foreign and Indian laws;
- Bids that do not comply with the securities laws of their respective jurisdictions are liable to be rejected;
- Bids by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority;
- Bids by persons who are not eligible to acquire Equity Shares of the Company in terms of all applicable laws, rules, regulations, guidelines, and approvals; and
- Details of ASBA Account not provided in the Bid cum Application form.

For details of instructions in relation to the Bid cum Application Form, Bidders may refer to the relevant section the GID.

**BIDDERS SHOULD NOTE THAT IN CASE THE PAN, THE DP ID AND CLIENT ID MENTIONED IN THE BID CUM APPLICATION FORM AND ENTERED INTO THE ELECTRONIC APPLICATION SYSTEM OF THE STOCK EXCHANGES BY THE BIDS COLLECTING INTERMEDIARIES DO NOT MATCH WITH PAN, THE DP ID AND CLIENT ID AVAILABLE IN THE DEPOSITORY DATABASE, THE BID CUM APPLICATION FORM IS LIABLE TO BE REJECTED.**

#### **BASIS OF ALLOCATION**

- The SEBI (ICDR) Regulations specify the allocation or Allotment that may be made to various categories of Bidders in an Issue depending on compliance with the eligibility conditions. Certain details pertaining to the percentage of Issue size available for allocation to each category is disclosed overleaf of the Bid cum Application Form and in the Red Herring Prospectus. For details in relation to allocation, the Bidder may refer to the Red Herring Prospectus.
- Under-subscription in any category (except QIB Category) is allowed to be met with spill over from any other category or combination of categories at the discretion of the Issuer and in consultation with the Book Running Lead Manager and the Designated Stock Exchange and in accordance with the SEBI (ICDR) Regulations, Unsubscribed portion in QIB Category is not available for subscription to other categories.
- In case of under subscription in the issue, spill-over to the extent of such under- subscription may be permitted from the Reserved Portion to the Issue. For allocation in the event of an under-subscription applicable to the Issuer, Bidders may refer to the Red Herring Prospectus.

#### **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.

## ALLOTMENT PROCEDURE

The Allotment of Equity Shares to Bidders other than Retail Individual Investors and Anchor Investors may be on proportionate basis. For Basis of Allotment to Anchor Investors, Bidders may refer to Red Herring 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:

1. On T Day, RTA to validate the electronic bid details with the depository records and also reconcile the final certificates received from the Sponsor Bank for UPI process and the SCSBs for ASBA and Syndicate ASBA process with the electronic bid details.
2. RTA identifies cases with mismatch of account number as per bid file / Final Certificate and as per applicant's bank account linked to depository demat account and seek clarification from SCSB to identify the applications with third party account for rejection.
3. Third party confirmation of applications to be completed by SCSBs on T+1 day.
4. RTA prepares the list of final rejections and circulate the rejections list with BRLM(s)/ Company for their review/ comments.
5. Post rejection, the RTA submits the basis of allotment with the Designated Stock Exchange (DSE).
6. The Designated Stock Exchange (DSE), post verification approves the basis and generates drawal of lots wherever applicable, through a random number generation software.
7. The RTA uploads the drawal numbers in their system and generates the final list of allottees as per process mentioned below:

Process for generating list of allottees: -

- a) Instruction is given by RTA in their Software System to reverse category wise all the application numbers in the ascending order and generate the bucket /batch as per the allotment ratio. For example, if the application number is 78654321 then system reverses it to 12345687 and if the ratio of allottees to applicants in a category is 2:7 then the system will create lots of 7. If the drawal of lots provided by Designated Stock Exchange (DSE) is 3 and 5 then the system will pick every 3rd and 5th application in each of the lot of the category and these applications will be allotted the shares in that category.
- b) In categories where there is proportionate allotment, the Registrar will prepare the proportionate working based on the oversubscription times.
- c) In categories where there is undersubscription, the Registrar will do full allotment for all valid applications.
- d) On the basis of the above, the RTA will work out the allottees, partial allottees and non- allottees, prepare the fund transfer letters and advice the SCSBs to debit or unblock the respective accounts.

## BASIS OF ALLOTMENT

Allotment will be made in consultation with the National Stock Exchange of India Limited. In the event of oversubscription, the allotment will be made on a proportionate basis in marketable lots as set forth here:

1. The total number of Shares to be allocated to each category as a whole shall be arrived at on a proportionate basis i.e. the total number of Shares applied for in that category multiplied by the inverse of the over subscription ratio (number of applicants in the category X number of Shares applied for).

2. The number of Shares to be allocated to the successful applicants will be arrived at on a proportionate basis in marketable lots (i.e. Total number of Shares applied for into the inverse of the over subscription ratio).
  - a) For applications where the proportionate allotment works out to less than 1,200 equity shares the allotment will be made as follows:
    1. Each successful applicant shall be allotted 1,200 equity shares; and
    2. The successful applicants out of the total applicants for that category shall be determined by the drawl of lots in such a manner that the total number of Shares allotted in that category is equal to the number of Shares worked out as per (2) above.
  - b) If the proportionate allotment to an applicant works out to a number that is not a multiple of 1,200 equity shares, the applicant would be allotted Shares by rounding off to the nearest multiple of 1,200 equity shares subject to a minimum allotment of 1,200 equity shares.
  - c) If the Shares allotted on a proportionate basis to any category is more than the Shares allotted to the applicants in that category, the balance available Shares for allocation shall be first adjusted against any category, where the allotted Shares are not sufficient for proportionate allotment to the successful applicants in that category, the balance Shares, if any, remaining after such adjustment will be added to the category comprising of applicants applying for the minimum number of Shares. If as a result of the process of rounding off to the nearest multiple of 1,200 equity shares, results in the actual allotment being higher than the shares offered, the final allotment may be higher at the sole discretion of the Board of Directors, up to 110% of the size of the offer specified under the Capital Structure mentioned in Prospectus.
  - d) The above proportionate allotment of shares in an Issue that is oversubscribed shall be subject to the reservation for small individual applicants as described below:
    1. As the retail individual investor category is entitled to more than fifty percent on proportionate basis, the retail individual investors shall be allocated that higher percentage.
    2. The balance net offer of shares to the public shall be made available for allotment to
      - a. Individual applicants other than retails individual investors and
      - b. Other investors, including Corporate Bodies/ Institutions irrespective of number of shares applied for.
    3. The unsubscribed portion of the net offer to any one of the categories specified in a) or b) shall/may be made available for allocation to applicants in the other category, if so required.

Retail Individual Investor' means an investor who applies for shares of value of not more than Rs. 2,00,000/. Investors may note that in case of over subscription allotment shall be on proportionate basis and will be finalized in consultation with National Stock Exchange of India Limited.

The Executive Director / Managing Director of National Stock Exchange of India Limited – the Designated Stock Exchange in addition to BRLM and Registrar to the Public Issue shall be responsible to ensure that the basis of allotment is finalized in a fair and proper manner in accordance with the SEBI (ICDR) Regulations.

#### **a) For Retail Individual Bidders**

Bids received from the Retail Individual Bidders at or above the Issue Price shall be grouped together to determine the total demand under this category. The Allotment to all the successful Retail Individual Bidders will be made at the Issue Price.

The Issue size less Allotment to Non-Institutional and QIB Bidders shall be available for Allotment to Retail Individual Bidders who have Bid in the Issue at a price that is equal to or greater than the Issue Price. If the aggregate demand in this category is less than or equal to 8,08,800 Equity Shares at or above the Issue Price, full Allotment shall be made to the Retail Individual Bidders to the extent of their valid Bids.

If the aggregate demand in this category is greater than 8,08,800 Equity Shares at or above the Issue Price, the Allotment shall be made on a proportionate basis up to a minimum of 1,200 Equity Shares and in multiples of 1,200 Equity Shares thereafter. For the method of proportionate Basis of Allotment, refer below.

#### **b) For Non-Institutional Bidders**

Bids received from Non-Institutional Bidders at or above the Issue Price shall be grouped together to determine the total demand under this category. The Allotment to all successful Non- Institutional Bidders will be made at the Issue Price.

The Issue size less Allotment to QIBs and Retail shall be available for Allotment to Non- Institutional Bidders who have Bid in the Issue at a price that is equal to or greater than the Issue Price. If the aggregate demand in this category is less than or equal to 3,46,800 Equity Shares at or above the Issue Price, full Allotment shall be made to Non-Institutional Bidders to the extent of their demand.

In case the aggregate demand in this category is greater than 3,46,800 Equity Shares at or above the Issue Price, Allotment shall be made on a proportionate basis up to a minimum of 1,200 Equity Shares and in multiples of 1,200 Equity Shares thereafter. For the method of proportionate Basis of Allotment refer below.

**c) For QIBs**

For the Basis of Allotment to Anchor Investors, Bidders / Applicants may refer to the SEBI ICDR Regulations or Red Herring Prospectus / Prospectus. Bids received from QIBs Bidding in the QIB Category (net of Anchor Portion) at or above the Issue Price may be grouped together to determine the total demand under this category. The QIB Category may be available for Allotment to QIBs who have Bid at a price that is equal to or greater than the Issue Price. Allotment may be undertaken in the following manner: Allotment shall be undertaken in the following manner:

- a) In the first instance allocation to Mutual Funds for 5.00 % of the QIB Portion shall be determined as follows:
  - In the event that Bids by Mutual Fund exceeds 5.00 % of the QIB Portion, allocation to Mutual Funds shall be done on a proportionate basis for 5.00 % of the QIB Portion.
  - In the event that the aggregate demand from Mutual Funds is less than 5.00 % of the QIB Portion then all Mutual Funds shall get full Allotment to the extent of valid Bids received above the Issue Price.
  - Equity Shares remaining unsubscribed, if any, not allocated to Mutual Funds shall be available for Allotment to all QIB Bidders as set out in (b) below;
- b) In the second instance Allotment to all QIBs shall be determined as follows:
  - In the event that the oversubscription in the QIB Portion, all QIB Bidders who have submitted Bids above the Issue Price shall be allotted Equity Shares on a proportionate basis, upto a minimum of 1,200 Equity Shares and in multiples of 1,200 Equity Shares thereafter for 5.00 % of the QIB Portion.
  - Mutual Funds, who have received allocation as per (a) above, for less than the number of Equity Shares Bid for by them, are eligible to receive Equity Shares on a proportionate basis, upto a minimum of 1,200 Equity Shares and in multiples of 1,200 Equity Shares thereafter, along with other QIB Bidders.
  - Under-subscription below 5.00 % of the QIB Portion, if any, from Mutual Funds, would be included for allocation to the remaining QIB Bidders on a proportionate basis. The aggregate Allotment to QIB Bidders shall not be more than 11,52,000 Equity Shares.

**d) ALLOTMENT TO ANCHOR INVESTOR (IF APPLICABLE)**

- a) Allocation of Equity Shares to Anchor Investors at the Anchor Investor Allocation Price was at the discretion of the Issuer, in consultation with the Book Running Lead Manager, subject to compliance with the following requirements:
  - i) not more than 60% of the QIB Portion will be allocated to Anchor Investors;
  - ii) one-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being done to other Anchor Investors; and
  - iii) allocation to Anchor Investors shall be on a discretionary basis and subject to:
    - a maximum number of two Anchor Investors for allocation up to ₹2 crores;

- a minimum number of two Anchor Investors and maximum number of 15 Anchor Investors for allocation of more than ₹2 crores and up to ₹25 crores subject to minimum allotment of ₹1 crores per such Anchor Investor; and
  - in case of allocation above twenty-five crore rupees; a minimum of 5 such investors and a maximum of 15 such investors for allocation up to twenty-five crore rupees and an additional 10 such investors for every additional twenty-five crore rupees or part thereof, shall be permitted, subject to a minimum allotment of one crore rupees per such investor.
- b) A physical book is prepared by the Registrar on the basis of the Anchor Investor Application Forms received from Anchor Investors. Based on the physical book and at the discretion of the Issuer, in consultation with the Book Running Lead Manager, selected Anchor Investors will be sent a CAN and if required, a revised CAN.
- c) In the event that the Issue Price is higher than the Anchor Investor Allocation Price:

Anchor Investors will be sent a revised CAN within one day of the Pricing Date indicating the number of Equity Shares allocated to such Anchor Investor and the pay-in date for payment of the balance amount. Anchor Investors are then required to pay any additional amounts, being the difference between the Issue Price and the Anchor Investor Allocation Price, as indicated in the revised CAN within the pay-in date referred to in the revised CAN. Thereafter, the Allotment Advice will be issued to such Anchor Investors.

- d) In the event the Issue Price is lower than the Anchor Investor Allocation Price:

Anchor Investors who have been Allotted Equity Shares will directly receive Allotment Advice.

- e) Basis of Allotment for QIBs (other than Anchor Investors) and NIIs in case of Over Subscribed Issue:

In the event of the Issue Being Over-Subscribed, the Issuer may finalise the Basis of Allotment in consultation with the NSE Emerge (The Designated Stock Exchange). The allocation may be made in marketable lots on proportionate basis as set forth hereunder:

- a) The total number of Shares to be allocated to each category as a whole shall be arrived at on a proportionate basis i.e., the total number of Shares applied for in that category multiplied by the inverse of the oversubscription ratio (number of Bidders in the category multiplied by number of Shares applied for).
- b) The number of Shares to be allocated to the successful Bidders will be arrived at on a proportionate basis in marketable lots (i.e., Total number of Shares applied for into the inverse of the over subscription ratio).
- c) For Bids where the proportionate allotment works out to less than 1,200 equity shares the allotment will be made as follows:
- Each successful Bidder shall be allotted 1,200 equity shares; and
  - The successful Bidder out of the total bidders for that category shall be determined by draw of lots in such a manner that the total number of Shares allotted in that category is equal to the number of Shares worked out as per (b) above.
- d) If the proportionate allotment to a Bidder works out to a number that is not a multiple of 1,200 equity shares, the Bidder would be allotted Shares by rounding off to the nearest multiple of 1,200 equity shares subject to a minimum allotment of 1,200 equity shares.
- e) If the Shares allotted on a proportionate basis to any category is more than the Shares allotted to the Bidders in that category, the balance available Shares or allocation shall be first adjusted against any category, where the allotted Shares are not sufficient for proportionate allotment to the successful Bidder in that category, the balance Shares, if any, remaining after such adjustment will be added to the category comprising Bidder applying for the minimum number of Shares. If as a result of the process of rounding off to the nearest multiple of 1,200 Equity Shares, results in the actual allotment being higher than the shares offered, the final allotment may be higher at the sole discretion of the Board of Directors, up to 110% of the size of the Issue specified under the Capital Structure mentioned in this Prospectus.

Retail Individual Investor' means an investor who applies for shares of value of not more than ₹2,00,000.00 Investors may note that in case of over subscription allotment shall be on proportionate basis and will be finalized in consultation with National Stock Exchange of India Limited.

The Executive Director / Managing Director of National Stock Exchange of India Limited - the Designated Stock Exchange in addition to Book Running Lead Manager and Registrar to the Public Issue shall be responsible to ensure that the basis of allotment is finalized in a fair and proper manner in accordance with the SEBI (ICDR) Regulations.

### **ISSUANCE OF ALLOTMENT ADVICE**

1. Upon approval of the Basis of Allotment by the Designated Stock Exchange.
2. On the basis of approved Basis of Allotment, the Issuer shall pass necessary corporate action to facilitate the allotment and credit of equity shares. Bidders are advised to instruct their Depository Participants to accept the Equity Shares that may be allotted to them pursuant to the issue.

The Book Running Lead Manager or the Registrar to the Issue will dispatch an Allotment Advice to their Bidders who have been allocated Equity Shares in the Issue. The dispatch of Allotment Advice shall be deemed a valid, binding and irrevocable contract for the Allotment to such Bidder.

3. Issuer will make the allotment of the Equity Shares and initiate corporate action for credit of shares to the successful Bidders Depository Account within 2 working days of the Issue Closing date. The Issuer also ensures the credit of shares to the successful Bidders Depository Account is completed within one working Day from the date of allotment, after the funds are transferred from ASBA Public Issue Account to Public Issue account of the issuer.

### **DESIGNATED DATE**

On the Designated date, the SCSBs shall transfers the funds represented by allocations of the Equity Shares into Public Issue Account with the Bankers to the Issue.

The Company will issue and dispatch letters of allotment / or letters of regret along with refund order or credit the allotted securities to the respective beneficiary accounts, if any within a period of 2 working days of the Bid / Issue Closing Date. The Company will intimate the details of allotment of securities to Depository immediately on allotment of securities under relevant provisions of the Companies Act, 2013 or other applicable provisions, if any

### **INSTRUCTIONS FOR COMPLETING THE BID CUM APPLICATION FORM**

The Applications should be submitted on the prescribed Bid Cum Application Form and in BLOCK LETTERS in ENGLISH only in accordance with the instructions contained herein and in the Bid Cum Application Form. Applications not so made are liable to be rejected. Applications made using a third-party bank account or using third party UPI ID linked bank account are liable to be rejected. Bid Cum Application Forms should bear the stamp of the Designated Intermediaries. ASBA Bid Cum Application Forms, which do not bear the stamp of the Designated Intermediaries, will be rejected.

SEBI vide Circular No. CIR/CFD/14/2012 dated October 04, 2012 has introduced an additional mechanism for investors to submit Bid Cum Application Forms in public issues using the stock broker (broker) network of Stock Exchanges, who may not be syndicate members in an issue with effect from January 01, 2013. The list of Broker Centre is available on the websites of BSE i.e., [www.bseindia.com](http://www.bseindia.com) and National Stock Exchange of India Limited i.e., [www.nseindia.com](http://www.nseindia.com). With a view to broad base the reach of Investors by substantial, enhancing the points for submission of applications, SEBI vide Circular No. CIR/CFD/POLICY CELL/11/2015 dated November 10, 2015 has permitted Registrar to the Issue and Share Transfer Agent and Depository Participants registered with SEBI to accept the Bid Cum Application Forms in Public Issue with effect front January 01, 2016. The List of ETA and DPs centres for collecting the application shall be disclosed is available on the website of National Stock Exchange of India Limited i.e., [www.nseindia.com](http://www.nseindia.com)

### **BIDDER'S DEPOSITORY ACCOUNT AND BANK DETAILS**

Please note that, providing bank account details, PAN No's, Client ID and DP ID in the space provided in the Bid Cum Application Form is mandatory and applications that do not contain such details are liable to be rejected.

Bidders should note that on the basis of name of the Bidders, Depository Participant's name, Depository Participant Identification number and Beneficiary Account Number provided by them in the Bid Cum Application Form as entered into the Stock Exchange online system, the Registrar to the Issue will obtain front the Depository the demographic details

including address, Bidders bank account details, MICR code and occupation (hereinafter referred to as 'Demographic Details'). These Demographic Details would be used for all correspondence with the Bidders including mailing of the Allotment Advice. The Demographic Details given by Bidders in the Bid Cum Application Form would not be used for any other purpose by the Registrar to the Issue.

By signing the Bid Cum Application Form, the Bidder would be deemed to have authorized the depositories to provide, upon request, to the Registrar to the Issue, the required Demographic Details as available on its records.

#### **SUBMISSION OF BID CUM APPLICATION FORM:**

All Bid Cum Application Forms duly completed shall be submitted to the Designated Intermediaries. The aforesaid intermediaries shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the Bid Cum Application Form, in physical or electronic mode, respectively.

#### **COMMUNICATIONS**

All future communications in connection with Applications made in this Issue should be addressed to the Registrar to the Issue quoting the full name of the sole or First Bidder, Bid Cum Application Form number, Bidders Depository Account Details, number of Equity Shares applied for, date of Bid Cum Application Form, name and address of the Designated Intermediary where the Application was submitted thereof and a copy of the acknowledgement slip.

Investors can contact the Compliance Officer or the Registrar to the Issue in case of any pre-Issue or post Issue related problems such as non-receipt of letters of allotment, credit of allotted shares in the respective beneficiary accounts, etc.

#### **DISPOSAL OF APPLICATION AND APPLICATION MONEYS AND INTEREST IN CASE OF DELAY**

The Company shall ensure the dispatch of Allotment advice and give benefit to the beneficiary account with Depository Participants and submit the documents pertaining to the Allotment to the Stock Exchange within 2 (two) working days of date of Allotment of Equity Shares.

The Company shall use best efforts to ensure that all steps for completion of the necessary formalities for listing and commencement of trading at NSE EMERGE where the Equity Shares are proposed to be listed are taken within 3 (Three) working days from Issue Closing Date.

In accordance with the Companies Act, the requirements of the Stock Exchange and the SEBI Regulations, the Company further undertakes that:

1. Allotment and Listing of Equity Shares shall be made within 3 (Three) working days of the Issue Closing Date;
2. Giving of Instructions for refund by unblocking of amount via ASBA not later than 2(Two) working days of the Issue Closing Date, would be ensured; and
3. If such money is not repaid within prescribed time from the date our Company becomes liable to repay it, then our Company and every officer in default shall, on and from expiry of prescribed time, be liable to repay such application money, with interest as prescribed under SEBI (ICDR) Regulations, the Companies Act, 2013 and applicable law. Further, in accordance with Section 40 of the Companies Act, 2013, the Company and each officer in default may be punishable with fine and / or imprisonment in such a case.

#### **RIGHT TO REJECT APPLICATIONS**

In case of QIB Bidders, the Company in consultation with the Book Running Lead Manager may reject Applications provided that the reasons for rejecting the same shall be provided to such Bidder in writing. In case of Non-Institutional Bidders, Retail Individual Bidders who applied, the Company has a right to reject Applications based on technical grounds.

#### **IMPERSONATION**

Attention of the Bidders is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

“Any person who—

- (a) Makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or
- (b) Makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or
- (c) Otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under Section 447.”

## UNDERTAKINGS BY OUR COMPANY

We undertake as follows:

1. That the complaints received in respect of the Issue shall be attended expeditiously and satisfactorily;
2. That all steps will be taken for the completion of the necessary formalities for listing and commencement of trading on Stock Exchange where the Equity Shares are proposed to be listed within six working days from Issue Closure date.
3. That if the Company do not proceed with the Issue, the reason thereof shall be given as a public notice to be issued by our Company within two days of the Issue Closing Date. The public notice shall be issued in the same newspapers where the pre-Issue advertisements were published. The stock exchange on which the Equity Shares are proposed to be listed shall also be informed promptly;
4. That the funds required for making refunds as per the modes disclosed or dispatch of allotment advice by registered post or speed post shall be made available to the Registrar and Share Transfer Agent to the Issue by our Company;
5. Where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within 3 (three) Working Days from the Issue Closing Date, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;
6. That our Promoters’ contribution in full has already been brought in;
7. That no further Issue of Equity Shares shall be made till the Equity Shares Issued through the Prospectus are listed or until the Application monies are refunded on account of non-listing, undersubscription etc.;
8. That adequate arrangement shall be made to collect all Applications Supported by Blocked Amount while finalizing the Basis of Allotment;
9. If our Company does not proceed with the Issue after the Bid / Issue Opening Date but before allotment, then the reason thereof shall be given as a public notice to be issued by our Company within two days of the Bid / Issue Closing Date. The public notice shall be issued in the same newspapers where the Pre-Issue advertisements were published. The stock exchange on which the Equity Shares are proposed to be listed shall also be informed promptly;
10. If our Company withdraws the Issue after the Bid / Issue Closing Date, our Company shall be required to file a fresh Red Herring Prospectus with the Stock exchange / Registrar of Companies / SEBI, in the event our Company subsequently decides to proceed with the Issue;
11. If allotment is not made within the prescribed time period under applicable law, the entire subscription amount received will be refunded / unblocked within the time prescribed under applicable law. If there is delay beyond the prescribed time, our Company shall pay interest prescribed under the Companies Act, 2013, the SEBI Regulations and applicable law for the delayed period.

## UTILIZATION OF ISSUE PROCEEDS

The Board of Directors of our Company certifies that:

1. All monies received out of the Issue shall be credited / transferred to a separate bank account other than the bank account referred to in sub section (3) of Section 40 of the Companies Act 2013;

2. Details of all monies utilized out of the Issue referred above shall be disclosed and continue to be disclosed till the time any part of the issue proceeds remains unutilized, under an appropriate head in our balance sheet of our company indicating the purpose for which such monies have been utilized.
3. Details of all unutilized monies out of the Issue, if any shall be disclosed under the appropriate separate head in the balance sheet of our company indicating the form in which such unutilized monies have been invested and
4. Our Company shall comply with the requirements of SEBI Listing Regulations, 2015 in relation to the disclosure and monitoring of the utilization of the proceeds of the Issue.
5. Our Company shall not have recourse to the Issue Proceeds until the approval for listing and trading of the Equity Shares from the Stock Exchange where listing is sought has been received.
6. The Book Running Lead Manager undertakes that the complaints or comments received in respect of the Issue shall be attended by our Company expeditiously and satisfactorily.

**EQUITY SHARES IN DEMATERIALIZED FORM WITH NATIONAL SECURITIES DEPOSITORY LIMITED OR CENTRAL DEPOSITORY SERVICES (INDIA) LIMITED:**

To enable all shareholders of our Company to have their shareholding in electronic form, the Company has signed the following tripartite agreements with the Depositories and the Registrar and Share Transfer Agent:

- a) Tripartite Agreement dated February 22, 2024 between National Securities Depository Limited, our Company and Registrar to the Issue; and
- b) Tripartite Agreement February 12, 2024 between Central Depository Services (India) Limited, our Company and Registrar to the Issue.
- c) The Company's equity shares bear an International Securities Identification Number INE0TG801013.

## **RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES**

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and Foreign Exchange Management Act, 1999 (“FEMA”). While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Under the Industrial Policy, unless specifically restricted, foreign investment is freely permitted in all sectors of Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. The government bodies responsible for granting foreign investment approvals are the Reserve Bank of India (“RBI”) and Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India (“DIPP”).

The Government of India has from time to time made policy pronouncements on FDI through press notes and press releases. The DPIIT issued the Consolidated Foreign Direct Investment Policy notified by the DPIIT File No. 5(2) / 2020-FDI Policy dated October 15, 2020, with effect from October 15, 2020 (the “FDI Policy”), which consolidates and supersedes all previous press notes, press releases and clarifications on FDI issued by the DPIIT or the DPIIT that were in force and effect prior to October 15, 2020. The Government of India proposes to update the consolidated circular on FDI Policy once every year and therefore, the FDI Policy will be valid until the DPIIT issues an updated circular.

The RBI also issues Master Circular on Foreign Investment in India every year. Presently, FDI in India is being governed by Master Circular on Foreign Investment dated July 01, 2015, as updated from time to time by RBI and Master Direction– Foreign Investment in India (updated up to March 08, 2019). In terms of the Master Circular, an Indian company may issue fresh shares to people resident outside India (who is eligible to make investments in India, for which eligibility criteria are as prescribed). Such fresh issue of shares shall be subject to inter-alia, the pricing guidelines prescribed under the Master Circular and Master Direction. The Indian company making such fresh issue of shares would be subject to the reporting requirements, inter-alia with respect to consideration for issue of shares and also subject to making certain filings including filing of Form FC-GPR.

In case of investment in sectors through Government Route, approval from competent authority as mentioned in Section 4 of the FDI Policy 2020 has to be obtained. The transfer of shares between an Indian resident to a non-resident does not require the prior approval of the RBI, subject to fulfilment of certain conditions as specified by DIPP / RBI, from time to time.

As per the existing policy of the Government of India, OCBs cannot participate in this Issue and in accordance with the extant FDI guidelines on sectoral caps, pricing guidelines etc. as amended by Reserve bank of India, from time to time. Investors are advised to confirm their eligibility under the relevant laws before investing and / or subsequent purchase or sale transaction in the Equity Shares of our Company. Investors will not offer, sell, pledge, or transfer the Equity Shares of our Company to any person who is not eligible under applicable laws, rules, regulations, guidelines. Our Company, the Underwriters and their respective directors, officers, agents, affiliates, and representatives, as applicable, accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire Equity Shares of our Company.

In terms of the FEMA NDI Rules, a person resident outside India may make investments into India, subject to certain terms and conditions, and provided that an entity of a country, which shares land border with India or the beneficial owner of an investment into India who is situated in or is a citizen of any such country, shall invest only with government approval.

The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the RBI, provided that

- (i) the activities of the investee company are under the automatic route under the foreign direct investment policy and transfer does not attract the provisions of the Takeover Regulations;
- (ii) the non-resident shareholding is within the sectoral limits under the FDI policy; and
- (iii) the pricing is in accordance with the guidelines prescribed by the SEBI / RBI.

Further, in accordance with Press Note No. 3 (2020 Series), dated April 17, 2020 issued by the DPIIT and the Foreign Exchange Management (Non-debt Instruments) Amendment Rules, 2020 which came into effect from April 22, 2020, any investment, subscription, purchase or sale of equity instruments by entities of a country which shares land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country

(“Restricted Investors”), will require prior approval of the Government, as prescribed in the Consolidated FDI Policy and the FEMA Rules. Further, in the event of transfer of ownership of any existing or future foreign direct investment in an entity in India, directly or indirectly, resulting in the beneficial ownership falling within the aforesaid restriction / purview, such subsequent change in the beneficial ownership will also require approval of the Government. Furthermore, on April 22, 2020, the Ministry of Finance, Government of India has also made a similar amendment to the FEMA Rules. Pursuant to the Foreign Exchange Management (Non-debt Instruments) (Fourth Amendment) Rules, 2020, a multilateral bank or fund, of which India is a member, shall not be treated as an entity of a particular country nor shall any country be treated as the beneficial owner of the investments of such bank or fund in India. Each Bidder should seek independent legal advice about its ability to participate in the Issue. In the event such prior approval of the Government of India is required, and such approval has been obtained, the Bidder shall intimate our Company and the Registrar to the Issue in writing about such approval along with a copy thereof within the Issue Period.

As per the existing policy of the Government of India, OCBs cannot participate in this Issue and in accordance with the extant FDI guidelines on sectoral caps, pricing guidelines etc. as amended by Reserve bank of India, from time to time. Investors are advised to confirm their eligibility under the relevant laws before investing and / or subsequent purchase or sale transaction in the Equity Shares of our Company. Investors will not offer, sell, pledge or transfer the Equity Shares of our Company to any person who is not eligible under applicable laws, rules, regulations, guidelines. Our Company, the Underwriters and their respective directors, officers, agents, affiliates and representatives, as applicable, accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire Equity Shares of our Company.

### **INVESTMENT CONDITIONS / RESTRICTIONS FOR OVERSEAS ENTITIES**

Under the current FDI Policy 2020, the maximum amount of Investment (sectoral cap) by foreign investor in an issuing entity is composite unless it is explicitly provided otherwise including all types of foreign investments, direct and indirect, regardless of whether it has been made for FDI, FPI, NRI / OCI, LLPs, FVCI, Investment Vehicles and DRs under Foreign Exchange Management. (Non-debt Instruments) Rules, 2019. Any equity holding by a person resident outside India resulting from conversion of any debt instrument under any arrangement shall be reckoned as foreign investment under the composite cap.

Portfolio Investment upto aggregate foreign investment level of 49% or sectoral / statutory cap, whichever is lower, will not be subject to either Government approval or compliance of sectoral conditions, if such investment does not result in transfer of ownership and / or control of Indian entities from resident Indian citizens to non-resident entities. Other foreign investments will be subject to conditions of Government approval and compliance of sectoral conditions as per FDI Policy. The total foreign investment, direct and indirect, in the issuing entity will not exceed the sectoral / statutory cap.

### **INVESTMENT BY FPIS UNDER PORTFOLIO INVESTMENT SCHEME (PIS)**

With regards to purchase / sale of capital instruments of an Indian company by an FPI under PIS the total holding by each FPI or an investor group as referred in SEBI (FPI) Regulations, 2014 shall not exceed 10% of the total paid-up equity capital on a fully diluted basis or less than 10% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all FPIs put together shall not exceed 24% of paid-up equity capital on fully diluted basis or paid-up value of each series of debentures or preference shares or share warrants. The said limit of 10% and 24% will be called the individual and aggregate limit, respectively. However, this limit of 24% may be increased up to sectoral cap / statutory ceiling, as applicable, by the Indian company concerned by passing a resolution by its Board of Directors followed by passing of a special resolution to that effect by its general body.

### **INVESTMENT BY NRI OR OCI ON REPATRIATION BASIS**

The purchase / sale of equity shares, debentures, preference shares and share warrants issued by an Indian company (hereinafter referred to as “Capital Instruments”) of a listed Indian company on a recognised stock exchange in India by Non-Resident Indian (NRI) or Overseas Citizen of India (OCI) on repatriation basis is allowed subject to certain conditions under Foreign Exchange Management (Non-debt Instruments) Rules, 2019.

The total holding by any individual NRI or OCI shall not exceed 5% of the total paid-up equity capital on a fully diluted basis or should not exceed 5% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all NRIs and OCIs put together shall not exceed 10% of the total paid-up equity capital on a fully diluted basis or shall not exceed 10% of the paid-up value of each series of debentures or preference shares or share warrants; provided that the aggregate ceiling of 10% may be raised to 24% if a special resolution to that effect is passed by the general body of the Indian company.

## **INVESTMENT BY NRI OR OCI ON NON-REPATRIATION BASIS**

As per current FDI Policy 2020, Foreign Exchange Management (Non-debt Instruments) Rules, 2019, Purchase / sale of Capital Instruments or convertible notes or units or contribution to the capital of an LLP by an NRI or OCI on non-repatriation basis – will be deemed to be domestic investment at par with the investment made by residents. This is further subject to remittance channel restrictions.

**The Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended (“US Securities Act”) or any other state securities laws in the United States of America and may not be sold or offered within the United States of America, or to, or for the account or benefit of “US Persons” as defined in Regulation S of the U.S. Securities Act, except pursuant to exemption from, or in a transaction not subject to, the registration requirements of US Securities Act and applicable state securities laws.**

**Accordingly, the equity shares are being offered and sold only outside the United States of America in an offshore transaction in reliance upon Regulation S under the US Securities Act and the applicable laws of the jurisdiction where those offers, and sale occur.**

**Further, no offer to the public (as defined under Directive 2003/71/EC, together with any amendments) and implementing measures thereto, (the “Prospectus Directive”) has been or will be made in respect of the Issue in any member State of the European Economic Area which has implemented the Prospectus Directive except for any such offer made under exemptions available under the Prospectus Directive, provided that no such offer shall result in a requirement to publish or supplement a prospectus pursuant to the Prospectus Directive, in respect of the Issue.**

**Any forwarding, distribution or reproduction of this document in whole or in part may be unauthorised. Failure to comply with this directive may result in a violation of the Securities Act or the applicable laws of other jurisdictions. Any investment decision should be made on the basis of the final terms and conditions and the information contained in this Prospectus.**

**The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Application may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.**

**The above information is given for the benefit of the Applicants. Our Company and the Book Running Lead Managers are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Prospectus. Applicants are advised to make their independent investigations and ensure that the Applications are not in violation of laws or regulations applicable to them and do not exceed the applicable limits under the laws and regulations.**

## SECTION XII: MAIN PROVISIONS OF ARTICLES OF ASSOCIATION

### THE COMPANIES ACT 2013 (Incorporated under Companies Act, 2013) COMPANY LIMITED BY SHARES <sup>1</sup>ARTICLES OF ASSOCIATION OF PARAMOUNT DYE TEC LIMITED\*

Pursuant to Schedule I of the Companies Act, 2013 and the SEBI ICDR Regulations, the Main provisions of the Articles of Association relating to voting rights, dividend, lien, forfeiture, restrictions on transfer and Transmission of equity shares or debentures, their consolidation or splitting are as provided below. Each provision below is numbered as per the corresponding article number in the articles of association and defined terms herein have the meaning given to them in the Articles of Association.

1.	No regulation contained in Table “F” in the First Schedule to Companies Act, 2013 shall apply to this Company but the regulations for the Management of the Company and for the observance of the Members thereof and their representatives shall be as set out in the relevant provisions of the Companies Act, 2013 and subject to any exercise of the statutory powers of the Company with reference to the repeal or alteration of or addition to its regulations by Special Resolution as prescribed by the said Companies Act, 2013 be such as are contained in these Articles unless the same are repugnant or contrary to the provisions of the Companies Act, 2013 or any amendment thereto.	<b>Table F Applicable.</b>
	<b>Interpretation Clause</b>	
2.	In the interpretation of these Articles the following expressions shall have the following meanings unless repugnant to the subject or context:	
	(a) “The Act” means the Companies Act, 2013 and includes any statutory modification or re-enactment thereof for the time being in force.	<b>Act</b>
	(b) “These Articles” means Articles of Association for the time being in force or as may be altered from time to time vide Special Resolution.	<b>Articles</b>
	(c) “Auditors” means and includes those persons appointed as such for the time being of the Company.	<b>Auditors</b>
	(d) “Capital” means the share capital for the time being raised or authorized to be raised for the purpose of the Company.	<b>Capital</b>
	(e) * “The Company” shall mean ‘ <b>Paramount Dye Tec Limited</b> ’	
	(f) “Executor” or “Administrator” means a person who has obtained a probate or letter of administration, as the case may be from a Court of competent jurisdiction and shall include a holder of a Succession Certificate authorizing the holder thereof to negotiate or transfer the Share or Shares of the deceased Member and shall also include the holder of a Certificate granted by the Administrator General under section 31 of the Administrator General Act, 1963.	<b>Executor or Administrator</b>
	(g) “Legal Representative” means a person who in law represents the estate of a deceased Member.	<b>Legal Representative</b>
	(h) Words importing the masculine gender also include the feminine gender.	<b>Gender</b>
	(i) “In Writing” and “Written” includes printing lithography and other modes of representing or reproducing words in a visible form.	<b>In Writing and Written</b>
	(j) The marginal notes hereto shall not affect the construction thereof.	<b>Marginal notes</b>
	(k) “Meeting” or “General Meeting” means a meeting of members.	<b>Meeting or General Meeting</b>
	(l) “Month” means a calendar month.	<b>Month</b>

	(m) "Annual General Meeting" means a General Meeting of the Members held in accordance with the provision of section 96 of the Act.	<b>Annual General Meeting</b>
	(n) "Extra-Ordinary General Meeting" means an Extraordinary General Meeting of the Members duly called and constituted and any adjourned holding thereof.	<b>Extra-Ordinary General Meeting</b>
	(o) "National Holiday" means and includes a day declared as National Holiday by the Central Government.	<b>National Holiday</b>
	(p) "Non-retiring Directors" means a director not subject to retirement by rotation.	<b>Non-retiring Directors</b>
	(q) "Office" means the registered Office for the time being of the Company.	<b>Office</b>
	(r) "Ordinary Resolution" and "Special Resolution" shall have the meanings assigned thereto by Section 114 of the Act.	<b>Ordinary and Special Resolution</b>
	(s) "Person" shall be deemed to include corporations and firms as well as individuals.	<b>Person</b>
	(t) "Proxy" means an instrument whereby any person is authorized to vote for a member at	<b>Proxy</b>
	General Meeting or Poll and includes attorney duly constituted under the power of attorney.	
	(u) "The Register of Members" means the Register of Members to be kept pursuant to Section 88(1) (a) of the Act.	<b>Register of Members</b>
	(v) "Seal" means the common seal for the time being of the Company.	<b>Seal</b>
	(w) Words importing the Singular number include where the context admits or requires the plural number and vice versa.	<b>Singular number</b>
	(x) "The Statutes" means the Companies Act, 2013 and every other Act for the time being in force affecting the Company.	<b>Statutes</b>
	(y) "These presents" means the Memorandum of Association and the Articles of Association as originally framed or as altered from time to time.	<b>These presents</b>
	(z) "Variation" shall include abrogation; and "vary" shall include abrogate.	<b>Variation</b>
	(aa) "Year" means the "Financial Year" shall have the meaning assigned thereto by Section 2(41) of the Act.	<b>Year and Financial Year</b>
	Save as aforesaid any words and expressions contained in these Articles shall bear the samemeanings as in the Act or any statutory modifications thereof for the time being in force.	<b>Expressions in the Act to bear the same meaning in Articles</b>
	<b>CAPITAL</b>	
<b>3.</b>	The Authorized Share Capital of the Company shall be such amount as may be mentioned in Clause V of Memorandum of Association of the Company from time to time.	<b>Authorized Capital.</b>
<b>4.</b>	The Company may in General Meeting from time to time by Ordinary Resolution increase its capital by creation of new Shares which may be unclassified and may be classified at the time of issue in one or more classes and of such amount or amounts as may be deemed expedient. The new Shares shall be issued upon such terms and conditions and with such rights and privileges annexed thereto as the resolution shall prescribe and in particular, such Shares may be issued with a preferential or qualified right to dividends and in the distribution of assets of the Company and with a right of voting at General Meeting of the Company in conformity with Section 47 of the Act. Whenever the capital of the Company has been increased under the provisions of this Article the Directors shall comply with the provisions of Section 64 of the Act.	<b>Increase of capital by the Company how carried into effect</b>
<b>5.</b>	Except so far as otherwise provided by the conditions of issue or by these Presents, any capital raised by the creation of new Shares shall be considered as part of the existing capital, and shall be subject to the provisions herein contained, with reference to	<b>New Capital same as existing capital</b>

	the payment of calls and installments, forfeiture, lien, surrender, transfer and transmission, voting and otherwise.	
6.	The Board shall have the power to issue a part of authorized capital by way of non-voting Shares at price(s) premia, dividends, eligibility, volume, quantum, proportion and other terms and conditions as they deem fit, subject however to provisions of law, rules, regulations, notifications and enforceable guidelines for the time being in force.	<b>Non-Voting Shares</b>
7.	Subject to the provisions of the Act and these Articles, the Board of Directors may issue redeemable preference shares to such persons, on such terms and conditions and at such times as Directors think fit either at premium or at par, and with full power to give any person the option to call for or be allotted shares of the company either at premium or at par, such option being exercisable at such times and for such consideration as the Board thinks fit.	<b>Redeemable Preference Shares</b>
8.	The holder of Preference Shares shall have a right to vote only on Resolutions, which directly affect the rights attached to his Preference Shares.	<b>Voting rights of preference shares</b>
9.	On the issue of redeemable preference shares under the provisions of Article 7 hereof, the following provisions shall take effect: (a) No such Shares shall be redeemed except out of profits of which would otherwise be available for dividend or out of proceeds of a fresh issue of shares made for the purpose of the redemption; (b) No such Shares shall be redeemed unless they are fully paid; (c) Subject to section 55(2)(d)(i) the premium, if any payable on redemption shall have been provided for out of the profits of the Company or out of the Company's security premium account, before the Shares are redeemed; (d) Where any such Shares are redeemed otherwise then out of the proceeds of a fresh issue, there shall out of profits which would otherwise have been available for dividend, be transferred to a reserve fund, to be called "the Capital Redemption Reserve Account", a sum equal to the nominal amount of the Shares redeemed, and the provisions of the Act relating to the reduction of the share capital of the Company shall, except as provided in Section 55 of the Act apply as if the Capital Redemption Reserve Account were paid-up share capital of the Company; and (e) Subject to the provisions of Section 55 of the Act, the redemption of preference shares hereunder may be effected in accordance with the terms and conditions of their issue and in the absence of any specific terms and conditions in that behalf, in such manner as the Directors may think fit. The reduction of Preference Shares under the provisions by the Company shall not be taken as reducing the amount of its Authorized Share Capital	<b>Provisions to apply on issue of Redeemable Preference Shares</b>
10.	The Company may (subject to the provisions of sections 52, 55, 66, both inclusive, and other applicable provisions, if any, of the Act) from time to time by Special Resolution reduce (a) the share capital; (b) any capital redemption reserve account; or (c) any security premium account In any manner for the time being, authorized by law and in particular capital may be paid off on the footing that it may be called up again or otherwise. This Article is not to derogate from any power the Company would have, if it were omitted.	<b>Reduction of capital</b>
11.	Any debentures, debenture-stock or other securities may be issued at a discount, premium or otherwise and may be issued on condition that they shall be convertible into shares of any denomination and with any privileges and conditions as to redemption, surrender, drawing, allotment of shares, attending (but not voting) at the General Meeting, appointment of Directors and otherwise. Debentures with the right to conversion into or allotment of shares shall be issued only with the consent of the Company in the General Meeting by a Special Resolution.	<b>Debentures</b>
12.	The Company may exercise the powers of issuing sweat equity shares conferred by Section 54 of the Act of a class of shares already issued subject to such conditions as may be specified in that sections and rules framed thereunder.	<b>Issue of Sweat Equity Shares</b>
13.	The Company may issue shares to Employees including its Directors other than independent directors and such other persons as the rules may allow, under Employee Stock Option Scheme (ESOP) or any other scheme, if authorized by a Special	<b>ESOP</b>

	Resolution of the Company in general meeting subject to the provisions of the Act, the Rules and applicable guidelines made there under, by whatever name called.	
<b>14.</b>	Notwithstanding anything contained in these articles but subject to the provisions of sections 68 to 70 and any other applicable provision of the Act or any other law for the time being in force, the company may purchase its own shares or other specified securities.	<b>Buy Back of shares</b>
<b>15.</b>	Subject to the provisions of Section 61 of the Act, the Company in general meeting may, from time to time, sub-divide or consolidate all or any of the share capital into shares of larger amount than its existing share or sub-divide its shares, or any of them into shares of smaller amount than is fixed by the Memorandum; subject nevertheless, to the provisions of clause (d) of sub-section (1) of Section 61; Subject as aforesaid the Company in general meeting may also cancel shares which have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled.	<b>Consolidation, Sub-Division and Cancellation</b>
<b>16.</b>	Subject to compliance with applicable provision of the Act and rules framed thereunder the company shall have power to issue depository receipts in any foreign country.	<b>Issue of Depository Receipts</b>
<b>17.</b>	Subject to compliance with applicable provision of the Act and rules framed thereunder the company shall have power to issue any kind of securities as permitted to be issued under the Act and rules framed thereunder.	<b>Issue of Securities</b>
<b>MODIFICATION OF CLASS RIGHTS</b>		
<b>18.</b>	(a) If at any time the share capital, by reason of the issue of Preference Shares or otherwise is divided into different classes of shares, all or any of the rights privileges attached to any class (unless otherwise provided by the terms of issue of the shares of the class) may, subject to the provisions of Section 48 of the Act and whether or not the Company is being wound-up, be varied, modified or dealt, with the consent in writing of the holders of not less than three- fourths of the issued shares of that class or with the sanction of a Special Resolution passed at a separate general meeting of the holders of the shares of that class. The provisions of these Articles relating to general meetings shall mutatis mutandis apply to every such separate class of meeting. Provided that if variation by one class of shareholders affects the rights of any other class of shareholders, the consent of three-fourths of such other class of shareholders shall also be obtained and the provisions of this section shall apply to such variation.	<b>Modification of rights</b>
	(b) The rights conferred upon the holders of the Shares including Preference Share, if any) of any class issued with preferred or other rights or privileges shall, unless otherwise expressly provided by the terms of the issue of shares of that class, be deemed not to be modified, commuted, affected, abrogated, dealt with or varied by the creation or issue of further shares ranking pari passu therewith.	<b>New Issue of Shares not to affect rights attached to existing shares of that class.</b>
<b>19.</b>	Subject to the provisions of Section 62 of the Act and these Articles, the shares in the capital of the company for the time being shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par and at such time as they may from time to time think fit and with the sanction of the company in the General Meeting to give to any person or persons the option or right to call for any shares either at par or premium during such time and for such consideration as the Directors think fit, and may issue and allot shares in the capital of the company on payment in full or part of any property sold and transferred or for any services rendered to the company in the conduct of its business and any shares which may so be allotted may be issued as fully paid up shares and if so issued, shall be deemed to be fully paid shares.	<b>Shares at the disposal of the Directors.</b>
<b>20.</b>	The Company may issue shares or other securities in any manner whatsoever including by way of a preferential offer, to any persons whether or not those persons include the persons referred to in clause (a) or clause (b) of sub-section (1) of section 62 subject to compliance with section 42 and 62 of the Act and rules framed thereunder.	<b>Power to issue shares on preferential basis.</b>
<b>21.</b>	The shares in the capital shall be numbered progressively according to their several denominations, and except in the manner hereinbefore mentioned no share shall be sub-divided. Every forfeited or surrendered share shall continue to bear the number by which the same was originally distinguished.	<b>Shares should be Numbered progressively and no share to be subdivided.</b>

22.	An application signed by or on behalf of an applicant for shares in the Company, followed by an allotment of any shares therein, shall be an acceptance of shares within the meaning of these Articles, and every person who thus or otherwise accepts any shares and whose name is on the Register shall for the purposes of these Articles, be a Member.	<b>Acceptance of Shares.</b>
23.	Subject to the provisions of the Act and these Articles, the Directors may allot and issue shares in the Capital of the Company as payment or part payment for any property (including goodwill of any business) sold or transferred, goods or machinery supplied or for services rendered to the Company either in or about the formation or promotion of the Company or the conduct of its business and any shares which may be so allotted may be issued as fully paid-up or partly paid-up otherwise than in cash, and if so issued, shall be deemed to be fully paid-up or partly paid-up shares as aforesaid.	<b>Directors may allot shares as full paid-up</b>
24.	The money (if any) which the Board shall on the allotment of any shares being made by them, require or direct to be paid by way of deposit, call or otherwise, in respect of any shares allotted by them shall become a debt due to and recoverable by the Company from the allottee thereof, and shall be paid by him, accordingly.	<b>Deposit and call etc. to be a debt payable immediately.</b>
25.	Every Member, or his heirs, executors, administrators, or legal representatives, shall pay to the Company the portion of the Capital represented by his share or shares which may, for the time being, remain unpaid thereon, in such amounts at such time or times, and in such manner as the Board shall, from time to time in accordance with the Company's regulations, require on date fixed for the payment thereof.	<b>Liability of Members.</b>
26.	Shares may be registered in the name of any limited company or other corporate body but not in the name of a firm, an insolvent person or a person of unsound mind.	<b>Registration of Shares.</b>
	<b>RETURN ON ALLOTMENTS TO BE MADE OR RESTRICTIONS ON ALLOTMENT</b>	
27.	The Board shall observe the restrictions as regards allotment of shares to the public, and as regards return on allotments contained in Sections 39 of the Act	
	<b>CERTIFICATES</b>	
28.	<p>(a) Every member shall be entitled, without payment, to one or more certificates in marketable lots, for all the shares of each class or denomination registered in his name, or if the Directors so approve (upon paying such fee as provided in the relevant laws) to several certificates, each for one or more of such shares and the company shall complete and have ready for delivery such certificates within two months from the date of allotment, unless the conditions of issue thereof otherwise provide, or within one month of the receipt of application for registration of transfer, transmission, sub-division, consolidation or renewal of any of its shares as the case may be. Every certificate of shares shall be under the seal of the company and shall specify the number and distinctive numbers of shares in respect of which it is issued and amount paid-up thereon and shall be in such form as the directors may prescribe or approve, provided that in respect of a share or shares held jointly by several persons, the company shall not be bound to issue more than one certificate and delivery of a certificate of shares to one of several joint holders shall be sufficient delivery to all such holder. Such certificate shall be issued only in pursuance of a resolution passed by the Board and on surrender to the Company of its letter of allotment or its fractional coupons of requisite value, save in cases of issues against letter of acceptance or of renunciation or in cases of issue of bonus shares. Every such certificate shall be issued under the seal of the Company, which shall be affixed in the presence of two Directors or persons acting on behalf of the Directors under a duly registered power of attorney and the Secretary or some other person appointed by the Board for the purpose and two Directors or their attorneys and the Secretary or other person shall sign the share certificate, provided that if the composition of the Board permits of it, at least one of the aforesaid two Directors shall be a person other than a Managing or whole-time Director. Particulars of every share certificate issued shall be entered in the Register of Members against the name of the person, to whom it has been issued, indicating the date of issue.</p> <p>(b) Any two or more joint allottees of shares shall, for the purpose of this Article, be treated as a single member, and the certificate of any shares which may be the subject of joint ownership, may be delivered to anyone of such joint owners on behalf of all of them. For any further certificate the Board shall be entitled, but</p>	<b>Share Certificates.</b>

	<p>shall not be bound, to prescribe a charge not exceeding Rupees Fifty. The Company shall comply with the provisions of Section 39 of the Act.</p> <p>(c) A Director may sign a share certificate by affixing his signature thereon by means of any machine, equipment or other mechanical means, such as engraving in metal or lithography, but not by means of a rubber stamp provided that the Director shall be responsible for the safe custody of such machine, equipment or other material used for the purpose.</p> <p>(d) When a new Share certificate has been issued in pursuance of the preceding clause of this Article, it shall state on the face of it and against the stub or counterfoil to the effect that it is - "Issued in lieu of Share Certificate No..... sub-divided/replaced/on consolidation of Shares".</p>	
29.	<p>If any certificate be worn out, defaced, mutilated or torn or if there be no further space on the back thereof for endorsement of transfer, then upon production and surrender thereof to the Company, a new Certificate may be issued in lieu thereof, and if any certificate lost or destroyed then upon proof thereof to the satisfaction of the company and on execution of such indemnity as the company deem adequate, being given, a new Certificate in lieu thereof shall be given to the party entitled to such lost or destroyed Certificate. Every Certificate under the Article shall be issued without payment of fees if the Directors so decide, or on payment of such fees (not exceeding Rs.50.00 for each certificate) as the Directors shall prescribe. Provided that no fee shall be charged for issue of new certificates in replacement of those which are old, defaced or worn out or where there is no further space on the back thereof for endorsement of transfer. Provided that notwithstanding what is stated above the Directors shall comply with such Rules or Regulation or requirements of any Stock Exchange or the Rules made under the Act or the rules made under Securities Contracts (Regulation) Act, 1956, or any other Act, or rules applicable in this behalf. The provisions of this Article shall mutatis mutandis apply to debentures of the Company.</p>	<b>Issue of new certificates in place of those defaced, lost or destroyed.</b>
30.	<p>(a) If any share stands in the names of two or more persons, the person first named in the Register shall as regard receipts of dividends or bonus or service of notices and all or any other matter connected with the Company except voting at meetings, and the transfer of the shares, be deemed sole holder thereof but the joint-holders of a share shall be severally as well as jointly liable for the payment of all calls and other payments due in respect of such share and for all incidentals thereof according to the Company's regulations.</p>	<b>The first named joint holder deemed Sole holder.</b>
	<p>(b) The Company shall not be bound to register more than three persons as the joint holders of any share.</p>	<b>Maximum number of joint holders.</b>
31.	<p>Except as ordered by a Court of competent jurisdiction or as by law required, the Company shall not be bound to recognise any equitable, contingent, future or partial interest in any share, or (except only as is by these Articles otherwise expressly provided) any right in respect of a share other than an absolute right thereto, in accordance with these Articles, in the person from time to time registered as the holder thereof but the Board shall be at liberty at its sole discretion to register any share in the joint names of any two or more persons or the survivor or survivors of them.</p>	<b>Company not bound to recognise any interest in share other than that of registered holders.</b>
32.	<p>If by the conditions of allotment of any share the whole or part of the amount or issue price thereof shall be payable by installment, every such installment shall when due be paid to the Company by the person who for the time being and from time to time shall be the registered holder of the share or his legal representative.</p>	<b>Installment on shares to be duly paid.</b>
<b>UNDERWRITING AND BROKERAGE</b>		
33.	<p>Subject to the provisions of Section 40 (6) of the Act, the Company may at any time pay a commission to any person in consideration of his subscribing or agreeing, to subscribe (whether absolutely or conditionally) for any shares or debentures in the Company, or procuring, or agreeing to procure subscriptions (whether absolutely or conditionally) for any shares or debentures in the Company but so that the commission shall not exceed the maximum rates laid down by the Act and the rules made in that regard. Such commission may be satisfied by payment of cash or by allotment of fully or partly paid shares or partly in one way and partly in the other.</p>	<b>Commission</b>

34.	The Company may pay on any issue of shares and debentures such brokerage as may be reasonable and lawful.	<b>Brokerage</b>
<b>CALLS</b>		
35.	(1) The Board may, from time to time, subject to the terms on which any shares may have been issued and subject to the conditions of allotment, by a resolution passed at a meeting of the Board and not by a circular resolution, make such calls as it thinks fit, upon the Members in respect of all the moneys unpaid on the shares held by them respectively and each Member shall pay the amount of every call so made on him to the persons and at the time and places appointed by the Board. (2) A call may be revoked or postponed at the discretion of the Board. (3) A call may be made payable by installments.	<b>Directors may make calls</b>
36.	Fifteen days' notice in writing of any call shall be given by the Company specifying the time and place of payment, and the person or persons to whom such call shall be paid.	<b>Notice of Calls</b>
37.	A call shall be deemed to have been made at the time when the resolution of the Board of Directors authorising such call was passed and may be made payable by the members whose names appear on the Register of Members on such date or at the discretion of the Directors on such subsequent date as may be fixed by Directors.	<b>Calls to date from resolution.</b>
38.	Whenever any calls for further share capital are made on shares, such calls shall be made on uniform basis on all shares falling under the same class. For the purposes of this Article shares of the same nominal value of which different amounts have been paid up shall not be deemed to fall under the same class.	<b>Calls on uniform basis.</b>
39.	The Board may, from time to time, at its discretion, extend the time fixed for the payment of any call and may extend such time as to all or any of the members who on account of the residence at a distance or other cause, which the Board may deem fairly entitled to such extension, but no member shall be entitled to such extension save as a matter of grace and favour.	<b>Directors may extend time.</b>
40.	If a sum called in respect of the shares is not paid before or on the day appointed for payment thereof the person from whom the sum is due shall pay interest upon the sum at such rate not exceeding 12% per annum or at such lower rate, if any, as the Board may determine, but the Board of Directors shall be at liberty to waive payment of that interest wholly or in part.	<b>Calls to carry interest.</b>
41.	If by the terms of issue of any share or otherwise any amount is made payable at any fixed time or by installments at fixed time (whether on account of the amount of the share or by way of premium) every such amount or installment shall be payable as if it were a call duly made by the Directors and of which due notice has been given and all the provisions herein contained in respect of calls shall apply to such amount or installment accordingly.	<b>Sums deemed to be calls.</b>
42.	On the trial or hearing of any action or suit brought by the Company against any Member or his representatives for the recovery of any money claimed to be due to the Company in respect of his shares, if 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, at or subsequent to the date at which the money is sought to be recovered is alleged to have become due on the share in respect of which such money is sought to be recovered in the Minute Books: and that notice of such call was duly given to the Member or his representatives used in pursuance of these Articles: and that it shall not be necessary to prove the appointment of the Directors who made such call, nor that a quorum of Directors was present at the Board at which any call was made was duly convened or constituted nor any other matters whatsoever, but the proof of the matters aforesaid shall be conclusive evidence of the debt.	<b>Proof on trial of suit for money due on shares.</b>
43.	Neither a judgment nor a decree in favour of the Company for calls or other moneys due in respect of any shares nor any part payment or satisfaction thereunder nor the receipt by the Company of a portion of any money which shall from time to time be due from any Member of the Company in respect of his shares, either by way of principal or interest, nor any indulgence granted by the Company in respect of the payment of any such money, shall preclude the Company from thereafter proceeding to enforce forfeiture of such shares as hereinafter provided.	<b>Judgment, decree, partial payment motto proceed for forfeiture.</b>
44.	(a) The Board may, if it thinks fit, receive from any Member willing to advance the same, all or any part of the amounts of his respective shares beyond the sums, actually called up and upon the moneys so paid in advance, or upon so much	<b>Payments in Anticipation of</b>

	<p>thereof, from time to time, and at any time thereafter as exceeds the amount of the calls then made upon and due in respect of the shares on account of which such advances are made the Board may pay or allow interest, at such rate as the member paying the sum in advance and the Board agree upon. The Board may agree to repay at any time any amount so advanced or may at any time repay the same upon giving to the Member three months' notice in writing; provided that moneys paid in advance of calls on shares may carry interest but shall not confer a right to dividend or to participate in profits.</p> <p>(b) No Member paying any such sum in advance shall be entitled to voting rights in respect of the moneys so paid by him until the same would but for such payment become presently payable. The provisions of this Article shall mutatis mutandis apply to calls on debentures issued by the Company.</p>	<b>calls may carry interest</b>
	<b>LIEN</b>	
<b>45.</b>	<p>The Company shall have a first and paramount lien upon all the shares/debentures (other than fully paid-up shares/debentures) registered in the name of each member (whether solely or jointly with others) and upon the proceeds of sale thereof for all moneys (whether presently payable or not) called or payable at a fixed time in respect of such shares/debentures and no equitable interest in any share shall be created except upon the footing and condition that this Article will have full effect. And such lien shall extend to all dividends and bonuses from time to time declared in respect of such shares/debentures. Unless otherwise agreed the registration of a transfer of shares/debentures shall operate as a waiver of the Company's lien if any, on such shares/debentures. The Directors may at any time declare any shares/debentures wholly or in part to be exempt from the provisions of this clause.</p> <p>Provided that the fully paid shares shall be free from all lien, while in the case of partly paid shares, the company's lien, if any, shall be restricted to moneys called or payable at a fixed time in respect of such shares.</p>	<b>Company to have Lien on shares.</b>
<b>46.</b>	<p>For the purpose of enforcing such lien the Directors may sell the shares subject thereto in such manner as they shall think fit, but no sale shall be made until such period as aforesaid shall have arrived and until notice in writing of the intention to sell shall have been served on such member or the person (if any) entitled by transmission to the shares and default shall have been made by him in payment, fulfillment of discharge of such debts, liabilities or engagements for seven days after such notice. To give effect to any such sale the Board may authorise some person to transfer the shares sold to the purchaser thereof and purchaser shall be registered as the holder of the shares comprised in any such transfer. Upon any such sale as the Certificate in respect of the shares sold shall stand cancelled and become null and void and of no effect, and the Directors shall be entitled to issue a new Certificate or Certificates in lieu thereof to the purchaser or purchasers concerned.</p>	<b>As to enforcing lien by sale.</b>
<b>47.</b>	<p>The net proceeds of any such sale shall be received by the Company and applied in or towards payment of such part of the amount in respect of which the lien exists as is presently payable and the residue, if any, shall (subject to lien for sums not presently payable as existed upon the shares before the sale) be paid to the person entitled to the shares at the date of the sale.</p>	<b>Application of proceeds of sale.</b>
	<b>FORFEITURE AND SURRENDER OF SHARES</b>	
<b>48.</b>	<p>If any Member fails to pay the whole or any part of any call or installment or any moneys due in respect of any shares either by way of principal or interest on or before the day appointed for the payment of the same, the Directors may, at any time thereafter, during such time as the call or installment or any part thereof or other moneys as aforesaid remains unpaid or a judgment or decree in respect thereof remains unsatisfied in whole or in part, serve a notice on such Member or on the person (if any) entitled to the shares by transmission, requiring him to pay such call or installment of such part thereof or other moneys as remain unpaid together with any interest that may have accrued and all reasonable expenses (legal or otherwise) that may have been accrued by the Company by reason of such non-payment. Provided that no such shares shall be forfeited if any moneys shall remain unpaid in respect of any call or installment or any part thereof as aforesaid by reason of the delay occasioned in payment due to the necessity of complying with the provisions contained in the relevant exchange control laws or other applicable laws of India, for the time being in force.</p>	<b>If call or installment not paid, notice may be given.</b>

49.	The notice shall name a day (not being less than fourteen days from the date of notice) and a place or places on and at which such call or installment and such interest thereon as the Directors shall determine from the day on which such call or installment ought to have been paid and expenses as aforesaid are to be paid. The notice shall also state that, in the event of the non-payment at or before the time and at the place or places appointed, the shares in respect of which the call was made or installment is payable will be liable to be forfeited.	<b>Terms of notice.</b>
50.	If the requirements of any such notice as aforesaid shall not be complied with, every or any share in respect of which such notice has been given, may at any time thereafter but before payment of all calls or installments, interest and expenses, due in respect thereof, be forfeited by resolution of the Board to that effect. Such forfeiture shall include all dividends declared or any other moneys payable in respect of the forfeited share and not actually paid before the forfeiture.	<b>On default of payment, shares to be forfeited.</b>
51.	When any shares have been forfeited, notice of the forfeiture shall be given to the member in whose name it stood immediately prior to the forfeiture, and an entry of the forfeiture, with the date thereof shall forthwith be made in the Register of Members.	<b>Notice of forfeiture to a Member</b>
52.	Any shares so forfeited, shall be deemed to be the property of the Company and may be sold, re-allotted, or otherwise disposed of, either to the original holder thereof or to any other person, upon such terms and in such manner as the Board in their absolute discretion shall think fit.	<b>Forfeited shares to be property of the Company and may be sold etc.</b>
53.	Any Member whose shares have been forfeited shall notwithstanding the forfeiture, be liable to pay and shall forthwith pay to the Company, on demand all calls, installments, interest and expenses owing upon or in respect of such shares at the time of the forfeiture, together with interest thereon from the time of the forfeiture until payment, at such rate as the Board may determine and the Board may enforce the payment of the whole or a portion thereof as if it were a new call made at the date of the forfeiture, but shall not be under any obligation to do so.	<b>Members still liable to pay money owing at time of forfeiture and interest.</b>
54.	The forfeiture shares shall involve extinction at the time of the forfeiture, of all interest in all claims and demand against the Company, in respect of the share and all other rights incidental to the share, except only such of those rights as by these Articles are expressly saved.	<b>Effect of forfeiture.</b>
55.	A declaration in writing that the declarant is a Director or Secretary of the Company and that shares in the Company have been duly forfeited in accordance with these articles on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the shares.	<b>Evidence of Forfeiture.</b>
56.	The Company may receive the consideration, if any, given for the share on any sale, re-allotment or other disposition thereof and the person to whom such share is sold, re-allotted or disposed of may be registered as the holder of the share and he shall not be bound to see to the application of the consideration: if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale, re-allotment or other disposal of the shares.	<b>Title of purchaser and allottee of Forfeited shares.</b>
57.	Upon any sale, re-allotment or other disposal under the provisions of the preceding Article, the certificate or certificates originally issued in respect of the relative shares shall (unless the same shall on demand by the Company have been previously surrendered to it by the defaulting member) stand cancelled and become null and void and of no effect, and the Directors shall be entitled to issue a duplicate certificate or certificates in respect of the said shares to the person or persons entitled thereto.	<b>Cancellation of share certificate in respect of forfeited shares.</b>
58.	In the meantime and until any share so forfeited shall be sold, re-allotted, or otherwise dealt with as aforesaid, the forfeiture thereof may, at the discretion and by a resolution of the Directors, be remitted as a matter of grace and favour, and not as was owing thereon to the Company at the time of forfeiture being declared with interest for the same unto the time of the actual payment thereof if the Directors shall think fit to receive the same, or on any other terms which the Director may deem reasonable.	<b>Forfeiture may be remitted.</b>
59.	Upon any sale after forfeiture or for enforcing a lien in purported exercise of the powers hereinbefore given, the Board may appoint some person to execute an instrument of transfer of the Shares sold and cause the purchaser's name to be entered in the Register of Members in respect of the Shares sold, and the purchasers shall not be bound to see to the regularity of the proceedings or to the application of the purchase money, and after his name has been entered in the Register of Members in respect of such Shares, the validity of the sale shall not be impeached by any person and the remedy of any	<b>Validity of sale</b>

	person aggrieved by the sale shall be in damages only and against the Company exclusively.	
<b>60.</b>	The Directors may, subject to the provisions of the Act, accept a surrender of any share from or by any Member desirous of surrendering on such terms the Directors may think fit.	<b>Surrender of shares.</b>
<b>TRANSFER AND TRANSMISSION OF SHARES</b>		
<b>61.</b>	(a) The instrument of transfer of any share in or debenture of the Company shall be executed by or on behalf of both the transferor and transferee. (b) The transferor shall be deemed to remain a holder of the share or debenture until the name of the transferee is entered in the Register of Members or Register of Debenture holders in respect thereof.	<b>Execution of the instrument of shares.</b>
<b>62.</b>	The instrument of transfer of any share or debenture shall be in writing and all the provisions of Section 56 and statutory modification thereof including other applicable provisions of the Act shall be duly complied with in respect of all transfers of shares or debenture and registration thereof. Provided that the company shall use a common form of transfer.	<b>Transfer Form.</b>
<b>63.</b>	The Company shall not register a transfer in the Company other than the transfer between persons both of whose names are entered as holders of beneficial interest in the records of a depository, unless a proper instrument of transfer duly stamped and executed by or on behalf of the transferor and by or on behalf of the transferee and specifying the name, address and occupation if any, of the transferee, has been delivered to the Company along with the certificate relating to the shares or if no such share certificate is in existence along with the letter of allotment of the shares: Provided that where, on an application in writing made to the Company by the transferee and bearing the stamp, required for an instrument of transfer, it is proved to the satisfaction of the Board of Directors that the instrument of transfer signed by or on behalf of the transferor and by or on behalf of the transferee has been lost, the Company may register the transfer on such terms as to indemnity as the Board may think fit, provided further that nothing in this Article shall prejudice any power of the Company to register as shareholder any person to whom the right to any shares in the Company has been transmitted by operation of law.	<b>Transfer not to be registered except on production of instrument of transfer.</b>
<b>64.</b>	Subject to the provisions of Section 58 of the Act and Section 22A of the Securities Contracts (Regulation) Act, 1956, the Directors may, decline to register— (a) any transfer of shares on which the company has a lien. That registration of transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever;	<b>Directors may refuse to register transfer.</b>
<b>65.</b>	If the Company refuses to register the transfer of any share or transmission of any right therein, the Company shall within one month from the date on which the instrument of transfer or intimation of transmission was lodged with the Company, send notice of refusal to the transferee and transferor or to the person giving intimation of the transmission, as the case may be, and there upon the provisions of Section 56 of the Act or any statutory modification thereof for the time being in force shall apply.	<b>Notice of refusal to be given to transferor and transferee.</b>
<b>66.</b>	No fee shall be charged for registration of transfer, transmission, Probate, Succession Certificate and letter of administration, Certificate of Death or Marriage, Power of Attorney or similar other document with the Company.	<b>No fee on transfer.</b>
<b>67.</b>	The Board of Directors shall have power on giving not less than seven days previous notice in accordance with section 91 and rules made thereunder close the Register of Members and/or the Register of debentures holders and/or other security holders at such time or times and for such period or periods, not exceeding thirty days at a time, and not exceeding in the aggregate forty five days at a time, and not exceeding in the aggregate forty five days in each year as it may seem expedient to the Board.	<b>Closure of Register of Members or debenture holder or other security holders.</b>
<b>68.</b>	The instrument of transfer shall after registration be retained by the Company and shall remain in its custody. All instruments of transfer which the Directors may decline to register shall on demand be returned to the persons depositing the same. The Directors may cause to be destroyed all the transfer deeds with the Company after such period as they may determine.	<b>Custody of transfer Deeds.</b>
<b>69.</b>	Where an application of transfer relates to partly paid shares, the transfer shall not be registered unless the Company gives notice of the application to the transferee and the transferee makes no objection to the transfer within two weeks from the receipt of the notice.	<b>Application for transfer of partly-paid shares.</b>

<b>70.</b>	For this purpose, the notice to the transferee shall be deemed to have been duly given if it is dispatched by prepaid registered post/speed post/ courier to the transferee at the address given in the instrument of transfer and shall be deemed to have been duly delivered at the time at which it would have been delivered in the ordinary course of post.	<b>Notice to transferee.</b>
<b>71.</b>	<p>(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 person recognized by the Company as having any title to his interest in the shares.</p> <p>(b) Before recognising any executor or administrator or legal representative, the Board may require him to obtain a Grant of Probate or Letters Administration or other legal representation as the case may be, from some competent court in India. Provided nevertheless that in any case where the Board in its absolute discretion thinks fit, it shall be lawful for the Board to dispense with the production of Probate or letter of Administration or such other legal representation upon such terms as to indemnity or otherwise, as the Board in its absolute discretion, may consider adequate</p> <p>(c) Nothing in clause (a) above shall release the estate of the deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.</p>	<b>Recognition of legal representative.</b>
<b>72.</b>	The Executors or Administrators of a deceased Member or holders of a Succession Certificate or the Legal Representatives in respect of the Shares of a deceased Member (not being one of two or more joint holders) shall be the only persons recognized by the Company as having any title to the Shares registered in the name of such Members, and the Company shall not be bound to recognize such Executors or Administrators or holders of Succession Certificate or the Legal Representative unless such Executors or Administrators or Legal Representative shall have first obtained Probate or Letters of Administration or Succession Certificate as the case may be from a duly constituted Court in the Union of India provided that in any case where the Board of Directors in its absolute discretion thinks fit, the Board upon such terms as to indemnity or otherwise as the Directors may deem proper dispense with production of Probate or Letters of Administration or Succession Certificate and register Shares standing in the name of a deceased Member, as a Member. However, provisions of this Article are subject to Sections 72 of the Companies Act.	<b>Titles of Shares of deceased Member</b>
<b>73.</b>	Where, in case of partly paid Shares, an application for registration is made by the transferor, the Company shall give notice of the application to the transferee in accordance with the provisions of Section 56 of the Act.	<b>Notice of application when to be given</b>
<b>74.</b>	Subject to the provisions of the Act and these Articles, any person becoming entitled to any share in consequence of the death, lunacy, bankruptcy, insolvency of any member or by any lawful means other than by a transfer in accordance with these presents, may, with the consent of the Directors (which they shall not be under any obligation to give) upon producing such evidence that he sustains the character in respect of which he proposes to act under this Article or of this title as the Director shall require either be registered as member in respect of such shares or elect to have some person nominated by him and approved by the Directors registered as Member in respect of such shares; provided nevertheless that if such person shall elect to have his nominee registered he shall testify his election by executing in favour of his nominee an instrument of transfer in accordance so he shall not be freed from any liability in respect of such shares. This clause is hereinafter referred to as the 'Transmission Clause'.	<b>Registration of persons entitled to share otherwise than by transfer. (transmission clause).</b>
<b>75.</b>	Subject to the provisions of the Act and these Articles, the Directors shall have the same right to refuse or suspend register a person entitled by the transmission to any shares or his nominee as if he were the transferee named in an ordinary transfer presented for registration.	<b>Refusal to register nominee.</b>
<b>76.</b>	Every transmission of a share shall be verified in such manner as the Directors may require and the Company may refuse to register any such transmission until the same be so verified or until or unless an indemnity be given to the Company with regard to such registration which the Directors at their discretion shall consider sufficient, provided nevertheless that there shall not be any obligation on the Company or the Directors to accept any indemnity.	<b>Board may require evidence of transmission.</b>

77.	The Company shall incur no liability or responsibility whatsoever in consequence of its registering or giving effect to any transfer of shares made, or purporting to be made by any apparent legal owner thereof (as shown or appearing in the Register or Members) to the prejudice of persons having or claiming any equitable right, title or interest to or in the same shares notwithstanding that the Company may have had notice of such equitable right, title or interest or notice prohibiting registration of such transfer, and may have entered such notice or referred thereto in any book of the Company and the Company shall not be bound or require to regard or attend or give effect to any notice which may be given to them of any equitable right, title or interest, or be under any liability whatsoever for refusing or neglecting so to do thought it may have been entered or referred to in some book of the Company but the Company shall nevertheless be at liberty to regard and attend to any such notice and give effect thereto, if the Directors shall so think fit.	<b>Company not liable for disregard of a notice prohibiting registration of transfer.</b>
78.	In the case of any share registered in any register maintained outside India the instrument of transfer shall be in a form recognized by the law of the place where the register is maintained but subject thereto shall be as near to the form prescribed in Form no. SH-4 hereof as circumstances permit.	<b>Form of transfer Outside India.</b>
79.	No transfer shall be made to any minor, insolvent or person of unsound mind.	<b>No transfer to insolvent etc.</b>
<b>NOMINATION</b>		
80.	<ul style="list-style-type: none"> <li>i) Notwithstanding anything contained in the articles, every holder of securities of the Company may, at any time, nominate a person in whom his/her securities shall vest in the event of his/her death and the provisions of Section 72 of the Companies Act, 2013 shall apply in respect of such nomination.</li> <li>ii) No person shall be recognized by the Company as a nominee unless an intimation of the appointment of the said person as nominee has been given to the Company during the lifetime of the holder(s) of the securities of the Company in the manner specified under Section 72 of the Companies Act, 2013 read with Rule 19 of the Companies (Share Capital and Debentures) Rules, 2014</li> <li>iii) The Company shall not be in any way responsible for transferring the securities consequent upon such nomination.</li> <li>iv) If the holder(s) of the securities survive(s) nominee, then the nomination made by the holder(s) shall be of no effect and shall automatically stand revoked.</li> </ul>	<b>Nomination</b>
81.	<p>A nominee, upon production of such evidence as may be required by the Board and subject as hereinafter provided, elect, either-</p> <ul style="list-style-type: none"> <li>(i) to be registered himself as holder of the security, as the case may be; or</li> <li>(ii) to make such transfer of the security, as the case may be, as the deceased security holder, could have made;</li> <li>(iii) if the nominee elects to be registered as holder of the security, himself, as the case may be, he shall deliver or send to the Company, a notice in writing signed by him stating that he so elects, and such notice shall be accompanied with the death certificate of the deceased security holder as the case may be;</li> <li>(iv) a nominee shall be entitled to the same dividends and other advantages to which he would be entitled to, if he were the registered holder of the security except that he shall not, before being registered as a member in respect of his security, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company.</li> </ul> <p>Provided further that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share or debenture, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable or rights accruing in respect of the share or debenture, until the requirements of the notice have been complied with.</p>	<b>Transmission of Securities by nominee</b>
<b>DEMATERIALIZATION OF SHARES</b>		
82.	Subject to the provisions of the Act and Rules made thereunder the Company may offer its	<b>Dematerialisation</b>
	members facility to hold securities issued by it in dematerialized form.	<b>of Securities</b>
<b>JOINT HOLDER</b>		
83.	Where two or more persons are registered as the holders of any share they shall be deemed to hold the same as joint Shareholders with benefits of survivorship subject to the following and other provisions contained in these Articles.	<b>Joint Holders</b>

84.	(a) The Joint holders of any share shall be liable severally as well as jointly for and in respect of all calls and other payments which ought to be made in respect of such share.	<b>Joint and several liabilities for all payments in respect of shares.</b>
	(b) on the death of any such joint holders the survivor or survivors shall be the only person recognized by the Company as having any title to the share but the Board may require such evidence of death as it may deem fit and nothing herein contained shall be taken to release the estate of a deceased joint holder from any liability of shares held by them jointly with any other person;	<b>Title of survivors.</b>
	(d) Any one of two or more joint holders of a share may give effectual receipts of any dividends or other moneys payable in respect of share; and	<b>Receipts of one sufficient.</b>
	(d) only the person whose name stands first in the Register of Members as one of the joint holders of any share shall be entitled to delivery of the certificate relating to such share or to receive documents from the Company and any such document served on or sent to such person shall be deemed to be service on all the holders.	<b>Delivery of certificate and giving of notices to first named holders.</b>
<b>SHARE WARRANTS</b>		
85.	The Company may issue warrants subject to and in accordance with provisions of the Act and accordingly the Board may in its discretion with respect to any Share which is fully paid upon application in writing signed by the persons registered as holder of the Share, and authenticated by such evidence (if any) as the Board may, from time to time, require as to the identity of the persons signing the application and on receiving the certificate (if any) of the Share, and the amount of the stamp duty on the warrant and such fee as the Board may, from time to time, require, issue a share warrant.	<b>Power to issue share warrants</b>
86.	(a) The bearer of a share warrant may at any time deposit the warrant at the Office of the Company, and so long as the warrant remains so deposited, the depositor shall have the same right of signing a requisition for call in a meeting of the Company, and of attending and voting and exercising the other privileges of a Member at any meeting held after the expiry of two clear days from the time of deposit, as if his name were inserted in the Register of Members as the holder of the Share included in the deposit warrant. (b) Not more than one person shall be recognized as depositor of the Share warrant. The Company shall, on two day's written notice, return the deposited share warrant to the depositor.	<b>Deposit of share warrants</b>
87.	(a) Subject as herein otherwise expressly provided, no person, being a bearer of a share warrant, shall sign a requisition for calling a meeting of the Company or attend or vote or exercise any other privileges of a Member at a meeting of the Company, or be entitled to receive any notice from the Company. (b) The bearer of a share warrant shall be entitled in all other respects to the same privileges and advantages as if he were named in the Register of Members as the holder of the Share included in the warrant, and he shall be a Member of the Company.	<b>Privileges and disabilities of the holders of share warrant</b>
88.	The Board may, from time to time, make bye-laws as to terms on which (if it shall think fit), a new share warrant or coupon may be issued by way of renewal in case of defacement, loss or destruction.	<b>Issue of new share warrant coupons</b>
<b>CONVERSION OF SHARES INTO STOCK</b>		
89.	The Company may, by ordinary resolution in General Meeting. a) convert any fully paid-up shares into stock; and b) re-convert any stock into fully paid-up shares of any denomination.	<b>Conversion of shares into stock or reconversion.</b>
90.	The holders of stock may transfer the same or any part thereof in the same manner as and subject to the same regulation under which the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit, provided that, the Board may, from time to time, fix the minimum amount of stock transferable so however that such minimum shall not exceed the nominal amount of the shares from which the stock arose.	<b>Transfer of stock.</b>
91.	The holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, participation in profits, voting at meetings of the Company, and other matters, as if they hold the shares for which the stock arose but no such privilege or advantage shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.	<b>Rights of stock holders.</b>

92.	Such of the regulations of the Company (other than those relating to share warrants), as are applicable to paid up share shall apply to stock and the words “share” and “shareholders” in those regulations shall include “stock” and “stockholders” respectively.	<b>Regulations.</b>
<b>BORROWING POWERS</b>		
93.	Subject to the provisions of the Act and these Articles, the Board may, from time to time at its discretion, by a resolution passed at a meeting of the Board generally raise or borrow money by way of deposits, loans, overdrafts, cash credit or by issue of bonds, debentures or debenture-stock (perpetual or otherwise) or in any other manner, or from any person, firm, company, co-operative society, any body corporate, bank, institution, whether incorporated in India or abroad, Government or any authority or any other body for the purpose of the Company and may secure the payment of any sums of money so received, raised or borrowed; provided that the total amount borrowed by the Company (apart from temporary loans obtained from the Company’s Bankers in the ordinary course of business) shall not without the consent of the Company in General Meeting exceed the aggregate of the paid up capital of the Company and its free reserves that is to say reserves not set apart for any specified purpose.	<b>Power to borrow.</b>
94.	Subject to the provisions of the Act and these Articles, any bonds, debentures, debenture-stock or any other securities may be issued at a discount, premium or otherwise and with any special privileges and conditions as to redemption, surrender, allotment of shares, appointment of Directors or otherwise; provided that debentures with the right to allotment of or conversion into shares shall not be issued except with the sanction of the Company in General Meeting.	<b>Issue of discount etc. or with special privileges.</b>
95.	The payment and/or repayment of moneys borrowed or raised as aforesaid or any moneys owing otherwise or debts due from the Company may be secured in such manner and upon such terms and conditions in all respects as the Board may think fit, and in particular by mortgage, charter, lien or any other security upon all or any of the assets or property (both present and future) or the undertaking of the Company including its uncalled capital for the time being, or by a guarantee by any Director, Government or third party, and the bonds, debentures and debenture stocks and other securities may be made assignable, free from equities between the Company and the person to whom the same may be issued and also by a similar mortgage, charge or lien to secure and guarantee, the performance by the Company or any other person or company of any obligation undertaken by the Company or any person or Company as the case may be.	<b>Securing payment or repayment of Moneys borrowed.</b>
96.	Any bonds, debentures, debenture-stock or their securities issued or to be issued by the Company shall be under the control of the Board who may issue them upon such terms and conditions, and in such manner and for such consideration as they shall consider to be for the benefit of the Company.	<b>Bonds, Debentures etc. to be under the control of the Directors.</b>
97.	If any uncalled capital of the Company is included in or charged by any mortgage or other security the Directors shall subject to the provisions of the Act and these Articles make calls on the members in respect of such uncalled capital in trust for the person in whose favour such mortgage or security is executed.	<b>Mortgage of uncalled Capital.</b>
98.	Subject to the provisions of the Act and these Articles if the Directors or any of them or any other person shall incur or be about to incur any liability whether as principal or surety for the payment of any sum primarily due from the Company, the Directors may execute or cause to be executed any mortgage, charge or security over or affecting the whole or any part of the assets of the Company by way of indemnity to secure the Directors or person so becoming liable as aforesaid from any loss in respect of such liability.	<b>Indemnity may be given.</b>
<b>MEETINGS OF MEMBERS</b>		
99.	All the General Meetings of the Company other than Annual General Meetings shall be called Extra-ordinary General Meetings.	<b>Distinction between AGM &amp; EGM.</b>
100.	(a) The Directors may, whenever they think fit, convene an Extra-Ordinary General Meeting and they shall on requisition of Members made in compliance with Section 100 of the Act, forthwith proceed to convene Extra-Ordinary General Meeting of the members	<b>Extra-Ordinary General Meeting by Board and by requisition</b>
	(b) If at any time there are not within India sufficient Directors capable of acting to form a quorum, or if the number of Directors be reduced in number to less than	<b>When a Director or any two</b>

	the minimum number of Directors prescribed by these Articles and the continuing Directors fail or neglect to increase the number of Directors to that number or to convene a General Meeting, any Director or any two or more Members of the Company holding not less than one-tenth of the total paid up share capital of the Company may call for an Extra- Ordinary General Meeting in the same manner as nearly as possible as that in which meeting may be called by the Directors.	<b>Members may call an Extra Ordinary General Meeting</b>
<b>101.</b>	No General Meeting, Annual or Extraordinary shall be competent to enter upon, discuss or transfer any business which has not been mentioned in the notice or notices upon which it was convened.	<b>Meeting not to transact business not mentioned in notice.</b>
<b>102.</b>	The Chairman (if any) of the Board of Directors shall be entitled to take the chair at every General Meeting, whether Annual or Extraordinary. If there is no such Chairman of the Board of Directors, or if at any meeting he is not present within fifteen minutes of the time appointed for holding such meeting or if he is unable or unwilling to take the chair, then the Members present shall elect another Director as Chairman, and if no Director be present or if all the Directors present decline to take the chair then the Members present shall elect one of the members to be the Chairman of the meeting.	<b>Chairman of General Meeting</b>
<b>103.</b>	No business, except the election of a Chairman, shall be discussed at any General Meeting whilst the Chair is vacant.	<b>Business confined to election of Chairman whilst chair is vacant.</b>
<b>104.</b>	<ul style="list-style-type: none"> <li>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.</li> <li>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.</li> <li>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.</li> <li>d) Save as aforesaid, and as provided in section 103 of the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.</li> </ul>	<b>Chairman with his consent may adjourn meeting.</b>
<b>105.</b>	In the case of an equality of votes the Chairman shall both on a show of hands, on a poll (if any) and e-voting, have casting vote in addition to the vote or votes to which he may be entitled as a Member.	<b>Chairman's casting vote.</b>
<b>106.</b>	Any poll duly demanded on the election of Chairman of the meeting or any question of adjournment shall be taken at the meeting forthwith.	<b>In what case poll taken without adjournment.</b>
<b>107.</b>	The demand for a poll except on the question of the election of the Chairman and of an adjournment shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll has been demanded.	<b>Demand for poll not to prevent transaction of other business.</b>
<b>VOTES OF MEMBERS</b>		
<b>108.</b>	No Member shall be entitled to vote either personally or by proxy at any General Meeting or Meeting of a class of shareholders either upon a show of hands, upon a poll or electronically, or be reckoned in a quorum in respect of any shares registered in his name on which any calls or other sums presently payable by him have not been paid or in regard to which the Company has exercised, any right or lien.	<b>Members in arrears not to vote.</b>
<b>109.</b>	Subject to the provision of these Articles and without prejudice to any special privileges, or restrictions as to voting for the time being attached to any class of shares for the time being forming part of the capital of the company, every Member, not disqualified by the last preceding Article shall be entitled to be present, and to speak and to vote at such meeting, and on a show of hands every member present in person shall have one vote and upon a poll the voting right of every Member present in person or by proxy shall be in proportion to his share of the paid-up equity share capital of the Company, Provided, however, if any preference shareholder is present at any meeting of the Company, save as provided in sub-section (2) of Section 47 of the Act, he shall have a right to vote only on resolution placed before the meeting which directly affect the rights attached to his preference shares.	<b>Number of votes each member entitled.</b>

<b>110.</b>	On a poll taken at a meeting of the Company a member entitled to more than one vote or his proxy or other person entitled to vote for him, as the case may be, need not, if he votes, use all his votes or cast in the same way all the votes he uses.	<b>Casting of votes by a member entitled to more than one vote.</b>
<b>111.</b>	A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, or a minor may vote, whether on a show of hands or on a poll, by his committee or other legal guardian, and any such committee or guardian may, on a poll, vote by proxy.	<b>Vote of member of unsound mind and of minor</b>
<b>112.</b>	Notwithstanding anything contained in the provisions of the Companies Act, 2013, and the Rules made there under, the Company may, and in the case of resolutions relating to such business as may be prescribed by such authorities from time to time, declare to be conducted only by postal ballot, shall, get any such business/ resolutions passed by means of postal ballot, instead of transacting the business in the General Meeting of the Company.	<b>Postal Ballot</b>
<b>113.</b>	A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once.	<b>E-Voting</b>
<b>114.</b>	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. If more than one of the said persons remain present than the senior shall alone be entitled to speak and to vote in respect of such shares, but the other or others of the joint holders shall be entitled to be present at the meeting. Several executors or administrators of a deceased Member in whose name share stands shall for the purpose of these Articles be deemed joint holders thereof. b) For this purpose, seniority shall be determined by the order in which the names stand in the register of members.	<b>Votes of joint members.</b>
<b>115.</b>	Votes may be given either personally or by attorney or by proxy or in case of a company, by a representative duly Authorised as mentioned in Articles	<b>Votes may be given by proxy or by representative</b>
<b>116.</b>	A body corporate (whether a company within the meaning of the Act or not) may, if it is member or creditor of the Company (including being a holder of debentures) authorise such person by resolution of its Board of Directors, as it thinks fit, in accordance with the provisions of Section 113 of the Act to act as its representative at any Meeting of the members or creditors of the Company or debentures holders of the Company. A person authorised by resolution as aforesaid shall be entitled to exercise the same rights and powers (including the right to vote by proxy) on behalf of the body corporate as if it were an individual member, creditor or holder of debentures of the Company.	<b>Representation of a body corporate.</b>
<b>117.</b>	(a) A member paying the whole or a part of the amount remaining unpaid on any share held by him although no part of that amount has been called up, shall not be entitled to any voting rights in respect of the moneys paid until the same would, but for this payment, become presently payable.	<b>Members paying money in advance.</b>
	(b) A member is not prohibited from exercising his voting rights on the ground that he has not held his shares or interest in the Company for any specified period preceding the date on which the vote was taken.	<b>Members not prohibited if share not held for any specified period.</b>
<b>118.</b>	Any person entitled under Article 73 (transmission clause) to transfer any share may vote at any General Meeting in respect thereof in the same manner as if he were the registered holder of such shares, provided that at least forty-eight hours before the time of holding the meeting or adjourned meeting, as the case may be at which he proposes to vote he shall satisfy the Directors of his right to transfer such shares and give such indemnity (if any) as the Directors may require or the directors shall have previously admitted his right to vote at such meeting in respect thereof.	<b>Votes in respect of shares of deceased or insolvent members.</b>
<b>119.</b>	No Member shall be entitled to vote on a show of hands unless such member is present personally or by attorney or is a body Corporate present by a representative duly Authorised under the provisions of the Act in which case such members, attorney or representative may vote on a show of hands as if he were a Member of the Company. In the case of a Body Corporate the production at the meeting of a copy of such resolution duly signed by a Director or Secretary of such Body Corporate and certified by him as being a true copy of the resolution shall be accepted by the Company as sufficient evidence of the authority of the appointment.	<b>No votes by proxy on show of hands.</b>

120.	The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarised copy of that power or authority, shall be deposited at the registered office of the company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as valid.	<b>Appointment of a Proxy.</b>
121.	An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105.	<b>Form of proxy.</b>
122.	A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the Member, or revocation of the proxy or of any power of attorney which such proxy signed, or the transfer of the share in respect of which the vote is given, provided that no intimation in writing of the death or insanity, revocation or transfer shall have been received at the office before the meeting or adjourned meeting at which the proxy is used.	<b>Validity of votes given by proxy notwithstanding death of a member.</b>
123.	No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes.	<b>Time for objections to votes.</b>
124.	Any such objection raised to the qualification of any voter in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive.	<b>Chairperson of the Meeting to be the judge of validity of any vote.</b>
<b>DIRECTORS</b>		
125.	(a) Until otherwise determined by a General Meeting of the Company and subject to the provisions of Section 149 of the Act, the number of Directors (including Debenture and Alternate Directors) shall not be less than three and not more than fifteen. Provided that a company may appoint more than fifteen directors after passing a special resolution (b) <b>Followings are the first directors of the company:</b> 1. <b>Kunal Arora</b> 2. <b>Palki Arora</b> 3. <b>Rupesh</b>	<b>Number of Directors</b>
126.	A Director of the Company shall not be bound to hold any Qualification Shares in the Company.	<b>Qualification Shares.</b>
127.	(a) Subject to the provisions of the Companies Act, 2013 and notwithstanding anything to the contrary contained in these Articles, the Board may appoint any person as a director nominated by any institution in pursuance of the provisions of any law for the time being in force or of any agreement (b) The Nominee Director/s so appointed shall not be required to hold any qualification shares in the Company nor shall be liable to retire by rotation. The Board of Directors of the Company shall have no power to remove from office the Nominee Director/s so appointed. The said Nominee Director/s shall be entitled to the same rights and privileges including receiving of notices, copies of the minutes, sitting fees, etc. as any other Director of the Company is entitled. (c) If the Nominee Director/s is an officer of any of the financial institution the sitting fees in relation to such nominee Directors shall accrue to such financial institution and the same accordingly be paid by the Company to them. The Financial Institution shall be entitled to depute observer to attend the meetings of the Board or any other Committee constituted by the Board. (d) The Nominee Director/s shall, notwithstanding anything to the Contrary contained in these Articles, be at liberty to disclose any information obtained by him/them to the Financial Institution appointing him/them as such Director/s.	<b>Nominee Directors.</b>
128.	The Board may appoint an Alternate Director to act for a Director (hereinafter called "The Original Director") during his absence for a period of not less than three months from India. An Alternate Director appointed under this Article shall not hold office for period longer than that permissible to the Original Director in whose place he has been appointed and shall vacate office if and when the Original Director returns to India. If the term of Office of the Original Director is determined before he so returns to India, any provision in the Act or in these Articles for the automatic re-appointment	<b>Appointment of alternate Director.</b>

	of retiring Director in default of another appointment shall apply to the Original Director and not to the Alternate Director.	
<b>129.</b>	Subject to the provisions of the Act, the Board shall have power at any time and from time to time to appoint any other person to be an Additional Director. Any such Additional Director shall hold office only upto the date of the next Annual General Meeting.	<b>Additional Director</b>
<b>130.</b>	Subject to the provisions of the Act, the Board shall have power at any time and from time to time to appoint a Director, if the office of any director appointed by the company in general meeting is vacated before his term of office expires in the normal course, who shall hold office only upto the date upto which the Director in whose place he is appointed would have held office if it had not been vacated by him.	<b>Directors power to fill casual vacancies.</b>
<b>131.</b>	Until otherwise determined by the Company in General Meeting, each Director other than the Managing/Whole-time Director (unless otherwise specifically provided for) shall be entitled to sitting fees not exceeding a sum prescribed in the Act (as may be amended from time to time) for attending meetings of the Board or Committees thereof.	<b>Sitting Fees.</b>
<b>132.</b>	The Board of Directors may subject to the limitations provided in the Act allow and pay to any Director who attends a meeting at a place other than his usual place of residence for the purpose of attending a meeting, such sum as the Board may consider fair, compensation for travelling, hotel and other incidental expenses properly incurred by him, in addition to his fee for attending such meeting as above specified.	<b>Travelling expenses Incurred by Director on Company's business.</b>
<b>PROCEEDING OF THE BOARD OF DIRECTORS</b>		
<b>133.</b>	(a) The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings as it thinks fit. (b) A director may, and the manager or secretary on the requisition of a director shall, at any time, summon a meeting of the Board.	<b>Meetings of Directors.</b>
<b>134.</b>	a) The Directors may from time to time elect from among their members a Chairperson of the Board and determine the period for which he is to hold office. If at any meeting of the Board, the Chairman is not present within Fifteen minutes after the time appointed for holding the same, the Directors present may choose one of the Directors then present to preside at the meeting. b) Subject to Section 203 of the Act and rules made there under, one person can act as the Chairman as well as the Managing Director or Chief Executive Officer at the same time.	<b>Chairperson</b>
<b>135.</b>	Questions arising at any meeting of the Board of Directors shall be decided by a majority of votes and in the case of an equality of votes, the Chairman will have a second or casting vote.	<b>Questions at Board meeting how decided.</b>
<b>136.</b>	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.	<b>Continuing directors may act notwithstanding any vacancy in the Board</b>
<b>137.</b>	Subject to the provisions of the Act, the Board may delegate any of their powers to a Committee consisting of such member or members of its body as it thinks fit, and it may from time to time revoke and discharge any such committee either wholly or in part and either as to person, or purposes, but every Committee so formed shall in the exercise of the powers so delegated conform to any regulations that may from time to time be imposed on it by the Board. All acts done by any such Committee in conformity with such regulations and in fulfillment of the purposes of their appointment but not otherwise, shall have the like force and effect as if done by the Board.	<b>Directors may appoint committee.</b>
<b>138.</b>	The Meetings and proceedings of any such Committee of the Board consisting of two or more members shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Directors so far as the same are applicable thereto and are not superseded by any regulations made by the Directors under the last preceding Article.	<b>Committee Meeting show to be governed.</b>
<b>139.</b>	a) A committee may elect a Chairperson of its meetings. b) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of their members to be Chairperson of the	<b>Chairperson of Committee Meetings</b>

	meeting.	
<b>140.</b>	a) A committee may meet and adjourn as it thinks fit. b) Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present, and in case of an equality of votes, the Chairperson shall have a second or casting vote.	<b>Meetings of the Committee</b>
<b>141.</b>	Subject to the provisions of the Act, all acts done by any meeting of the Board or by a Committee of the Board, or by any person acting as a Director shall notwithstanding that it shall afterwards be discovered that there was some defect in the appointment of such Director or persons acting as aforesaid, or that they or any of them were disqualified or had vacated office or that the appointment of any of them had been terminated by virtue of any provisions contained in the Act or in these Articles, be as valid as if every such person had been duly appointed, and was qualified to be a Director.	<b>Acts of Board or Committee shall be valid notwithstanding defect in appointment.</b>
<b>RETIREMENT AND ROTATION OF DIRECTORS</b>		
<b>142.</b>	Subject to the provisions of Section 161 of the Act, if the office of any Director appointed by the Company in General Meeting vacated before his term of office will expire in the normal course, the resulting casual vacancy may in default of and subject to any regulation in the Articles of the Company be filled by the Board of Directors at the meeting of the Board and the Director so appointed shall hold office only up to the date up to which the Director in whose place he is appointed would have held office if had not been vacated as aforesaid.	<b>Power to fill casual vacancy</b>
<b>POWERS OF THE BOARD</b>		
<b>143.</b>	The business of the Company shall be managed by the Board who may exercise all such powers of the Company and do all such acts and things as may be necessary, unless otherwise restricted by the Act, or by any other law or by the Memorandum or by the Articles required to be exercised by the Company in General Meeting. However, no regulation made by the Company in General Meeting shall invalidate any prior act of the Board which would have been valid if that regulation had not been made.	<b>Powers of the Board</b>
<b>144.</b>	Without prejudice to the general powers conferred by the Articles and so as not in any way to limit or restrict these powers, and without prejudice to the other powers conferred by these Articles, but subject to the restrictions contained in the Articles, it is hereby, declared that the Directors shall have the following powers, that is to say	<b>Certain powers of the Board</b>
	(1) Subject to the provisions of the Act, to purchase or otherwise acquire any lands, buildings, machinery, premises, property, effects, assets, rights, creditors, royalties, business and goodwill of any person firm or company carrying on the business which this Company is authorised to carry on, in any part of India.	<b>To acquire any property, rights etc.</b>
	(2) Subject to the provisions of the Act to purchase, take on lease for any term or terms of years, or otherwise acquire any land or lands, with or without buildings and out-houses thereon, situate in any part of India, at such conditions as the Directors may think fit, and in any such purchase, lease or acquisition to accept such title as the Directors may believe, or may be advised to be reasonably satisfy.	<b>To take on Lease.</b>
	(3) To erect and construct, on the said land or lands, buildings, houses, warehouses and sheds and to alter, extend and improve the same, to let or lease the property of the company, in part or in whole for such rent and subject to such conditions, as may be thought advisable; to sell such portions of the land or buildings of the Company as may not be required for the company; to mortgage the whole or any portion of the property of the company for the purposes of the Company; to sell all or any portion of the machinery or stores belonging to the Company.	<b>To erect &amp; construct.</b>
	(4) At their discretion and subject to the provisions of the Act, the Directors may pay property rights or privileges acquired by, or services rendered to the Company, either wholly or partially in cash or in shares, bonds, debentures or other securities of the Company, and any such share may be issued either as fully paid up or with such amount credited as paid up thereon as may be agreed upon; and any such bonds, debentures or other securities may be either specifically charged upon all or any part of the property of the Company and its uncalled capital or not so charged.	<b>To pay for property.</b>
	(5) To insure and keep insured against loss or damage by fire or otherwise for such period and to such extent as they may think proper all or any part of the buildings, machinery, goods, stores, produce and other moveable property of the Company	<b>To insure properties of the Company.</b>

	either separately or co-jointly; also to insure all or any portion of the goods, produce, machinery and other articles imported or exported by the Company and to sell, assign, surrender or discontinue any policies of assurance effected in pursuance of this power.	
	(6) To open accounts with any Bank or Bankers and to pay money into and draw money from any such account from time to time as the Directors may think fit.	<b>To open Bank accounts.</b>
	(7) To secure the fulfillment of any contracts or engagement entered into by the Company by mortgage or charge on all or any of the property of the Company including its whole or part of its undertaking as a going concern and its uncalled capital for the time being or in such manner as they think fit.	<b>To secure contracts by way of mortgage.</b>
	(8) To accept from any member, so far as may be permissible by law, a surrender of the shares or any part thereof, on such terms and conditions as shall be agreed upon.	<b>To accept surrender of shares.</b>
	(9) To appoint any person to accept and hold in trust, for the Company property belonging to the Company, or in which it is interested or for any other purposes and to execute and to do all such deeds and things as may be required in relation to any such trust, and to provide for the remuneration of such trustee or trustees.	<b>To appoint trustees for the Company.</b>
	(10) To institute, conduct, defend, compound or abandon any legal proceeding by or against the Company or its Officer, or otherwise concerning the affairs and also to compound and allow time for payment or satisfaction of any debts, due, and of any claims or demands by or against the Company and to refer any difference to arbitration, either according to Indian or Foreign law and either in India or abroad and observe and perform or challenge any award thereon.	<b>To conduct legal proceedings.</b>
	(11) To act on behalf of the Company in all matters relating to bankruptcy insolvency.	<b>Bankruptcy &amp; Insolvency</b>
	(12) To make and give receipts, release and give discharge for moneys payable to the Company and for the claims and demands of the Company.	<b>To issue receipts &amp; give discharge.</b>
	(13) Subject to the provisions of the Act, and these Articles to invest and deal with any moneys of the Company not immediately required for the purpose thereof, upon such authority (not being the shares of this Company) or without security and in such manner as they may think fit and from time to time to vary or realise such investments. Save as provided in Section 187 of the Act, all investments shall be made and held in the Company's own name.	<b>To invest and deal with money of the Company.</b>
	(14) To execute in the name and on behalf of the Company in favour of any Director or other person who may incur or be about to incur any personal liability whether as principal or as surety, for the benefit of the Company, such mortgage of the Company's property (present or future) as they think fit, and any such mortgage may contain a power of sale and other powers, provisions, covenants and agreements as shall be agreed upon;	<b>To give Security by way of indemnity.</b>
	(15) To determine from time to time persons who shall be entitled to sign on Company's behalf, bills, notes, receipts, acceptances, endorsements, cheques, dividend warrants, releases, contracts and documents and to give the necessary authority for such purpose, whether by way of a resolution of the Board or by way of a power of attorney or otherwise.	<b>To determine signing powers.</b>
	(16) To give to any Director, Officer, or other persons employed by the Company, a commission on the profits of any particular business or transaction, or a share in the general profits of the company; and such commission or share of profits shall be treated as part of the working expenses of the Company.	<b>Commission or share in profits.</b>
	(17) To give, award or allow any bonus, pension, gratuity or compensation to any employee of the Company, or his widow, children, dependents, that may appear just or proper, whether such employee, his widow, children or dependents have or have not a legal claim on the Company.	<b>Bonus etc. to employees.</b>
	(18) To set aside out of the profits of the Company such sums as they may think proper for depreciation or the depreciation funds or to insurance fund or to an export fund, or to a Reserve Fund, or Sinking Fund or any special fund to meet contingencies or repay debentures or debenture-stock or for equalizing dividends or for repairing, improving, extending and maintaining any of the properties of the Company and for such other purposes (including the purpose referred to in the preceding clause) as the Board may, in the absolute discretion think	<b>Transfer to Reserve Funds.</b>

	conducive to the interests of the Company, and subject to Section 179 of the Act, to invest the several sums so set aside or so much thereof as may be required to be invested, upon such investments (other than shares of this Company) as they may think fit and from time to time deal with and vary such investments and dispose of and apply and extend all or any part thereof for the benefit of the Company notwithstanding the matters to which the Board apply or upon which the capital moneys of the Company might rightly be applied or expended and divide the reserve fund into such special funds as the Board may think fit; with full powers to transfer the whole or any portion of a reserve fund or division of a reserve fund to another fund and with the full power to employ the assets constituting all or any of the above funds, including the depredation fund, in the business of the company or in the purchase or repayment of debentures or debenture-stocks and without being bound to keep the same separate from the other assets and without being bound to pay interest on the same with the power to the Board at their discretion to pay or allow to the credit of such funds, interest at such rate as the Board may think proper.	
	(19) To appoint, and at their discretion remove or suspend such general manager, managers, secretaries, assistants, supervisors, scientists, technicians, engineers, consultants, legal, medical or economic advisers, research workers, labourers, clerks, agents and servants, for permanent, temporary or special services as they may from time to time think fit, and to determine their powers and duties and to fix their salaries or emoluments or remuneration and to require security in such instances and for such amounts they may think fit and also from time to time to provide for the management and transaction of the affairs of the Company in any specified locality in India or elsewhere in such manner as they think fit and the provisions contained in the next following clauses shall be without prejudice to the general powers conferred by this clause.	<b>To appoint and remove officers and other employees.</b>
	(20) At any time and from time to time by power of attorney under the seal of the Company, to appoint any person or persons to be the Attorney or attorneys of the Company, for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Board under these presents and excluding the power to make calls and excluding also except in their limits authorised by the Board the power to make loans and borrow moneys) and for such period and subject to such conditions as the Board may from time to time think fit, and such appointments may (if the Board think fit) be made in favour of the members or any of the members of any local Board established as aforesaid or in favour of any Company, or the shareholders, directors, nominees or manager of any Company or firm or otherwise in favour of any fluctuating body of persons whether nominated directly or indirectly by the Board and any such powers of attorney may contain such powers for the protection or convenience for dealing with such Attorneys as the Board may think fit, and may contain powers enabling any such delegated Attorneys as aforesaid to sub-delegate all or any of the powers, authorities and discretion for the time being vested in them.	<b>To appoint Attorneys.</b>
	(21) Subject to Sections 188 of the Act, for or in relation to any of the matters aforesaid or otherwise for the purpose of the Company to enter into all such negotiations and contracts and rescind and vary all such contracts, and execute and do all such acts, deeds and things in the name and on behalf of the Company as they may consider expedient.	<b>To enter into contracts.</b>
	(22) From time to time to make, vary and repeal rules for the regulations of the business of the Company its Officers and employees.	<b>To make rules.</b>
	(23) To effect, make and enter into on behalf of the Company all transactions, agreements and other contracts within the scope of the business of the Company.	<b>To effect contracts etc.</b>
	(24) To apply for, promote and obtain any act, charter, privilege, concession, license, authorization, if any, Government, State or municipality, provisional order or license of any authority for enabling the Company to carry any of these objects into effect, or for extending and any of the powers of the Company or for effecting any modification of the Company's constitution, or for any other purpose, which may seem expedient and to oppose any proceedings or applications which may seem calculated, directly or indirectly to prejudice the Company's interests.	<b>To apply &amp; obtain concessions licenses etc.</b>

	(25) To pay and charge to the capital account of the Company any commission or interest lawfully payable there out under the provisions of Sections 40 of the Act and of the provisions contained in these presents.	<b>To pay commissions or interest.</b>
	(26) To redeem preference shares.	<b>To redeem preference shares.</b>
	(27) To subscribe, incur expenditure or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national or any other institutions or subjects which shall have any moral or other claim to support or aid by the Company, either by reason of locality or operation or of public and general utility or otherwise.	<b>To assist charitable or benevolent institutions.</b>
	(28) To pay the cost, charges and expenses preliminary and incidental to the promotion, formation, establishment and registration of the Company. (29) To pay and charge to the capital account of the Company any commission or interest lawfully payable thereon under the provisions of Sections 40 of the Act.	
	(30) To provide for the welfare of Directors or ex-Directors or employees or ex-employees of the Company and their wives, widows and families or the dependents or connections of such persons, by building or contributing to the building of houses, dwelling or chawls, or by grants of moneys, pension, gratuities, allowances, bonus or other payments, or by creating and from time to time subscribing or contributing, to provide other associations, institutions, funds or trusts and by providing or subscribing or contributing towards place of instruction and recreation, hospitals and dispensaries, medical and other attendance and other assistance as the Board shall think fit and subject to the provision of Section 181 of the Act, to subscribe or contribute or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national or other institutions or object which shall have any moral or other claim to support or aid by the Company, either by reason of locality of operation, or of the public and general utility or otherwise.	
	(31) To purchase or otherwise acquire or obtain license for the use of and to sell, exchange or grant license for the use of any trade mark, patent, invention or technical know-how.	
	(32) To sell from time to time any Articles, materials, machinery, plants, stores and other Articles and thing belonging to the Company as the Board may think proper and to manufacture, prepare and sell waste and by-products.	
	(33) From time to time to extend the business and undertaking of the Company by adding, altering or enlarging all or any of the buildings, factories, workshops, premises, plant and machinery, for the time being the property of or in the possession of the Company, or by erecting new or additional buildings, and to expend such sum of money for the purpose aforesaid or any of them as they be thought necessary or expedient.	
	(34) To undertake on behalf of the Company any payment of rents and the performance of the covenants, conditions and agreements contained in or reserved by any lease that may be granted or assigned to or otherwise acquired by the Company and to purchase the reversion or reversions, and otherwise to acquire on free hold sample of all or any of the lands of the Company for the time being held under lease or for an estate less than freehold estate.	
	(35) To improve, manage, develop, exchange, lease, sell, resell and re-purchase, dispose off, deal or otherwise turn to account, any property (movable or immovable) or any rights or privileges belonging to or at the disposal of the Company or in which the Company is interested.	
	(36) To let, sell or otherwise dispose of subject to the provisions of Section 180 of the Act and of the other Articles any property of the Company, either absolutely or conditionally and in such manner and upon such terms and conditions in all respects as it thinks fit and to accept payment in satisfaction for the same in cash or otherwise as it thinks fit.	
	(37) Generally subject to the provisions of the Act and these Articles, to delegate the powers/authorities and discretions vested in the Directors to any person(s), firm, company or fluctuating body of persons as aforesaid.	
	(38) To comply with the requirements of any local law which in their opinion it shall in the interest of the Company be necessary or expedient to comply with.	

<b>MANAGING AND WHOLE-TIME DIRECTORS</b>		
<b>145.</b>	<p>a) Subject to the provisions of the Act and of these Articles, the Directors may from time to time in Board Meetings appoint one or more of their body to be a Managing Director or Managing Directors or whole-time Director or whole-time Directors of the Company for such term not exceeding five years at a time as they may think fit to manage the affairs and business of the Company, and may from time to time (subject to the provisions of any contract between him or them and the Company) remove or dismiss him or them from office and appoint another or others in his or their place or places.</p> <p>b) The Managing Director or Managing Directors or whole-time Director or whole-time Directors so appointed shall be liable to retire by rotation. A Managing Director or Whole-time Director who is appointed as Director immediately on the retirement by rotation shall continue to hold his office as Managing Director or Whole-time Director and such re- appointment as such Director shall not be deemed to constitute a break in his appointment as Managing Director or Whole-time Director.</p>	<b>Powers to appoint Managing/ Whole-time Directors.</b>
<b>146.</b>	The remuneration of a Managing Director or a Whole-time Director (subject to the provisions of the Act and of these Articles and of any contract between him and the Company) shall from time to time be fixed by the Directors, and may be, by way of fixed salary, or commission on profits of the Company, or by participation in any such profits, or by any, or all of these modes.	<b>Remuneration of Managing or Whole-time Director.</b>
<b>147.</b>	<p>(1) Subject to control, direction and supervision of the Board of Directors, the day-to-day management of the company will be in the hands of the Managing Director or Whole-time Director appointed in accordance with regulations of these Articles of Association with powers to the Directors to distribute such day-to-day management functions among such Directors and in any manner as may be directed by the Board.</p> <p>(2) The Directors may from time to time entrust to and confer upon the Managing Director or Whole-time Director for the time being save as prohibited in the Act, such of the powers exercisable under these presents by the Directors as they may think fit, and may confer such objects and purposes, and upon such terms and conditions, and with such restrictions as they think expedient; and they may subject to the provisions of the Act and these Articles confer such powers, either collaterally with or to the exclusion of, and in substitution for, all or any of the powers of the Directors in that behalf, and may from time to time revoke, withdraw, alter or vary all or any such powers.</p> <p>(3) The Company's General Meeting may also from time to time appoint any Managing Director or Managing Directors or Wholetime Director or Wholetime Directors of the Company and may exercise all the powers referred to in these Articles.</p> <p>(4) The Managing Director shall be entitled to sub-delegate (with the sanction of the Directors where necessary) all or any of the powers, authorities and discretions for the time being vested in him in particular from time to time by the appointment of any attorney or attorneys for the management and transaction of the affairs of the Company in any specified locality in such manner as they may think fit.</p> <p>(5) Notwithstanding anything contained in these Articles, the Managing Director is expressly allowed generally to work for and contract with the Company and especially to do the work of Managing Director and also to do any work for the Company upon such terms and conditions and for such remuneration (subject to the provisions of the Act) as may from time to time be agreed between him and the Directors of the Company.</p>	<b>Powers and duties of Managing Director or Whole-time Director.</b>
<b>CHIEF EXECUTIVE OFFICER, MANAGER, COMPANY SECRETARY OR CHIEF FINANCIAL OFFICER</b>		
<b>148.</b>	<p>a) Subject to the provisions of the Act,—</p> <p>i. A chief executive officer, manager, company secretary or chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any chief executive officer, manager, company secretary or chief financial officer so appointed may be removed by means of a resolution of the Board;</p>	<b>Board to appoint Chief Executive Officer/ Manager/ Company Secretary/ Chief Financial Officer</b>

	<p>ii. A director may be appointed as chief executive officer, manager, company secretary or chief financial officer.</p> <p>b) A provision of the Act or these regulations requiring or authorising a thing to be done by or to a director and chief executive officer, manager, company secretary or chief financial officer shall not be satisfied by its being done by or to the same person acting both as director and as, or in place of, chief executive officer, manager, company secretary or chief financial officer.</p>	
	<b>THE SEAL</b>	
<b>149.</b>	<p>(a) The Board shall provide a Common Seal for the purposes of the Company and shall have power from time to time to destroy the same and substitute a new Seal in lieu thereof, and the Board shall provide for the safe custody of the Seal for the time being, and the Seal shall never be used except by the authority of the Board or a Committee of the Board previously given.</p> <p>(b) The Company shall also be at liberty to have an Official Seal in accordance with of the Act, for use in any territory, district or place outside India.</p>	<b>The seal, its custody and use.</b>
<b>150.</b>	The seal of the company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board authorized by it in that behalf, and except in the presence of at least two directors and of the secretary or such other person as the Board may appoint for the purpose; and those two directors and the secretary or other person aforesaid shall sign every instrument to which the seal of the company is so affixed in their presence.	<b>Deeds how executed.</b>
	<b>DIVIDEND AND RESERVES</b>	
<b>151.</b>	<p>(1) Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the shares in the Company, dividends may be declared and paid according to the amounts of the shares.</p> <p>(2) No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this regulation as paid on the share.</p> <p>(3) All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.</p>	<b>Division of profits.</b>
<b>152.</b>	The Company in General Meeting may declare dividends, to be paid to members according to their respective rights and interests in the profits and may fix the time for payment and the Company shall comply with the provisions of Section 127 of the Act, but no dividends shall exceed the amount recommended by the Board of Directors, but the Company may declare a smaller dividend in general meeting.	<b>The company in General Meeting may declare Dividends.</b>
<b>153.</b>	<p>a) The Board may, before recommending any dividend, set aside out of the profits of the company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the company may be properly applied, including provision for meeting contingencies or for equalizing dividends; and pending such application, may, at the like discretion, either be employed in the business of the company or be invested in such investments (other than shares of the company) as the Board may, from time to time, think fit.</p> <p>b) The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.</p>	<b>Transfer to reserves</b>
<b>154.</b>	Subject to the provisions of section 123, the Board may from time to time pay to the members such interim dividends as appear to it to be justified by the profits of the company.	<b>Interim Dividend.</b>
<b>155.</b>	The Directors may retain any dividends on which the Company has a lien and may apply the same in or towards the satisfaction of the debts, liabilities or engagements in respect of which the lien exists.	<b>Debts may be deducted.</b>
<b>156.</b>	No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this articles as paid on the share.	<b>Capital paid up in advance not to earn dividend.</b>

<b>157.</b>	All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid but if any share is issued on terms providing that it shall rank for dividends as from a particular date such share shall rank for dividend accordingly.	<b>Dividends in proportion to amount paid-up.</b>
<b>158.</b>	The Board of Directors may retain the dividend payable upon shares in respect of which any person under Articles has become entitled to be a member, or any person under that Article is entitled to transfer, until such person becomes a member, in respect of such shares or shall duly transfer the same.	<b>Retention of dividends until completion of transfer under Articles.</b>
<b>159.</b>	No member shall be entitled to receive payment of any interest or dividend or bonus in respect of his share or shares, whilst any money may be due or owing from him to the Company in respect of such share or shares (or otherwise however, either alone or jointly with any other person or persons) and the Board of Directors may deduct from the interest or dividend payable to any member all such sums of money so due from him to the Company.	<b>No Member to receive dividend whilst indebted to the company and the Company's right of reimbursement thereof.</b>
<b>160.</b>	A transfer of shares does not pass the right to any dividend declared thereon before the registration of the transfer.	<b>Effect of transfer of shares.</b>
<b>161.</b>	Any one of several persons who are registered as joint holders of any share may give effectual receipts for all dividends or bonus and payments on account of dividends in respect of such share.	<b>Dividend to joint holders.</b>
<b>162.</b>	a) Any dividend, interest or other monies payable in cash in respect of shares may be paid by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct. b) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.	<b>Dividends how remitted.</b>
<b>163.</b>	Notice of any dividend that may have been declared shall be given to the persons entitled to share therein in the manner mentioned in the Act.	<b>Notice of dividend.</b>
<b>164.</b>	No unclaimed dividend shall be forfeited before the claim becomes barred by law and no unpaid dividend shall bear interest as against the Company.	<b>No interest on Dividends.</b>
<b>CAPITALIZATION</b>		
<b>165.</b>	(1) The Company in General Meeting may, upon the recommendation of the Board, resolve: (a) that it is desirable to capitalize any part of the amount for the time being standing to the credit of any of the Company's reserve accounts, or to the credit of the Profit and Loss account, or otherwise available for distribution; and (b) that such sum be accordingly set free for distribution in the manner specified in clause (2) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions. (2) The sums aforesaid shall not be paid in cash but shall be applied subject to the provisions contained in clause (3) either in or towards: (i) paying up any amounts for the time being unpaid on any shares held by such members respectively; (ii) paying up in full, unissued shares of the Company to be allotted and distributed, credited as fully paid up, to and amongst such members in the proportions aforesaid; or (iii) partly in the way specified in sub-clause (i) and partly in that specified in sub-clause (ii). (3) A Securities Premium Account and Capital Redemption Reserve Account may, for the purposes of this regulation, only be applied in the paying up of unissued shares to be issued to members of the Company and fully paid bonus shares. (4) The Board shall give effect to the resolution passed by the Company in pursuance of this regulation.	<b>Capitalization.</b>
<b>166.</b>	(1) Whenever such a resolution as aforesaid shall have been passed, the Board shall —	<b>Fractional Certificates.</b>

	<p>(a) make all appropriations and applications of the undivided profits resolved to be capitalized thereby and all allotments and issues of fully paid shares, if any, and</p> <p>(b) generally to do all acts and things required to give effect thereto.</p> <p>(2) The Board shall have full power -</p> <p>(a) to make such provision, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, in case of shares becoming distributable in fractions; and also</p> <p>(b) to authorise any person to enter, on behalf of all the members entitled thereto, into an agreement with the Company providing for the allotment to them respectively, credited as fully paid up, of any further shares to which they may be entitled upon such capitalization, or (as the case may require) for the payment by the Company on their behalf, by the application thereto of their respective proportions, of the profits resolved to be capitalized, of the amounts or any part of the amounts remaining unpaid on their existing shares.</p> <p>(3) Any agreement made under such authority shall be effective and binding on all such members.</p> <p>(4) That for the purpose of giving effect to any resolution, under the preceding paragraph of this Article, the Directors may give such directions as may be necessary and settle any questions or difficulties that may arise in regard to any issue including distribution of new equity shares and fractional certificates as they think fit.</p>	
<b>167.</b>	<p>(1) The books containing the minutes of the proceedings of any General Meetings of the Company shall be open to inspection of members without charge on such days and during such business hours as may consistently with the provisions of Section 119 of the Act be determined by the Company in General Meeting and the members will also be entitled to be furnished with copies thereof on payment of regulated charges.</p> <p>(2) Any member of the Company shall be entitled to be furnished within seven days after he has made a request in that behalf to the Company with a copy of any minutes referred to in sub-clause (1) hereof on payment of Rs. 10 per page or any part thereof.</p>	<b>Inspection of Minutes Books of General Meetings.</b>
<b>168.</b>	<p>a) The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations, the accounts and books of the company, or any of them, shall be open to the inspection of members not being directors.</p> <p>b) No member (not being a director) shall have any right of inspecting any account or book or document of the company except as conferred by law or authorised by the Board or by the company in general meeting.</p>	<b>Inspection of Accounts</b>
<b>FOREIGN REGISTER</b>		
<b>169.</b>	The Company may exercise the powers conferred on it by the provisions of the Act with regard to the keeping of Foreign Register of its Members or Debenture holders, and the Board may, subject to the provisions of the Act, make and vary such regulations as it may think fit in regard to the keeping of any such Registers.	<b>Foreign Register.</b>
<b>DOCUMENTS AND SERVICE OF NOTICES</b>		
<b>170.</b>	Any document or notice to be served or given by the Company be signed by a Director or such person duly authorised by the Board for such purpose and the signature may be written or printed or lithographed.	<b>Signing of documents &amp; notices to be served or given.</b>
<b>171.</b>	Save as otherwise expressly provided in the Act, a document or proceeding requiring authentication by the company may be signed by a Director, the Manager, or Secretary or other Authorised Officer of the Company and need not be under the Common Seal of the Company.	<b>Authentication of documents and proceedings.</b>
<b>WINDING UP</b>		
<b>172.</b>	<p>Subject to the provisions of Chapter XX of the Act and rules made thereunder—</p> <p>(i) 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.</p> <p>(ii) For the purpose aforesaid, the liquidator may set such value as he deems fair upon</p>	

	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. (iii) 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</b>	
<b>173.</b>	Subject to provisions of the Act, every Director, or Officer or Servant of the Company or any person (whether an Officer of the Company or not) employed by the Company as Auditor, shall be indemnified by the Company against and it shall be the duty of the Directors to pay, out of the funds of the Company, all costs, charges, losses and damages which any such person may incur or become liable to, by reason of any contract entered into or act or thing done, concurred in or omitted to be done by him in any way in or about the execution or discharge of his duties or supposed duties (except such if any as he shall incur or sustain through or by his own wrongful act neglect or default) including expenses, and in particular and so as not to limit the generality of the foregoing provisions, against all liabilities incurred by him as such Director, Officer or Auditor or other officer of the Company in defending any proceedings whether civil or criminal in which judgment is given in his favor, or in which he is acquitted or in connection with any application under Section 463 of the Act on which relief is granted to him by the Court.	<b>Directors' and others right to indemnity.</b>
<b>174.</b>	Subject to the provisions of the Act, no Director, Managing Director or other officer of the Company shall be liable for the acts, receipts, neglects or defaults of any other Directors or Officer, or for joining in any receipt or other act for conformity, or for any loss or expense happening to the Company through insufficiency or deficiency of title to any property acquired by order of the Directors for or on behalf of the Company or for the insufficiency or deficiency of any security in or upon which any of the moneys of the Company shall be invested, or for any loss or damage arising from the bankruptcy, insolvency or tortuous act of any person, company or corporation, with whom any moneys, securities or effects shall be entrusted or deposited, or for any loss occasioned by any error of judgment or oversight on his part, or for any other loss or damage or misfortune whatever which shall happen in the execution of the duties of his office or in relation thereto, unless the same happens through his own dishonesty.	<b>Not responsible for acts of others</b>
	<b>SECRECY</b>	
<b>175.</b>	(a) Every Director, Manager, Auditor, Treasurer, Trustee, Member of a Committee, Officer, Servant, Agent, Accountant or other person employed in the business of the company shall, if so required by the Directors, before entering upon his duties, sign a declaration pleading himself to observe strict secrecy respecting all transactions and affairs of the Company with the customers and the state of the accounts with individuals and in matters relating thereto, and shall by such declaration pledge himself not to reveal any of the matter which may come to his knowledge in the discharge of his duties except when required so to do by the Directors or by any meeting or by a Court of Law and except so far as may be necessary in order to comply with any of the provisions in these presents contained.	<b>Secrecy</b>
	(b) No member or other person (other than a Director) shall be entitled to enter the property of the Company or to inspect or examine the Company's premises or properties or the books of accounts of the Company without the permission of the Board of Directors of the Company for the time being or to require discovery of or any information in respect of any detail of the Company's trading or any matter which is or may be in the nature of trade secret, mystery of trade or secret process or of any matter whatsoever which may relate to the conduct of the business of the Company and which in the opinion of the Board it will be inexpedient in the interest of the Company to disclose or to communicate.	<b>Access to property information etc.</b>

## SECTION XIII: OTHER INFORMATION

### MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The following contracts (not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered more than two (2) years before the date of filing of the Red Herring Prospectus) which are or may be deemed material have been entered or are to be entered by our Company. These contracts, copies of which will be attached to the copy of the Prospectus will be delivered to the Registrar of Companies for filing and also the documents for inspection referred to hereunder, may be inspected at the Registered Office of our Company situated at Village Mangarh, Machiwara Road, Kohara, Ludhiana - 141112, Punjab, India from date of filing the Red Herring Prospectus with Registrar of Companies to Issue Closing Date on working days from 10:00 a.m. to 5:00 p.m. Further, copies of these contracts shall also be available for inspection on the website of the Company.

#### A. Material Contracts

1. Memorandum of Understanding dated May 21, 2024, between our Company and the Book Running Lead Manager.
2. Registrar to the Issue Agreement dated May 21, 2024, between our Company and the Registrar to the Issue.
3. Underwriting Agreement dated May 21, 2024, between our Company, the Book Running Lead Manager and Underwriters.
4. Market Making Agreement dated May 21, 2024, between our Company, Book Running Lead Manager and Market Maker.
5. Banker to the Issue Agreement dated September 13, 2024 between our Company, the Book Running Lead Manager, Banker to the Issue / Sponsor Bank and Registrar to the Issue.
6. Syndicate Agreement dated September 13, 2024 between Our Company, Book Running Lead Manager and Syndicate Member.
7. Partnership Deed of the erstwhile Partnership Firm “Paramount Dye Tec” dated January 03, 2014, effective from January 01, 2014 and reconstituted dated July 20, 2023.
8. Tripartite agreement between the National Securities Depository Limited, our Company and the Registrar dated February 22, 2024.
9. Tripartite agreement between the Central Depository Services (India) Limited, our Company and the Registrar February 12, 2024.

#### B. Material Documents

1. Certified true copies of the Memorandum and Articles of Association of our Company, as amended from time to time.
2. Certificate of Incorporation dated January 04, 2024 issued by Registrar of Companies, Central Registration Centre.
3. Resolution of the Board of Directors of our Company, passed at the Meeting of the Board of Directors held on April 16, 2024 in relation to the Issue.
4. Resolution of the Shareholders of our Company, passed at the Extra Ordinary General Meeting held with a shorter notice on May 08, 2024 relation to the Issue.
5. The Statement of Possible Tax Benefits dated June 25, 2024 issued by the Statutory Auditor included in this Prospectus.
6. Statutory Auditor’s report for Restated Financials dated June 25, 2024 included in this Prospectus.
7. Certificate on Key Performance Indicators issued by our Statutory Auditor dated July 12, 2024.

8. Consents of Our Directors, Promoter, Company Secretary & Compliance Officer, Chief Financial Officer, Statutory Auditor and Peer Review Auditor, Key Managerial Personnel, Book Running Lead Manager, Underwriters, Market Maker to the Issue, Registrar to the Issue, Legal Advisor to the Issue, Banker to the Issue, Syndicate Member and Banker(s) to the Company to include their names in the Prospectus to act in their respective capacities.
9. Due Diligence Certificate dated September 24, 2024 addressed to SEBI from Book Running Lead Manager.
10. Approval from National Stock Exchange of India Limited vide letter no. NSE/LIST/4133 dated September 23, 2024 to use the name of National Stock Exchange of India Limited in this Offer Document for listing of Equity Shares on Emerge Platform of National Stock Exchange of India Limited.

Any of the contracts or documents mentioned in this Prospectus may be amended or modified at any time if so, required in the interest of our Company or if required by the other parties, with the consent of shareholder's subject to compliance of the provisions contained in the Companies Act and other relevant provisions.

## DECLARATION

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

### SIGNED BY ALL THE DIRECTORS OF OUR COMPANY

NAME AND DESIGNATION	SIGNATURE
<b>MR. KUNAL ARORA</b> <i>Managing Director</i> DIN: 09791270	Sd/-
<b>MS. PALKI ARORA</b> <i>Executive Director</i> DIN: 09791271	Sd/-
<b>MR. RUPESH</b> <i>Executive Director</i> DIN: 10186268	Sd/-
<b>MS. DIVYA</b> <i>Non-Executive Director</i> DIN: 07138228	Sd/-
<b>MR. MANISH</b> <i>Independent Director</i> DIN: 10765627	Sd/-
<b>MR. PRABIR SINGH</b> <i>Independent Director</i> DIN: 01068303	Sd/-

### SIGNED BY THE CHIEF FINANCIAL OFFICER AND COMPANY SECRETARY & COMPLIANCE OFFICER OF OUR COMPANY

Sd/-  
**MR. KUNAL ARORA**  
*Chief Financial Officer*  
PAN: ASVPA2890D

Sd/-  
**MS. CHANDNI JAIN**  
*Company Secretary & Compliance Officer*  
PAN: AMDPJ4670L

**Place: Ludhiana**  
**Date: October 04, 2024**

## DISCLOSURE OF PRICE INFORMATION OF PAST ISSUES HANDLED BY GRETEX CORPORATE SERVICES LIMITED

Sr. No.	Issuer Name	Issue Size (Cr)	Issue Price (In ₹)	Listing Date	Opening Price on Listing Date	+ / -% change in closing price, [+ / -% change in Closing benchmark] 30th calendar days from listing	+ / -% change in closing price, [+ / -% change in Closing benchmark] 90th calendar days from listing	+ / -% change in closing price, [+ / -% change in Closing benchmark] 180th calendar days from listing
<b>Main Board</b>								
1	Akme Fintrade (India) Limited	132.00	120.00	June 26, 2024	127.00	-11.82, [3.38]	-13.15, [7.93]	N.A.
<b>SME Platform</b>								
1	Shelter Pharma Limited	16.03	42.00	August 23, 2023	39.97	4.62, [0.88]	54.72, [0.76]	63.08, [11.12]
2	Transtee Seating Technologies Limited	49.98	70.00	November 6, 2023	88.90	-0.64, [7.86]	-2.47, [12.58]	-28.94, [15.78]
3	Kalyani Cast-Tech Limited	30.11	139.00	November 17, 2023	264.10	44.32, [8.65]	78.90, [9.51]	75.28, [10.93]
4	Amic Forging Limited	34.80	126.00	December 6, 2023	239.40	105.59, [3.42]	190.37, [5.78]	244.16, [9.78]
5	Interiors & More Limited	42.00	227.00	February 23, 2024	270.00	-8.99, [-0.52]	-2.29, [1.73]	-6.53, [11.51]
6	Zenith Drugs Limited	40.68	79.00	February 27, 2024	110.00	-40.37, [-0.58]	-37.14, [3.31]	-7.80, [11.82]
7	Owais Metal and Mineral Processing Limited	42.69	87.00	March 04, 2024	250.00	100.76, [0.13]	361.20, [0.56]	408.55, [12.26]
8	Associated Coaters Limited	5.11	121.00	June 06, 2024	142.00	51.59, [6.56]	55.67, [9.69]	N.A.
9	Rapid Multimodal Limited	8.49	84.00	August 30, 2024	103.00	-36.12, [3.89]	N.A.	N.A.

**Sources:** All share price data is from [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com).

**Note:**

- The BSE SENSEX and NSE NIFTY are considered as the Benchmark Index.
- Price on BSE & NSE are considered for all the above calculations.
- In case 30<sup>th</sup>, 90<sup>th</sup> and 180<sup>th</sup> day is not a trading day, the price / index of the immediately preceding working day has been considered.
- In case 30<sup>th</sup>, 90<sup>th</sup> and 180<sup>th</sup> day, scripts are not traded then the share price is taken of the immediately preceding trading day.

As per SEBI Circular No. CIR/CFD/DIL/7/2015 dated October 30, 2015, the above table should reflect maximum 10 issues (Initial Public Offers) managed by the Lead Manager. Hence, disclosure pertaining to recent 10 issues handled by the Lead Manager are provided.

## SUMMARY STATEMENT OF DISCLOSURE

Financial Year	Total no. of IPOs	Total Funds Raised ('in Cr.)	No. of IPOs trading at Discount-30 <sup>th</sup> calendar day from listing day			No. of IPOs trading at Premium-30 <sup>th</sup> calendar day from listing day			No. of IPOs trading at Discount-180 <sup>th</sup> calendar day from listing day			No. of IPOs trading at Premium-180 <sup>th</sup> calendar day from listing day		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
Main Board														
2024-25	1^	132.00	--	--	1	--	--	--	--	--	--	--	--	--
SME Platform														
2022-23	9	179.70	--	--	3	2	1	3	--	2	1	5	--	1
2023-24	10^	300.86	--	1	3	2	2	2	--	1	3	6	--	--
2024-25	2^	13.60	--	1	--	1	--	--	--	--	--	--	--	--

Upto October 04, 2024

<sup>^</sup> The scrip of Associated Coaters Limited and Akme Fintrade (India) Limited and Rapid Multimodal Logistics Limited have not completed 180 Days from the date of listing.