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**SACHEEROME LIMITED**

Corporate Identification Number: U74899DL1992PLC049258

REGISTERED OFFICE	CORPORATE OFFICE	CONTACT PERSON	TELEPHONE AND EMAIL	WEBSITE
Y-4 Okhla Industrial Areaph-II, New Delhi, Delhi, India, 110020	F-89-4-2 Okhla Industrial Area, Phase-1, New Delhi, Delhi, Okhla Industrial Area Phase-I, South Delhi, New Delhi, India, 110020	Ms. Harpreet Kaur (Company Secretary and Compliance Officer)	Tel: +011-47311111 Email: <a href="mailto:compliance@sacheerome.com">compliance@sacheerome.com</a>	<a href="http://www.sacheerome.com">www.sacheerome.com</a>
<b>PROMOTERS OF OUR COMPANY: MR. MANOJ ARORA, MRS. ALKA ARORA AND MR. DHRUV ARORA</b>				
DETAILS OF THE ISSUE				
TYPE	FRESH ISSUE SIZE (IN ₹ THOUSANDS)	OFS SIZE (BY NO. OF SHARES OR BY AMOUNT IN ₹ THOUSANDS)	TOTAL ISSUE SIZE	ELIGIBILITY
Fresh Issue	Up to 61,00,000 equity shares of face value of ₹ 10 each ("Equity Shares") aggregating up to ₹ [●] Thousands ("Issue")	Nil	Up to 61,00,000 equity shares of face value of ₹ 10 each ("Equity Shares") aggregating up to ₹ [●] Thousands ("Issue")	This issue is being made in terms of Regulation 229 and 253(1) of Chapter IX of the SEBI (ICDR) Regulations, 2018 as amended.
DETAILS OF OFFER FOR SALE, SELLING SHAREHOLDERS AND THEIR AVERAGE COST OF ACQUISITION – NOT APPLICABLE AS THE ENTIRE ISSUE CONSTITUTES FRESH ISSUE OF EQUITY SHARES				
RISKS IN RELATION TO THE FIRST ISSUE				
This being the first public issue of the Equity Shares of our Company, there has been no formal market for the Equity Shares. The face value of each Equity Share is ₹ 10/-. The Floor Price, Cap Price and Issue Price as determined by our Company, in consultation with the Book Running Lead Manager, on the basis of the assessment of market demand for the Equity Shares by way of the Book Building process, as stated under "Basis for Issue Price" on page 63 should not be considered to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares nor regarding the price at which the Equity Shares will be traded after Listing.				
GENERAL RISK				
Investments in Equity and Equity-related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue including the risks involved. The Equity Shares issued in the Issue have not been recommended or approved by the Securities and Exchange Board of India ("SEBI"), nor does SEBI guarantee the accuracy or adequacy of the Draft Red Herring Prospectus. Specific attention of the investors is invited of the section titled "Risk Factors" beginning on Page No. 27 of this Draft Red Herring Prospectus.				
ISSUER'S ABSOLUTE RESPONSIBILITY				
Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Red Herring Prospectus contains all information with regard to our Company and this Issue, which is material in the context of this Issue, that the information contained in this Draft Red Herring Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Draft Red Herring Prospectus as a whole or any of such information or the expression of any such opinions or intentions, misleading in any material respect..				
LISTING				
The Equity Shares offered through this Draft Red Herring Prospectus are proposed to be listed on the EMERGE Platform of National Stock Exchange of India Limited ("NSE") in terms of the Chapter IX of the SEBI (ICDR) Regulations, 2018 as amended from time to time. Our Company has received an 'in-principle' approval letter dated [●] from NSE for using its name in this offer document for listing our shares on the EMERGE Platform of the NSE. For the purpose of this Issue, the Designated Stock Exchange will be National Stock Exchange of India Limited ("NSE").				
BOOK RUNNING LEAD MANAGER: GYR CAPITAL ADVISORS PRIVATE LIMITED				
NAME AND LOGO	CONTACT PERSON		E-MAIL ID AND TELEPHONE	
 GYR CAPITAL ADVISORS PRIVATE LIMITED	Mr. Mohit Baid		Telephone: +91 87775 64648 E-mail: <a href="mailto:info@gyrcapitaladvisors.com">info@gyrcapitaladvisors.com</a>	
REGISTRAR TO THE ISSUE: LINK INTIME INDIA PRIVATE LIMITED				
NAME AND LOGO	CONTACT PERSON		E-MAIL ID AND TELEPHONE	
 LINK INTIME INDIA PRIVATE LIMITED	Shanti Gopalkrishnan		Tel: +91 8108114949 Fax: 49186060 Email: <a href="mailto:sacheerome.ipc@linkintime.co.in">sacheerome.ipc@linkintime.co.in</a>	
BID/ ISSUE PERIOD				
ANCHOR PORTION ISSUE OPENS/CLOSES ON: [●]*		BID/ISSUE OPENS ON: [●]*		BID/ISSUE CLOSES ON: [●]**^

\*The Company may, in consultation with the Book Running Lead Manager, consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bid/ Issue Period shall be one Working Day prior to the Bid/Issue Opening Date.

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

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



## SACHEEROME LIMITED

Our Company was originally incorporated as “Sachee Fragrances Limited” under the provisions of Companies Act, 1956 with Registrar of Companies, Delhi & Haryana and received a certificate of incorporation from the Registrar of Companies, Delhi & Haryana on June 19, 1992. Later, the name of the company changed from “Sachee Fragrances Limited” to “Sachee Cosmetics Limited” vide Extra Ordinary General Meeting dated December 26, 1994 and fresh certificate of Incorporation issued by Registrar of Companies Delhi & Haryana on February 13, 1995. Later the name of the company changed from “Sachee Cosmetics Limited to Sachee Aromatics Limited” vide Extra Ordinary General Meeting dated March 19, 1997 and fresh certificate of incorporation issued by Registrar of Companies Delhi & Haryana on April 3, 1997. Further the company has converted from “Sachee Aromatics Limited” to “Sachee Aromatics Private Limited” vide Extra Ordinary General Meeting dated February 24, 2012 and fresh certificate of incorporation issued by Registrar of Companies Delhi & Haryana on March 14, 2012. Further the name of the company changed from “Sachee Aromatics Private Limited” to “Sacheerome Private Limited” vide Extra Ordinary General Meeting dated April 04, 2012 and fresh certificate of Incorporation issued by the Registrar of Companies Delhi & Haryana on April 17, 2012. Further the name of the company changed from “Sacheerome Private Limited” to “Sacheerome Limited” vide Extra Ordinary General Meeting dated May 01, 2024 and fresh certificate of Incorporation issued by Registrar of Companies Delhi & Haryana on August 8th, 2024. The corporate identification number of our Company is U74899DL1992PLC049258. For further details of change in the name of our Company and the Registered Office, see “History and Certain Corporate Matters” on page 112.

**Registered Office:** Y-4 Okhla Industrial Area-II, New Delhi, Delhi, India, 110020;

**Corporate Office:** F-89-4-2 Okhla Industrial Area, Phase-1, New Delhi, Delhi, Okhla Industrial Area Phase-I, South Delhi, New Delhi, India, 110020

**Telephone:** +011-47311111 **Email:** compliance@sacheerome.com; **Website:** www.sacheerome.com

**Contact Person:** Ms. Harpreet Kaur, Company Secretary and Compliance Officer;

**Corporate Identification Number:** U74899DL1992PLC049258

### PROMOTERS OF OUR COMPANY: MR. MANOJ ARORA, MRS. ALKA ARORA AND MR. DHRUV ARORA

INITIAL PUBLIC ISSUE OF UPTO 61,00,000 EQUITY SHARES OF FACE VALUE OF ₹ 10/- EACH (“EQUITY SHARES”) OF SACHEEROME LIMITED (THE “COMPANY” OR “SL” OR “ISSUER”) AT AN ISSUE PRICE OF ₹ [●] PER EQUITY SHARE (INCLUDING A SHARE PREMIUM OF ₹ [●] PER EQUITY SHARE) FOR CASH, AGGREGATING UP TO ₹ [●] THOUSANDS (“PUBLIC ISSUE”) OUT OF WHICH [●] EQUITY SHARES OF FACE VALUE OF ₹ 10/- EACH, AT AN ISSUE PRICE OF ₹ [●] PER EQUITY SHARE FOR CASH, AGGREGATING ₹ [●] THOUSANDS WILL BE RESERVED FOR SUBSCRIPTION BY THE MARKET MAKER TO THE ISSUE (THE “MARKET MAKER RESERVATION PORTION”). THE PUBLIC ISSUE LESS MARKET MAKER RESERVATION PORTION I.E. ISSUE OF [●] EQUITY SHARES OF FACE VALUE OF ₹ 10/- EACH, AT AN ISSUE PRICE OF ₹ [●] PER EQUITY SHARE FOR CASH, AGGREGATING UP TO ₹ [●] THOUSANDS IS HEREINAFTER REFERRED TO AS THE “NET ISSUE”. THE PUBLIC ISSUE AND NET ISSUE WILL CONSTITUTE [●]% AND [●]% RESPECTIVELY OF THE POST- ISSUE PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY.

THE PRICE BAND AND THE MINIMUM BID LOT WILL BE DECIDED BY OUR COMPANY IN CONSULTATION WITH THE BRLM AND WILL BE ADVERTISED IN [●] EDITION OF [●] (A WIDELY CIRCULATED ENGLISH NATIONAL DAILY NEWSPAPER) AND [●] EDITION OF [●] (A WIDELY CIRCULATED HINDI NATIONAL DAILY NEWSPAPER, AT LEAST TWO WORKING DAYS PRIOR TO THE BID/ISSUE OPENING DATE AND SHALL BE MADE AVAILABLE TO THE NATIONAL STOCK EXCHANGE OF INDIA LIMITED (“NSE”) FOR THE PURPOSES OF UPLOADING ON THEIR WEBSITE IN ACCORDANCE WITH SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, AS AMENDED (THE “SEBI ICDR REGULATIONS”).

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

This Issue is being made through the Book Building Process, in terms of Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended (“SCRR”) read with Regulation 229 of the SEBI ICDR Regulations and in compliance with Regulation 253 of the SEBI ICDR Regulations, wherein not more than 50.00% of the Net Issue shall be available for allocation on a proportionate basis to Qualified Institutional Buyers (“QIBs”) (the “QIB Portion”), provided that our Company may, in consultation with the Book Running Lead Manager, may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations (“Anchor Investor Portion”), of which one-third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription, or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the Net QIB Portion. Further, 5.00% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders, including Mutual Funds, subject to valid Bids being received at or above the Issue Price. However, if the aggregate demand from Mutual Funds is less than 5.00% of the Net QIB Portion, the balance Equity Shares available for allocation in the Mutual Fund Portion will be added to the remaining Net QIB Portion for proportionate allocation to QIBs. Further, not less than 15.00% of the Net Issue shall be available for allocation on a proportionate basis to Non-Institutional Investors and not less than 35.00% of the Net Issue shall be available for allocation to Retail Individual Investors in accordance with the SEBI ICDR Regulations, subject to valid Bids being received from them at or above the Issue Price. All Bidders are required to participate in the Issue by mandatorily utilizing the Application Supported by Blocked Amount (“ASBA”) process by providing details of their respective ASBA Account (as defined hereinafter) in which the corresponding Bid Amounts will be blocked by the Self Certified Syndicate Banks (“SCSBs”) or under the UPI Mechanism, as the case may be, to the extent of respective Bid Amounts. Anchor Investors are not permitted to participate in the Issue through the ASBA process. For details, see “Issue Procedure” on page 193 of this Draft Red Herring Prospectus.

All potential investors shall participate in the Issue through an Application Supported by Blocked Amount (“ASBA”) process including through UPI mode (as applicable) by providing details about the bank account which will be blocked by the Self Certified Syndicate Banks (“SCSBs”) for the same. For details in this regard, specific attention is invited to “Issue Procedure” on page 193 of this Draft Red Herring Prospectus. A copy of Red Herring Prospectus will be delivered to the Registrar of Companies for filing in accordance with Section 32 of the Companies Act, 2013.

### ELIGIBLE INVESTORS

For details in relation to Eligible Investors, please refer to section titled "Issue Procedure" beginning on Page No. 193 of this Draft Red Herring Prospectus.

### RISKS IN RELATION TO THE FIRST ISSUE

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

### GENERAL RISK

Investments in Equity and Equity-related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue including the risks involved. The Equity Shares issued in the Issue have not been recommended or approved by the Securities and Exchange Board of India ("SEBI"), nor does SEBI guarantee the accuracy or adequacy of the Draft Red Herring Prospectus. Specific attention of the investors is invited of the section titled "Risk Factors" beginning on Page No. 27 of this this Draft Red Herring Prospectus.

### ISSUER'S ABSOLUTE RESPONSIBILITY

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

### LISTING

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

### BOOK RUNNING LEAD MANAGER



**GYR CAPITAL ADVISORS PRIVATE LIMITED**  
428, Gala Empire, Near JB Tower, Drive in Road, Thaltej,  
Ahemdabad-380 054, Gujarat, India.  
**Telephone:** +91 8777564648  
**E-mail id:** [info@gyrcapitaladvisors.com](mailto:info@gyrcapitaladvisors.com)  
**Website:** [www.gyrcapitaladvisors.com](http://www.gyrcapitaladvisors.com)  
**Investor Grievance e-mail ID:** [investors@gyrcapitaladvisors.com](mailto:investors@gyrcapitaladvisors.com)  
**Contact Person:** Mohit Baid  
**SEBI Registration Number:** INM000012810  
**CIN:** U67200GJ2017PTC096908

### REGISTRAR TO THE ISSUE



**LINK INTIME INDIA PRIVATE LIMITED**  
C-101, 1st Floor, 247 Park, Lal Bhadr Shastri Marg ,Vikhroli (West), Mumbai  
400 083, Maharashtra, India  
**Telephone:** +91 810 811 4949  
**Email:** [sacheerome.ipo@linkintime.co.in](mailto:sacheerome.ipo@linkintime.co.in)  
**Website:** [www.linkintime.co.in](http://www.linkintime.co.in)  
**Investor Grievance Email:** [sacheerome.ipo@linkintime.co.in](mailto:sacheerome.ipo@linkintime.co.in)  
**Contact Person:** Shanti Gopalkrishnan  
**SEBI Registration Number:** INR000004058  
**CIN :-** U67190MH1999PTC118368

### ISSUE PROGRAMME

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

BID/ISSUE OPENS ON: [●]\*

BID/ISSUE CLOSES ON: [●]\*\*^

\*The Company may, in consultation with the Book Running Lead Manager, consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bid/Issue Period shall be one Working Day prior to the Bid/Issue Opening Date.

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

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

*THIS PAGE HAS BEEN INTENTIONALLY LEFT BLANK  
PURSUANT TO SCHEDULE VI OF SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND  
DISCLOSURE REQUIREMENTS) REGULATIONS, 2018.)*

# Table of Contents

<b>SECTION I – GENERAL</b> .....	6
<b>DEFINITIONS AND ABBREVIATIONS</b> .....	6
<b>CERTAIN CONVENTIONS, USE OF FINANCIAL INFORMATION AND MARKET DATA AND CURRENCY OF PRESENTATION</b> .....	18
<b>FORWARD - LOOKING STATEMENTS</b> .....	20
<b>SECTION II – SUMMARY OF ISSUE DOCUMENT</b> .....	21
<b>SECTION III – RISK FACTOR</b> .....	27
<b>SECTION IV - INTRODUCTION</b> .....	40
<b>THE ISSUE</b> .....	40
<b>SUMMARY OF FINANCIAL INFORMATION</b> .....	42
<b>GENERAL INFORMATION</b> .....	43
<b>CAPITAL STRUCTURE</b> .....	52
<b>OBJECTS OF THE ISSUE</b> .....	63
<b>BASIS FOR ISSUE PRICE</b> .....	74
<b>STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS</b> .....	80
<b>SECTION V – ABOUT THE COMPANY</b> .....	83
<b>INDUSTRY OVERVIEW</b> .....	83
<b>OUR BUSINESS</b> .....	89
<b>KEY INDUSTRIAL REGULATIONS AND POLICIES</b> .....	105
<b>HISTORY AND CERTAIN CORPORATE MATTERS</b> .....	112
<b>OUR MANAGEMENT</b> .....	115
<b>OUR PROMOTER AND PROMOTER GROUP</b> .....	129
<b>OUR GROUP COMPANY</b> .....	135
<b>DIVIDEND POLICY</b> .....	140
<b>SECTION VI: FINANCIAL INFORMATION</b> .....	141
<b>RESTATED FINANCIAL STATEMENTS</b> .....	141
<b>OTHER FINANCIAL INFORMATION</b> .....	142
<b>CAPITALISATION STATEMENT</b> .....	146
<b>FINANCIAL INDEBTEDNESS</b> .....	147
<b>MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS</b> .....	148
<b>SECTION VII: LEGAL AND OTHER INFORMATION</b> .....	163
<b>OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS</b> .....	163
<b>GOVERNMENT AND OTHER APPROVALS</b> .....	167
<b>OTHER REGULATORY AND STATUTORY DISCLOSURES</b> .....	173
<b>SECTION VIII: ISSUE RELATED INFORMATION</b> .....	183
<b>TERMS OF THE ISSUE</b> .....	183
<b>ISSUE STRUCTURE</b> .....	190
<b>ISSUE PROCEDURE</b> .....	193
<b>RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES</b> .....	219
<b>SECTION IX - DESCRIPTION OF EQUITY SHARES AND TERMS OF ARTICLES OF ASSOCIATION</b> .....	220
<b>SECTION X - OTHER INFORMATION</b> .....	233
<b>MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION</b> .....	233
<b>DECLARATION</b> .....	235

## SECTION I – GENERAL

### DEFINITIONS AND ABBREVIATIONS

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

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

Notwithstanding the foregoing, the terms used in “*Industry Overview*”, “*Key Industrial Regulations and Policies*”, “*Statement of Possible Special Tax Benefits*”, “*Financial Information*”, “*Basis for Issue Price*”, “*Outstanding Litigation and Material Developments*” and “*Description of Equity Shares and Terms of the Articles of Association*” beginning on pages 83, 105, 80, 141, 63, 163 and 220, respectively, shall have the meaning ascribed to them in the relevant section.

### GENERAL AND COMPANY RELATED TERMS

Term	Description
“Company”, “our Company”, “the Company”, “the Issuer”, “Sacheerome” or “SCL”	Sacheerome Limited a public limited company incorporated in India under the Companies Act, 1956 having its registered office at Y-4 Okhla Industrial Areaph-II, New Delhi, Delhi, India, 110020 and Corporate Office at F-89-4-2 Okhla Industrial Area, Phase-1, New Delhi, Delhi, Okhla Industrial Area Phase-I, South Delhi, New Delhi, India, 110020
Our Promoters	Mr. Manoj Arora, Mrs. Alka Arora and Mr. Dhruv Arora
Promoters’ Group	Companies, individuals and entities (other than companies) as defined under Regulation 2(1)(pp) of the SEBI (ICDR) Regulations, 2018 which is provided in the chapter titled “ <i>Our Promoter and Promoter Group</i> ” on page 129 of this Draft Red Herring Prospectus

### COMPANY RELATED TERMS

Term	Description
Articles/Articles of Association/AOA	Articles of Association of our Company.
Audit Committee	The Audit Committee of the Board of Directors constituted in accordance with Section 177 of the Companies Act, 2013. For details refer section titled “ <i>Our Management</i> ” on page 112 of this Draft Red Herring Prospectus.
Auditor/ Statutory Auditor/ Peer Review Auditor	Statutory and peer review auditor of our Company, namely, M/s. T R Chadha & Co LLP, Chartered Accountants.
Bankers to the Company	Kotak Mahindra Bank Limited
Board of Directors/Board/BOD	The Board of Directors of Sacheerome Limited unless otherwise specified.
Companies Act	The Companies Act, 1956/2013 as amended from time to time.
CIN	Corporate Identification Number of our Company i.e. U74899DL1992PLC049258
CMD	Chairman and Managing Director of our Company is Mr. Manoj Arora
Chief Financial Officer (CFO)	The Chief Financial officer of our Company, being Ms. Aarti Kashyap
Company Secretary and Compliance Officer	The Company Secretary and Compliance Officer of our Company, being Ms. Harpreet Kaur.
Corporate Office	F-89-4-2 Okhla Industrial Area, Phase-1, New Delhi, Delhi, Okhla Industrial Area Phase-I, South Delhi, New Delhi, India, 110020
Depositories Act	The Depositories Act, 1996, as amended from time to time.
DIN	Director Identification Number.
Director(s)	Directors on our Board as described “ <i>Our Management</i> ” beginning on page 112 of this Draft Red Herring Prospectus.
Equity Shares	Equity Shares of our Company of Face Value of ₹ 10/- each unless otherwise specified in the context thereof.
Equity Shareholders	Persons/ Entities holding Equity Shares of Our Company.
ED	Executive Director.
Group Companies	Companies with which there have been related party transactions, during the last three financial years, as covered under the applicable accounting standards and other companies as considered material by the Board in accordance with the Materiality Policy.



Independent Director	A non-executive & Independent Director as per the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
Indian GAAP	Generally Accepted Accounting Principles in India.
ISIN	INE1ARD01016
Key Managerial Personnel / Key Managerial Employees/KMP	Key Managerial Personnel of our company in accordance with Regulation 2(1)(bb) of the SEBI ICDR Regulations, 2018 and Section 2(51) of the companies Act, 2013 as applicable and as further disclosed in the section titled “ <i>Our Management</i> ” on page 112 of this Draft Red Herring Prospectus.
LLP	LLP incorporated under the Limited Liability Partnership Act, 2008.
Materiality Policy	The policy on identification of group companies, material creditors and material litigation, adopted by our Board on August 22, 2024 in accordance with the requirements of the SEBI ICDR Regulations.
MOA/ Memorandum / Memorandum of Association	Memorandum of Association of our Company as amended from time to time.
Non-Residents	A person resident outside India, as defined under FEMA
Nomination and Remuneration Committee	The Nomination and Remuneration Committee of our Board of Directors constituted in accordance with Companies Act, 2013. For details refer section titled “ <i>Our Management</i> ” on page 112 of this Draft Red Herring Prospectus.
Non-Executive Director	A Director not being an Executive Director or an Independent Director.
NRI / Non Resident Indians	A person resident outside India, as defined under FEMA and who is a citizen of India or a Person of Indian Origin under Foreign Outside India Regulations, 2000.
Promoters	The Promoters of our company, being Mr. Manoj Arora, Mrs. Alka Arora and Mr. Dhruv Arora. For details, see “ <i>Our Promoter and Promoter Group</i> ” on page 129 of this Draft Red Herring Prospectus.
Promoter Group	Person and entities constituting the promoter group of our company, pursuant to Regulation 2(1)(pp) of the SEBI ICDR Regulations and as disclosed in “ <i>Our Promoter and Promoter Group</i> ” on page 129 of this Draft Red Herring Prospectus.
Registered Office	Y-4 Okhla Industrial Areaph-II, New Delhi, Delhi, India, 110020
Restated Financial Information/Restated Financial Statements	The Restated Financial Information of our Company, which comprises the Restated Statement of assets and liabilities, the Restated Statement of profit and loss, the Restated Statement of cash flows for the period ended on 30 <sup>th</sup> September, 2024 and for the year ended on March 31, 2024, 2023, 2022 along with the summary statement of significant accounting policies read together with the annexures and notes thereto prepared in terms of the requirements of Section 32 of the Companies Act, the SEBI ICDR Regulations and the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the ICAI, as amended from time to time.
ROC / Registrar of Companies	Registrar of Companies, Delhi.
Shareholders	Shareholders of our company
Stakeholders Relationship Committee	The Stakeholders Relationship Committee of our Board of Directors constituted in accordance with Section 178 of the Companies Act, 2013 and Listing Regulations. For details refer section titled “ <i>Our Management</i> ” on page 112 of this Draft Red Herring Prospectus.
Whole-time Director/WTD	Whole-time director(s) on our Board, as described in “ <i>Our Management</i> ”, beginning on page 112 of this Draft Red Herring Prospectus

## **ISSUE RELATED TERMS**

<b>Term</b>	<b>Description</b>
Abridged Prospectus	Abridged Prospectus means a memorandum containing such salient features of a Prospectus as may be specified by SEBI in this behalf.
Acknowledgement Slip	The slip or document issued by the Designated Intermediary to an Applicant as proof of registration of the Application.
Allotment/Allot/Allotted	Unless the context otherwise requires, allotment of Equity Shares offered pursuant to the Fresh Issue pursuant to successful Bidders.
Application Form	The Form in terms of which the applicant shall apply for the Equity Shares of our Company.
Allotment Advice	Note or advice or intimation of Allotment sent to the Bidders who have been allotted Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchanges.
Application Supported by Blocked Amount / ASBA	An application, whether physical or electronic, used by applicants to make an application authorising a SCSB to block the application amount in the ASBA Account maintained with the SCSB.
ASBA Account	An account maintained with the SCSB and specified in the application form submitted by ASBA applicant for blocking the amount mentioned in the application form.

<b>Term</b>	<b>Description</b>
ASBA Applicant	Any prospective investor who makes an application pursuant to the terms of the Draft Red Herring Prospectus and the Application Form including through UPI mode (as applicable).
ASBA Bid	A Bid made by ASBA Bidder.
ASBA Bidder	Any prospective investor(s) / Bidder (s) in this Issue who apply(ies) through the ASBA process.
ASBA Form	An application form, whether physical or electronic, used by ASBA Applicant and which will be considered as the application for Allotment in terms of the Prospectus
Allotment	Issue of the Equity Shares pursuant to the Issue to the successful applicants.
Allottee(s)	The successful applicant to whom the Equity Shares are being/have been issued.
Anchor Investor	A Qualified Institutional Buyer, applying under the Anchor Investor Portion in accordance with the requirements specified in the SEBI ICDR Regulations and the Red Herring Prospectus and who has Bid for an amount of at least ₹ 200 lakhs.
Anchor Investor Allocation Price	The price at which Equity Shares will be allocated to the Anchor Investors in terms of the Red Herring Prospectus and the Prospectus, which will be decided by our Company in consultation with the Book Running Lead Managers during the Anchor Investor Bid/ Issue Period.
Anchor Investor Application Form	The application form used by an Anchor Investor to make a Bid in the Anchor Investor Portion and which will be considered as an application for Allotment in terms of the Red Herring Prospectus and Prospectus
Anchor Investor Bid/ Issue Period	One Working Day prior to the Bid/ Issue Opening Date, on which Bids by Anchor Investors shall be submitted and allocation to the Anchor Investors shall be completed.
Anchor Investor Issue Price	The final price at which the Equity Shares will be Allotted to the Anchor Investors in terms of the Red Herring Prospectus and the Prospectus, which price will be equal to or higher than the Issue Price but not higher than the Cap Price. The Anchor Investor Issue Price will be decided by our Company, in consultation with the Book Running Lead Managers.
Anchor Investor Portion	Up to 60% of the QIB Portion which may be allocated by our Company, in consultation with the Book Running Lead Managers, to the Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price, in accordance with the SEBI ICDR Regulations.
Banker(s) to the Issue	Banks which are clearing members and registered with SEBI as bankers to an issue and with whom the Public Issue Account will be opened, in this case being [●].
Bid	An indication to make an Issue during the Bid/ Issue Period by a Bidder (other than an Anchor Investor) pursuant to submission of the ASBA Form, or during the Anchor Investor Bid/ Issue Period by an Anchor Investor, pursuant to submission of the Anchor Investor Application Form, to subscribe to or purchase the Equity Shares at a price within the Price Band, including all revisions and modifications thereto as permitted under the SEBI ICDR Regulations and in terms of the Red Herring Prospectus and the Bid cum Application Form. The term "Bidding" shall be construed accordingly.
Bid Lot	[●] Equity Shares and in multiples of [●] Equity Shares thereafter
Bid/Issue Closing Date	The date after which the Designated Intermediaries will not accept any Bids, being [●], which shall be published in [●] editions of [●] (a widely circulated English national daily newspaper), [●] and editions of [●] (a widely circulated Hindi nationaldaily newspaper). Our Company in consultation with the BRLM, may, consider closing the Bid/Issue Period for QIBs one Working Day prior to the Bid/Issue Closing Date in accordancewith the SEBI ICDR Regulations. In case of any revision, the extended Bid/ Issue Closing Date shall be widely disseminated by notification to the Stock Exchanges, and also be notified on the websites of the BRLM and at the terminals of the Syndicate Members, if any and communicated to the Designated Intermediaries and the SponsorBank, which shall also be notified in an advertisement in same newspapers in which the Bid/ Issue Opening Date was published, as required under the SEBI ICDR Regulations
Bid/Issue Opening Date	The date on which the Designated Intermediaries shall start accepting Bids, being [●], which shall be published in [●] editions of [●] (a widely circulated English national daily newspaper), [●] and editions of [●] (a widely circulated Hindi nationaldaily newspaper).
Bid/ Issue Period	The period between the Bid/ Issue Opening Date and the Bid/ Issue Closing Date, inclusive of both days, during which prospective Bidders can submit their Bids, including any revisions thereof in accordance with the SEBI ICDR Regulations and the terms of the Red Herring Prospectus. Provided, however, that the Bidding shall be kept open for a minimum of three Working Days for all categories of Bidders.  Our Company in consultation with the Book Running Lead Manager may consider closing the Bid/Issue Period for the QIB Portion One Working Day prior to the Bid/Issue Closing Date which shall also be notified in an advertisement in same newspapers in which the Bid/Issue Opening Date was published, in accordance withthe SEBI ICDR Regulations.



Term	Description
	In cases of force majeure, banking strike or similar circumstances, our Company in consultation with the BRLM, for reasons to be recorded in writing, extend the Bid / Issue Period for a minimum of three Working Days, subject to the Bid/ Issue Period not exceeding 10 Working Days.
Bidder/ Investor	Any prospective investor who makes a bid for Equity Shares in terms of the Red Herring Prospectus.
Bid Amount	The amount at which the bidder makes a bid for the Equity Shares of our Company in terms of Draft Red Herring Prospectus.
Bid cum Application Form	The form in terms of which the bidder shall make a bid, including ASBA Form, and which shall be considered as the bid for the Allotment pursuant to the terms of this Draft Red Herring Prospectus.
Book Building Process	Book building process, as provided in Part A of Schedule XIII of the SEBI ICDR Regulations, in terms of which the Issue is being made.
Book Running Lead Manager/ BRLM	The Book Running Lead Manager to the Issue, being GYR Capital Advisors Private Limited.
Basis of Allotment	The basis on which equity shares will be allotted to successful applicants under the Issue and which is described in paragraph titled 'Basis of allotment' under chapter titled "Issue Procedure" starting from page no. 193 of this Draft Red Herring Prospectus.
Bidding Centres	Centres at which the Designated Intermediaries shall accept the Application Forms i.e. Designated SCSB Branch for SCSBs, Specified Locations for members of the Syndicate, Broker Centres for Registered Brokers, Designated RTA Locations for RTAs and Designated CDP Locations for CDPs.
Broker Centres	Broker centres notified by the Stock Exchanges where ASBA Applicants can submit the ASBA Forms to a Registered Broker. The details of such Broker Centres, along with the names and the contact details of the Registered Brokers are available on the respective websites of the Stock Exchanges ( <a href="http://www.bseindia.com">www.bseindia.com</a> and <a href="http://www.nseindia.com">www.nseindia.com</a> ).
Business Day	Monday to Friday (except public holidays).
CAN or Confirmation of Allocation Note	The Note or advice or intimation sent to each successful Applicant indicating the Equity which will be allotted, after approval of Basis of Allotment by the designated Stock Exchange.
Cap Price	The higher end of the Price Band, subject to any revisions thereto, above which the Issue Price will not be finalized and above which no Bids will be accepted.
Client ID	The client identification number maintained with one of the Depositories in relation to demat account.
Collecting Depository Participant/ CDP	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Bids from relevant Bidders at the Designated CDP Locations in terms of the circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI UPI Circulars, issued by SEBI and as per the list available on the websites of BSE and NSE.
Circular on Streamlining of Public Issues/ UPI Circular	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/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, SEBI master circular with circular no. SEBI/HO/MIRSD/POD-1/P/CIR/2023/70 dated May 17, 2023 (to the extent that such circulars pertain to the UPI Mechanism), SEBI master circular with circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023, SEBI circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023, and any subsequent circulars or notifications issued by SEBI in this regard, along with the circulars issued by the Stock Exchanges in this regard, including the circular issued by the NSE having reference no. 25/2022 dated August 3, 2022, and the circular issued by BSE having reference no. 20220803-40 dated August 3, 2022 and any subsequent circulars or notifications issued by SEBI or Stock Exchanges in this regard.
Controlling Branches	Such branches of SCSBs which coordinate Applications under the Issue with the BRLM, the Registrar and the Stock Exchange, a list of which is available on the website of SEBI at <a href="http://www.sebi.gov.in">http://www.sebi.gov.in</a> or at such other website as may be prescribed by SEBI from time to time.
Cut Off Price	The Issue Price, which shall be any price within the Price band as finalized by our Company in consultation with the BRLM. 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.
Depository	A depository registered with SEBI under the SEBI (Depositories and Participants) Regulations, 2018.
Designated CDP Locations	Such locations of the CDPs where Bidders can submit the ASBA Forms. The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository

Term	Description
	Participants eligible to accept ASBA Forms are available on the respective websites of the Stock Exchanges ( <a href="http://www.bseindia.com">www.bseindia.com</a> and <a href="http://www.nseindia.com">www.nseindia.com</a> )
Designated Date	The date on which relevant amounts are transferred from the ASBA Accounts to the Public Issue Account or the Refund Account, as the case may be, and/or the instructions are issued to the SCSBs (in case of UPI Bidders using the UPI Mechanism, instruction issued through the Sponsor Bank) for the transfer of amounts blocked by the SCSBs in the ASBA Accounts to the Public Issue Account, in terms of the Prospectus following which Equity Shares will be Allotted in the Issue.
Demographic Details	Details of the Applicants including their address, name of the father/husband, investor status, occupation and bank account details and UPI ID, where applicable.
Designated Intermediaries/Collecting agent	In relation to ASBA Forms submitted by RIIs authorising an SCSB to block the Bid Amount in the ASBA Account, Designated Intermediaries shall mean SCSBs. In relation to ASBA Forms submitted by UPI Bidders where the Bid Amount will be blocked upon acceptance of UPI Mandate Request by such UPI Bidders using the UPI Mechanism, Designated Intermediaries shall mean Syndicate, sub-Syndicate/agents, Registered Brokers, CDPs, SCSBs and RTAs. In relation to ASBA Forms submitted by QIBs and Non-Institutional Bidders (not using the UPI Mechanism), Designated Intermediaries shall mean Syndicate, sub-Syndicate/ agents, SCSBs, Registered Brokers, the CDPs and RTAs.
Designated RTA Locations	Such locations of the RTAs where Applicants can submit the ASBA Forms to RTAs. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept ASBA Forms are available on the respective websites of the Stock Exchanges ( <a href="http://www.bseindia.com">www.bseindia.com</a> and <a href="http://www.nseindia.com">www.nseindia.com</a> ), as updated from time to time.
Designated SCSB Branches	Such branches of the SCSBs which shall collect the ASBA Forms (other than ASBA Forms submitted by RIIs where the Application Amount will be blocked upon acceptance of UPI Mandate Request by such RII using the UPI Mechanism), a list of which is available on the website of SEBI at <a href="http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes">www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes</a> . Intermediaries or at such other website as may be prescribed by SEBI from time to time.
Designated Stock Exchange	Emerge Platform of National Stock Exchange of India Limited (“NSE EMERGE”)
Depository Participant	A Depository Participant as defined under the Depositories Act, 1996.
Designated Market Maker	[●] will act as the Market Maker and has agreed to receive or deliver the specified securities in the market making process for a period of three years from the date of listing of our Equity Shares or for a period as may be notified by amendment to SEBI ICDR Regulations.
DP ID	Depository Participant’s identity number.
Draft Red Herring Prospectus/DRHP	This Draft Red Herring Prospectus dated December 17, 2024 issued in accordance with Section 26 and 32 of the Companies Act, 2013 and SEBI ICDR Regulation.
Electronic Transfer of Funds	Refunds through ECS, NEFT, Direct Credit or RTGS as applicable.
Eligible FPI(s)	FPIs from such jurisdictions outside India where it is not unlawful to make an offer / invitation under the Issue and in relation to whom the Application Form and the Prospectus constitutes an invitation to subscribe to the Equity Shares.
Eligible NRI(s)	NRI(s) from jurisdictions outside India where it is not unlawful to make an offer or invitation under the Issue and in relation to whom the Application Form and the Prospectus will constitute an invitation to subscribe to or to purchase the Equity Shares
Eligible QFIs	QFIs from such jurisdictions outside India where it is not unlawful to make an Issue or invitation under the Issue and in relation to whom the Prospectus constitutes an invitation to purchase the Equity Shares Issued thereby and who have opened demat accounts with SEBI registered qualified depository participants.
Emerge Platform of National Stock Exchange of India Limited	The EmERGE Platform of National Stock Exchange of India Limited for Listing of Equity Shares offered under Chapter IX of SEBI (ICDR) Regulations which was approved by SEBI as a National Stock Exchange of India Limited EmERGE on October 14, 2011.
Equity Listing Agreements	The listing agreements to be entered into by our Company with the Stock Exchange in relation to our Equity Shares.
Escrow and Sponsor Bank Agreement	Agreement dated [●] entered into amongst our Company, the Registrar to the Issue, the Book Running Lead Manager and Banker to the Issue and Sponsor Bank, to receive monies from the Applicants through the SCSBs Bank Account on the Designated Date in the Public Issue Account.
Escrow Account(s)	Account(s) opened with the Bank(s) to the Issue pursuant to Escrow and Sponsor Bank Agreement.
Escrow Collection Bank(s)	The Bank(s) which are clearing members and registered with SEBI as bankers to an issue under the SEBI (Bankers to an Issue) Regulations, 1994 and with whom the Escrow Account(s) will be opened, in this case being [●].

Term	Description
First Applicant	The Applicant whose name appears first in the Application Form or the Revision Form and in case of joint Bids, whose name shall also appear as the first holder of the beneficiary account held in joint names.
Floor Price	The lower end of the Price Band being [●], subject to any revision(s) thereto, not being less than the face value of Equity Shares and the Anchor Investor Issue Price, at or above which the Issue Price will be finalized and below which no Bids will be accepted.
Foreign Venture Capital Investors	Foreign Venture Capital Investors registered with SEBI under the SEBI (Foreign Venture Capital Investor) Regulations, 2000.
FPI / Foreign Portfolio Investor	A Foreign Portfolio Investor who has been registered under Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, provided that any FII or QFI who holds a valid certificate of registration shall be deemed to be a foreign portfolio investor till the expiry of the block of three years for which fees have been paid as per the SEBI (Foreign Institutional Investors) Regulations, 1995, as amended.
Fresh Issue	The Fresh Issue of Upto 61,00,000 Equity Shares aggregating up to ₹ [●] Thousands.
Fugitive Economic Offender	An individual who is declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018.
Fraudulent Borrower	Fraudulent borrower as defined under Regulation 2(1) (III) of the SEBI ICDR Regulations.
General Information Document (GID)	The General Information Document for investing in public issues prepared and issued in accordance with the SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020 and the UPI Circulars, as amended from time to time. The General Information Document shall be available on the websites of the Stock Exchange and the Book Running Lead Manager.
GIR Number	General Index Registry Number
Issue Agreement	The agreement dated September 27, 2024 amongst our Company and the Book Running Lead Manager, pursuant to which certain arrangements are agreed to in relation to the Issue.
Issue Period	The periods between the Issue Opening Date and the Issue Closing Date inclusive of both days and during which prospective Applicants may submit their Bidding application.
Issue Price	The price at which the Equity Shares are being issued by our Company in consultation with the Book Running Lead Manager under the Red Herring Prospectus and the Prospectus being ₹ [●] per share.
Issue Proceeds	The proceeds of the Issue shall be available to our Company. For further information about the use of the Issue Proceeds, see “ <i>Objects of the Issue</i> ” beginning on page 63.
Issue Opening	The date on which the Book Running Lead Manager, Syndicate Member, Designated Branches of SCSEBs and Registered Brokers shall start accepting Application for this Issue, which shall be the date notified in an English national newspaper, Hindi national newspaper each with wide circulation as required under the SEBI (ICDR) Regulations. In this case being [●]
Issue Closing	The date after which the Book Running Lead Manager, Syndicate Member, Designated Branches of SCSEBs and Registered Brokers will not accept any Application for this Issue, which shall be notified in a English national newspaper, Hindi national newspaper and Delhi Newspaper each with wide circulation as required under the SEBI (ICDR) Regulations. In this case being [●]
Issue/ Issue Size/ Initial Public Issue/ Initial Public Offering/IPO	The initial public offering of Up to 61,00,000 Equity Shares for cash at a price of ₹ [●] each, aggregating up to ₹ [●] Thousands comprising the Fresh Issue.
Listing Agreement	The Equity Listing Agreement to be signed between our Company and the [●].
Market Maker	Market Maker of the Company, in this case being [●].
Market Maker Reservation Portion	The Reserved portion of [●] Equity shares of ₹ 10 each at an Issue Price of ₹ [●] aggregating to ₹ [●] for Designated Market Maker in the Public Issue of our Company.
Market Making Agreement	The Agreement among the Market Maker, the Book Running Lead Manager and our Company dated [●].
Mobile App(s)	The mobile applications listed on the website of SEBI at <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=43">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=43</a> or such other website as may be updated from time to time, which may be used by RIIs to submit Bids using the UPI Mechanism.
Mutual Funds	Mutual funds registered with SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996, as amended.
Mutual Fund Portion	5% of the Net QIB Portion (other than anchor allocation), or [●] Equity Shares, which shall be available for allocation to Mutual Funds only on a proportionate basis, subject to valid Bids being received at or above the Issue Price.
Net Issue	The Issue (excluding the Market Maker Reservation Portion) of [●] equity Shares of face value of ₹10 each fully paid for cash at a price of ₹ [●] per Equity Share (the “Issue Price”), including a share premium of ₹ [●] per equity share aggregating to ₹ [●].
Net Proceeds	The proceeds from the Issue less the Issue related expenses applicable to the Issue. For further information about use of the Issue Proceeds and the Issue expenses, see “ <i>Objects of the Issue</i> ” on page 63.

Term	Description
Net QIB Portion	The portion of the QIB Portion less the number of Equity Shares Allocated to the Anchor Investors.
Non-Institutional Investors/ Non-Institutional Bidders/ NIB's	All Applicants that are not QIBs or Retail Individual Bidders and who have Bid for Equity Shares for an amount more than ₹ 200,000 (but not including NRIs other than Eligible NRIs).
Non-Resident	A person resident outside India, as defined under FEMA and includes NRIs, FPIs and FVCIs.
NPCI	NPCI, a Reserve Bank of India (RBI) initiative, is an umbrella organization for all retail payments in India. It has been set up with the guidance and support of the Reserve Bank of India (RBI) and Indian Banks Association (IBA).
Non Retail Portion including Qualified Institution Buyers (NRII)	The remaining portion of the Net Issue, after retails portion, being not more than 50% of the Net issue which shall be available for allocation to NRIIs in accordance with the SEBI ICDR Regulations.
Pay-in-Period	The period commencing on the Bid/Issue Opening date and extended till the closure of the Anchor Investor Pay-in-Date.
Payment through electronic transfer of funds	Payment through NECS, NEFT or Direct Credit, as applicable.
Person/Persons	Any individual, sole proprietorship, unincorporated association, unincorporated organization, body corporate, corporation, company, partnership, limited liability company, joint venture, or trust or any other entity or organization validly constituted and/or incorporated in the jurisdiction in which it exists and operates, as the context requires.
Price Band	Price Band of a minimum price (Floor Price) of ₹ [●] and the maximum price (Cap Price) of ₹ [●]. The Price Band will be decided by our Company in consultation with the BRLM and advertised in all editions of [●] (a widely circulated English national daily newspaper), all editions of [●] (a widely circulated Hindi national daily newspaper, at least two working days prior to the Bid / Issue Opening Date.
Prospectus	The Prospectus to be filed with the RoC in accordance with the Companies Act, 2013, and the SEBI ICDR Regulations containing, <i>inter alia</i> , the Issue opening and closing dates, the size of the Issue and certain other information.
Public Issue Account	An Account of the Company under Section 40 of the Companies Act, 2013 where the funds shall be transferred by the SCSBs from bank accounts of the ASBA Investors.
Pricing Date	The date on which our Company, in consultation with the Managers, will finalise the Issue Price.
Qualified Institutional Buyers/ QIBs	Qualified institutional buyers as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations
Qualified Foreign Investors / QFIs	Non-resident investors other than SEBI registered FIIs or sub-accounts or SEBI registered FVCIs who meet 'know your client' requirements prescribed by SEBI.
QIB Portion	The portion of the Net Issue (including the Anchor Investor Portion) being not more than 50% of the Net Issue, consisting of [●] Equity Shares aggregating to ₹[●] Thousands which shall be Allotted to QIBs (including Anchor Investors) on a proportionate basis, including the Anchor Investor Portion (in which allocation shall be on a discretionary basis, as determined by our Company in consultation with the BRLMs), subject to valid Bids being received at or above the Issue Price or Anchor Investor Offer Price (for Anchor Investors).
Red Herring Prospectus / RHP	The Red Herring Prospectus dated [●] issued in accordance with Section 32 of the Companies Act, 2013 and the provisions of the SEBI ICDR Regulations, which does not have complete particulars of the price at which the Equity Shares will be Issued and the size of the Issue, including any addenda or corrigenda thereto.
Registered Brokers	Stock brokers registered with SEBI under the Securities and Exchange Board of India (Stock Brokers and Sub Brokers) Regulations, 1992 and the stock exchanges having nationwide terminals, other than the Members of the Syndicate and having terminals at any of the Broker Centres and eligible to procure Applications in terms of Circular No. CIR/CFD/14/2012 dated October 04, 2012 and the UPI Circulars issued by SEBI.
Refund Account	The 'no-lien' and 'non-interest bearing' account opened with the Refund Bank, from which refunds, if any, of the whole or part, of the Bid Amount to the Anchor Investors shall be made.
Refund Bank(s) /Refund Banker(s)	Bank(s) which is / are clearing member(s) and registered with the SEBI as Bankers to the Issue at which the Refund Accounts will be opened in case listing of the Equity Shares does not occur, in this case being [●].
Registrar Agreement	The agreement dated September 27, 2024 among our Company and the Registrar to the Issue in relation to the responsibilities and obligations of the Registrar to the Issue pertaining to the Issue.
Registrar to the Issue/ Registrar	Registrar to the Issue being Link Intime India Private limited.
Retail Individual Investor(s)/ RII(s)	Individual Applicants, who have applied for the Equity Shares for an amount not more than ₹ 200,000 in any of the bidding options in the Issue (including HUFs applying through their Karta and Eligible NRIs)



Term	Description
Retail Portion	The portion of the Issue being not less than 35% of the Net Issue consisting of [●] Equity Shares which shall be available for allocation to Retail Individual Bidders (subject to valid Bids being received at or above the Issue Price), which shall not be less than the minimum Bid Lot subject to availability in the Retail Portion and remaining Equity Shares to be allotted on a proportionate basis.
Revision Form	Form used by the Applicants to modify the quantity of the Equity Shares or the Bid Amount in any of their ASBA Form(s) or any previous Revision Form(s), as applicable. QIB Bidders and Non-Institutional Investors are not allowed to withdraw or lower their applications (in terms of quantity of Equity Shares or the Bid Amount) at any stage. Retail Individual Applicants can revise their Applications during the Issue Period and withdraw their Applications until Issue Closing Date
Reserved Category/ Categories	Categories of persons eligible for making bid under reservation portion.
Reservation Portion	The portion of the Issue reserved for category of eligible bidders as provided under the SEBI (ICDR) Regulations, 2018
SEBI SCORES	Securities and Exchange Board of India Complaints Redress System
SEBI Master Circular	The SEBI Circular No. SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023. And The SEBI Circular No. SEBI/HO/CFD/PoD-1/P/CIR/2024/0154 November 11, 2024.
Self-Certified Syndicate Bank(s) or SCSB(s)	The banks registered with SEBI, offering services: (a) in relation to ASBA (other than using the UPI Mechanism), a list of which is available on the website of SEBI at <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=34">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=34</a> and <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=35">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=35</a> , as applicable or such other website as may be prescribed by SEBI from time to time; and (b) in relation to ASBA (using the UPI Mechanism), a list of which is available 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 prescribed by SEBI from time to time. Applications through UPI in the issue can be made only through the SCSBs mobile applications (apps) whose name appears on the SEBI website. A list of SCSBs and mobile application, which, are live for applying in public issues using UPI Mechanism is available on the website of SEBI at <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=43">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=43</a> , as updated from time to time.
Specified Locations	Bidding centres where the Syndicate shall accept ASBA Forms from Applicants, a list of which will be included in the Application Form
Sponsor Bank	The Banker to the Issue registered with SEBI and appointed by our Company to act as a conduit between the Stock Exchanges and the NPCI in order to push the mandate collect requests and / or payment instructions of the Retail Individual Bidders into the UPI and carry out other responsibilities, in terms of the UPI Circulars, Being [●]
Stock Exchange	National Stock Exchange of India Limited
Systemically Important Non-Banking Financial Companies	Systemically important non-banking financial company as defined under Regulation 2(1)(iii) of the SEBI ICDR Regulations.
Transaction Registration Slip/TRS	The slip or document issued by a member of the Syndicate or an SCSB (only on demand), as the case may be, to the bidders, as proof of registration of the bid.
Underwriter	The BRLM who has underwritten this Issue pursuant to the provisions of the SEBI (ICDR) Regulations and the Securities and Exchange Board of India (Underwriters) Regulations, 1993, as amended from time to time, The BRLM shall act as the underwriter to the Issue.
Underwriting Agreement	The Agreement entered into between the Underwriter and our Company dated [●]
UPI	Unified Payments Interface, which is an instant payment mechanism, developed by NPCI
UPI Bidders	Collectively, individual investors applying as (i) Retail Individual Bidders in the Retail Portion, and (ii) Non- Institutional Bidders with an application size of up to ₹ 500,000 in the Non-Institutional Portion, and Bidding under the UPI Mechanism through ASBA Form(s) submitted with Syndicate Members, Registered Brokers, Collecting Depository Participants and Registrar and Share Transfer Agents.  Pursuant to Circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022 issued by SEBI, all individual investors applying in public issues where the application amount is up to ₹ 500,000 shall use UPI and shall provide their UPI ID in the application form submitted with: (i) a syndicate member, (ii) a stock broker registered with a recognized stock exchange (whose name is mentioned on the website of the stock exchange as eligible for such activity), (iii) a depository participant (whose name is mentioned on the websites of the stock exchange as eligible for such activity), and (iv) a registrar to an issue and share transfer agent (whose name is mentioned on the website of the stock exchange as eligible for such activity)
UPI Circular	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.

Term	Description
	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/2022/51 dated April 20, 2022, read along with SEBI RTA Master Circular, SEBI circular no. CFD/DIL2/CIR/P/2018/22 dated February 15, 2018, 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/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, SEBI master circular with circular no. SEBI/HO/MIRSD/POD-1/P/CIR/2023/70 dated May 17, 2023 (to the extent that such circulars pertain to the UPI Mechanism), SEBI master circular with circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023, SEBI circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023, and any subsequent circulars or notifications issued by SEBI in this regard, along with the circulars issued by the Stock Exchanges in this regard, including the circular issued by the NSE having reference no. 25/2022 dated August 3, 2022, and any subsequent circulars or notifications issued by SEBI in this regard
UPI ID	ID created on UPI for single-window mobile payment system developed by the NPCI.
UPI Mandate Request	A request (intimating the UPI Bidder by way of a notification on the UPI application and by way of an SMS directing the UPI Bidder to such UPI application) to the UPI Bidder initiated by the Sponsor Bank to authorize blocking of funds in the relevant ASBA Account through the UPI application equivalent to Bid Amount and subsequent debit of funds in case of Allotment. In accordance with the applicable UPI Circulars, UPI Bidders Bidding may apply through the SCSBs and mobile applications whose names appears on the website of the SEBI ( <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmlId=40">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmlId=40</a> ) and ( <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmlId=43">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmlId=43</a> ) respectively, as updated from time to time
UPI Mechanism	The bidding mechanism that may be used by a RII to make a Bid in the Issue in accordance with the UPI Circulars.
UPI PIN	Password to authenticate UPI transactions.
Wilful Defaulter	A wilful defaulter, as defined under the SEBI ICDR Regulations.
Working Days	In accordance with Regulation 2(1)(mmm) of SEBI ICDR Regulation, working day means all days on which commercial banks in the city as specified in the Red Herring Prospectus are open for business :- 1. However, in respect of announcement of price band and Issue Period, working day shall mean all days, excluding Saturday, Sundays and Public holidays, on which commercial banks in the city as notified in this Red Herring Prospectus are open for business. 2. In respect to the time period between the Issue closing date and the listing of the specified securities on the stock exchange, working day shall mean all trading days of the Stock Exchanges, excluding Sundays and bank holiday in accordance with circular issued by SEBI.

### Conventional and General Terms and Abbreviations

Term	Description
₹ or Rs. or Rupees or INR	Indian Rupees
A/c	Account
Act or Companies Act	Companies Act, 1956 and/or the Companies Act, 2013, as amended from time to time
AGM	Annual General Meeting
AIFs	Alternative investment funds as defined in and registered under the SEBI AIF Regulations
AO	Assessing Officer
ASBA	Application Supported by Blocked Amount
AS	Accounting Standards issued by the Institute of Chartered Accountants of India
AY	Assessment Year
AS	Accounting Standards issued by the Institute of Chartered Accountants of India
BG	Bank Guarantee
CAGR	Compounded Annual Growth Rate
CAN	Confirmation Allocation Note
Category I AIF	AIFs who are registered as “Category I Alternative Investment Funds” under the SEBI AIF Regulations



Category II AIF	AIFs who are registered as “Category II Alternative Investment Funds” under the SEBI AIF Regulations
Category III AIF	AIFs who are registered as “Category III Alternative Investment Funds” under the SEBI AIF Regulations
Category I FPIs	FPIs who are registered as “Category I Foreign Portfolio Investors” under the SEBI FPI Regulations
Category II FPIs	FPIs who are registered as “Category II Foreign Portfolio Investors” under the SEBI FPI Regulations
CDSL	Central Depository Services (India) Limited
CFO	Chief Financial Officer
CIN	Corporate Identification Number
CIT	Commissioner of Income Tax
Companies Act, 1956	Companies Act, 1956, and the rules, regulations, notifications, modifications and clarifications made thereunder, as the context requires
Companies Act, 2013/ Companies Act	Companies Act, 2013 and the rules, regulations, notifications, modifications and clarifications thereunder
Competition Act	Competition Act, 2002, and the rules, regulations, notifications, modifications and clarifications made thereunder, as the context requires
Consolidated FDI Policy	The consolidated FDI Policy, effective from August 28, 2017, issued by the Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India, and any modifications thereto or substitutions thereof, issued from time to time.
COVID-19	A public health emergency of international concern as declared by the World Health Organization on January 30, 2020, and a pandemic on March 11, 2020
CRAR	Capital to Risk Asset Ratio
CSR	Corporate social responsibility
Demat	Dematerialised
Depositories Act	Depositories Act, 1996.
Depository or Depositories	NSDL and CDSL both being depositories registered with the SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996.
DIN	Director Identification Number
DP ID	Depository Participant’s Identification Number
DP/ Depository Participant	A depository participant as defined under the Depositories Act
DIPP	Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, GoI
DPIIT	The Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry
EBIDTA	Earnings Before Interest, Depreciation, Tax and Amortization
ECS	Electronic Clearing System
EMERGE	The SME platform of National Stock Exchange of India Limited
EoGM	Extra-ordinary General Meeting
EPS	Earnings Per Share i.e. profit after tax for a fiscal year divided by the weighted average outstanding number of equity shares at the end of that fiscal year
Financial Year/ Fiscal Year/ FY	The period of twelve months ended March 31 of that particular year
FDI	Foreign Direct Investment
FDR	Fixed Deposit Receipt
FEMA	Foreign Exchange Management Act, 1999, read with rules and regulations there-under and as amended from time to time
FEMA Regulations	Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000, as amended
FII	Foreign Institutional Investor (as defined under SEBI FII (Foreign Institutional Investors) Regulations, 1995, as amended from time to time) registered with SEBI under applicable laws in India
FII Regulations	Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995, as amended
FIs	Financial Institutions
FIPB	Foreign Investment Promotion Board
FVCI	Foreign Venture Capital Investor registered under the Securities and Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000, as amended from time to time
GDP	Gross Domestic Product
GIR Number	General Index Registry Number
Gov/ Government/GoI	Government of India
HUF	Hindu Undivided Family
IFRS	International Financial Reporting Standard
ICSI	Institute of Company Secretaries of India
ICAI	Institute of Chartered Accountants of India

IMPS	Immediate Payment Service
Indian GAAP	Generally Accepted Accounting Principles in India
I.T. Act	Income Tax Act, 1961, as amended from time to time
ITAT	Income Tax Appellate Tribunal
INR/ Rs./ Rupees / ₹	Indian Rupees, the legal currency of the Republic of India
KPI	Key Performance Indicator
KYC	Know your customer
LIC	Low-Income Country
Ltd.	Limited
Pvt. Ltd.	Private Limited
MCA	Ministry of Corporate Affairs
Merchant Banker	Merchant banker as defined under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992 as amended
MOF	Ministry of Finance, Government of India
MOU	Memorandum of Understanding
MSME	Micro, Small, and Medium Enterprises
NA	Not Applicable
NAV	Net Asset Value
NEFT	National Electronic Fund Transfer
NOC	No Objection Certificate
NR/ Non-Residents	Non-Resident
NPCI	National Payments Corporation of India
NRE Account	Non-Resident External Account
NRI	Non-Resident Indian, is a person resident outside India, as defined under FEMA and the FEMA Regulations
NRO Account	Non-Resident Ordinary Account
NSDL	National Securities Depository Limited
NTA	Net Tangible Assets
p.a.	Per annum
P/E Ratio	Price/ Earnings Ratio
PAN	Permanent Account Number allotted under the Income Tax Act, 1961, as amended from time to time
PAT	Profit After Tax
PBT	Profit Before Tax
PIO	Person of Indian Origin
PLR	Prime Lending Rate
R & D	Research and Development
RBI	Reserve Bank of India
RBI Act	Reserve Bank of India Act, 1934, as amended from time to time
RoNW	Return on Net Worth
RTGS	Real Time Gross Settlement
SAT	Securities Appellate Tribunal
SARFAESI Act	The Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002
SCRA	Securities Contracts (Regulation) Act, 1956, as amended from time to time
SCRR	Securities Contracts (Regulation) Rules, 1957, as amended from time to Time
SCSBs	Self-Certified Syndicate Banks
SEBI	The Securities and Exchange Board of India constituted under the SEBI Act, 1992
SEBI Act	Securities and Exchange Board of India Act 1992, as amended from time to time
SEBI Insider Trading Regulations	SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time, including instructions and clarifications issued by SEBI from time to time
SEBI ICDR Regulations / ICDR Regulations / SEBI ICDR / ICDR	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended from time to time
SEBI Merchant Bankers Regulation	Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992
SEBI Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended from time to time
SEBI Rules and Regulations	SEBI (ICDR) Regulations, 2018, SEBI (Underwriters) Regulations, 1993, as amended, the SEBI (Merchant Bankers) Regulations, 1992, as amended, and any and all other relevant rules, regulations, guidelines, which SEBI may issue from time to time, including instructions and clarifications issued by it from time to time

Sec.	Section
Securities Act	The U.S. Securities Act of 1933, as amended
S&P BSE SENSEX	S&P Bombay Stock Exchange Sensitive Index
SICA	Sick Industrial Companies (Special Provisions) Act, 1985, as amended from time to time
SME	Small and Medium Enterprises
Stamp Act	The Indian Stamp Act, 1899, as amended from time to time
State Government	The Government of a State of India
Stock Exchanges	Unless the context requires otherwise, refers to, the National Stock Exchange of India Limited
STT	Securities Transaction Tax
TDS	Tax Deducted at Source
TAN	Tax deduction account number
TIN	Tax Payer Identification Number
TRS	Transaction Registration Slip
UIN	Unique Identification Number
U.S. GAAP	Generally accepted accounting principles in the United States of America
U.S. Holder	A beneficial owner of Equity Shares that is for United States federal income tax purposes: (a) an individual who is a citizen or resident of the United States; (b) a corporation organized under the laws of the United States, any state thereof or the District of Columbia; (c) an estate whose income is subject to United States federal income taxation regardless of its source; or (d) a trust that (1) is subject to the primary supervision of a court within the United States and the control of one or more U.S. persons for all substantial decisions of the trust, or (2) has a valid election in effect under the applicable U.S. Treasury regulations to be treated as a U.S. person
VCFs	Venture capital funds as defined in, and registered with SEBI under, the erstwhile Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996, as amended, which have been repealed by the SEBI AIF Regulations. In terms of the SEBI AIF Regulations, a VCF shall continue to be regulated by the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996 till the existing fund or scheme managed by the fund is wound up, and such VCF shall not launch any new scheme or increase the targeted corpus of a scheme. Such VCF may seek re-registration under the SEBI AIF Regulations.
VAT	Value Added Tax
w.e.f.	With effect from
Year/Calendar Year	Unless context otherwise requires, shall refer to the twelve-month period ending December 31

## **INDUSTRY RELATED TERMS**

<b>Term</b>	<b>Description</b>
Covid-19	Coronavirus Disease
FDI	Foreign Direct Investment
GDP	Gross Domestic Product
IMF	International Monetary Fund
U.S.	United States of America
US\$	United States Dollar
ERP	Enterprise Resource Planning Software
F&F	Fragrances and Flavours
FSSAI	Food Safety and Standard Authority of India
QC	Quality Control
KPI	Key Performance Indicator
CDL	Compact Dispense Line
HCSD	High-Capacity Sample Dispenser
MDS	Manual Dispensing Station
GCMS	Gas Chromatography Mass Spectrometry

Notwithstanding the foregoing, terms in “Description of Equity Shares and Terms of Articles of Association”, “Statement of Possible Tax Benefits”, “Industry Overview”, “Key Industrial Regulations and Policies”, “Financial Information”, “Outstanding Litigation and Material Developments” and “Issue Procedure” on pages 220, 80, 83, 105, 141, 163 and 193 respectively of this Draft Red Herring Prospectus, will have the meaning as described to such terms in these respective sections. Notwithstanding the foregoing, terms in “Description of Equity Shares and Terms of Articles of Association”, “Statement of Possible Tax Benefits”, “Industry Overview”, “Key Industrial Regulations and Policies”, “Financial Information”, “Outstanding Litigation and Material Developments” and “Issue Procedure” on pages 220, 80, 83, 105, 141, 163 and 193 respectively of this Draft Red Herring Prospectus, will have the meaning as described to such terms in these respective sections.

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

### **Certain Conventions**

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

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

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

### **Financial Data**

Unless stated otherwise or the context otherwise requires, the financial information and financial ratios in this Draft Red Herring Prospectus has been derived from our Restated Financial Information. For further information, please see the section titled “*Financial Information*” on Page No. 141 of this Draft Red Herring Prospectus.

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

The Restated Financial Statements of our Company for the period ended on 30<sup>th</sup> September, 2024 and Financial Years ended March 2024, 2023 and 2022, which comprise restated summary statement of assets and liabilities, the restated summary statement of profit and loss, the restated summary statement of cash flow and restated summary statement of changes in equity together with the annexures and notes thereto and the examination report thereon, as compiled from the Indian GAAP financial statements for respective period/year and in accordance with the requirements provided under the provisions of the Companies Act, SEBI ICDR Regulations and the Guidance Note on “*Reports in Company Prospectuses (Revised 2019)*” issued by ICAI.

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

Unless the context otherwise indicates, any percentage amounts, as set forth in “*Risk Factors*”, “*Our Business*” and “*Management’s Discussion and Analysis of Financial Position and Results of Operations*” on Page Nos. 27, 89 and 148 respectively, of this Draft Red Herring Prospectus, and elsewhere in this Draft Red Herring Prospectus have been calculated on the basis of the Restated Financial Statements of our Company, prepared in accordance with GAAP, and the Companies Act and restated in accordance with the SEBI ICDR Regulations.

In this Draft Red Herring Prospectus, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding off. All figures in decimals have been rounded off to the second decimal and all the percentage figures have been rounded off to two decimal places including percentage figures in “*Risk Factors*”, “*Industry Overview*” and “*Our Business*” on Page Nos. 27, 83 and 89 respectively, this Draft Red Herring Prospectus.

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

All references to:

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

Our Company has presented all numerical information in is Draft Red Herring Prospectus in “THOUSANDS” units or in whole numbers where the numbers have been too small to represent in THOUSANDS. One thousand represents 1000 and one million represents 10,00,000.

### **Exchange rates**

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

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

Currency	Exchange rate as on			
	30 <sup>th</sup> September, 2024	March 31, 2024	March 31, 2023	March 31, 2022
1 USD	83.79	83.37	82.23	75.91

(Source: RBI reference rate)

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

### **Industry and Market Data**

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

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

In accordance with the SEBI ICDR Regulations, "Basis for Issue Price" on Page No. 63 of this Draft Red Herring Prospectus includes information relating to our peer group entities. Such information has been derived from publicly available sources, and neither we, nor the BRLM have independently verified such information. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in "Risk Factors" on Page No. 27 of this Draft Red Herring Prospectus.

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## FORWARD - LOOKING STATEMENTS

This Draft Red Herring Prospectus contains certain “forward-looking statements”. These forward-looking statements generally can be identified by words or phrases such as “aim”, “anticipate”, “believe”, “expect”, “estimate”, “intend”, “objective”, “plan”, “propose”, “project”, “will”, “will continue”, “will pursue” or other words or phrases of similar import. Similarly, statements that describe our strategies, objectives, plans or goals are also forward-looking statements. All forward-looking statements are subject to risks, uncertainties, expectations and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement. These forward-looking statements, whether made by us or a third party, are based on our current plans, estimates and expectations and actual results may differ materially from those suggested by such forward-looking statements.

Actual results may differ materially from those suggested by forward-looking statements due to risks or uncertainties associated with expectations relating to and including, regulatory changes pertaining to the industries in India in which we operate 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 which have an impact on its business activities or investments, the monetary and fiscal policies of India, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India and globally, changes in domestic laws, regulations and taxes and changes in competition in the industries in which we operate.

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

- Uncertainty regarding the market, economic conditions, and other factors beyond our control;
- Our ability to attract and retain qualified personnel;
- Changes in political and social conditions in India, the monetary and interest rate policies of India and other countries;
- The occurrence of natural disasters or calamities;
- Failure to successfully upgrade our products and service portfolio, from time to time.

For further discussion of factors that could cause the actual results to differ from our estimates and expectations, see “*Risk Factors*”, “*Our Business*” and “*Management’s Discussion and Analysis of Financial Position and Results of Operations*” beginning on Page Nos. 27, 89 and 148, respectively, of this Draft Red Herring Prospectus. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual gains or losses could materially differ from those that have been estimated.

We cannot assure 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 as a guarantee of future performance.

Forward-looking statements reflect current views as on the date of this Draft Red Herring Prospectus 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. Neither our Company, our Directors, the Promoters, the Syndicate nor any of their respective affiliates have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition.

In accordance with the SEBI ICDR Regulations, our Company, the Promoters, and the Book Running Lead Manager will ensure that the Bidders in India are informed of material developments until the time of the grant of listing and trading permission by the Stock Exchange for the Issue.

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## SECTION II – SUMMARY OF ISSUE DOCUMENT

The following is a general summary of the terms of the Issue. This summary should be read in conjunction with and is qualified in its entirety by, the more detailed information appearing elsewhere in this Draft Red Herring Prospectus, including the sections entitled “Risk Factors”, “Industry Overview”, “Outstanding Litigation and Material Developments”, “Our Promoter and Promoter Group”, “Financial Information”, “Objects of the Issue”, “Our Business”, “Issue Procedure” and “Description of Equity Shares and Terms of Articles of Association” beginning on Page Nos. 27, 83, 163, 129, 141, 63, 89, 193 and 220 respectively of this Draft Red Herring Prospectus.

### 1. Summary of Industry in which the Company is operating

Fragrances and Flavours enhance sensory experiences and play a vital role in the perception of products of both food and non-food FMCG products used as a part of our daily life. Fragrances refer to the appealing scents used in perfumes, cosmetics, and household products. These are composed of aromatic compounds, natural essential oils, Oleoresins, absolutes and synthetic molecules. Fragrances & flavours are must for use in personal care, hair care, fabric care, home care, and more product categories. In addition to enhancing product appeal, fragrances suppress unpleasant odors, uplift mood, evoke memories, enhance the sensory experience, make product more recognizable, and provide signature smell to the product.

Flavours, on the other hand, add complexity to food and beverages. They are perceived by a combination of taste and olfactory senses, with Flavours classified as sweet, sour, salty, bitter, or umami. Flavours are essential in applications such as dairy products, snacks, beverages, oral care, confectionery and more. In addition to enhancing the taste of the product, Flavours provide aroma, mask the taste of ingredients to make it more likable, add stability & consistency and can replace costly or bulky ingredients.

### 2. Summary of Business

‘Sacheerome Limited.’ is a creative house, designing & manufacturing fragrance and flavours. It was founded in the year 1992 by our visionary promoter Mr. Manoj Arora, who is a third-generation entrepreneur of a business family in Fragrance & Flavour industry and has been actively involved in this line of business from last 40 years. Sacheerome was initially only in the fragrance industry. In 2014, the company ventured into the flavours and has a separate unit, with a team of skilled flavourists, an application centre and a Research & Development centre.

For further details, please refer to chapter titled “Our Business” beginning on Page No. 89 of this Draft Red Herring Prospectus.

### 3. Promoters

Promoters of Our Company are Mr. Manoj Arora, Mrs. Alka Arora and Mr. Dhruv Arora. For further details please refer to the chapter titled “Our Promoters and Promoter Group” beginning on Page No. 129 of this Draft Red Herring Prospectus.

### 4. Details of the Issue

Our Company is proposing the public issue of upto 61,00,000 equity shares of face value of ₹ 10/- each of Sacheerome Limited (“Sacheerome” or the “Company” or the “Issuer”, and such equity shares the “Equity Share”) for cash at a price of ₹ [●]/- per Equity Share including a share premium of ₹ [●]/- per Equity Share (the “Issue Price”) aggregating to ₹ [●] Thousands (the “Issue”), of which [●] Equity Shares of face value of ₹ 10/- each for cash at a price of ₹ [●]/- per equity share including a share premium of ₹ [●]/- per equity share aggregating to ₹ [●] Thousands will be reserved for subscription by market maker to the Issue (the “Market Maker Reservation Portion”). The Issue less the Market Maker Reservation Portion i.e. Net issue of [●] Equity Shares of face value of ₹ 10/- each at a price of ₹ [●]/- per Equity Share including a share premium of ₹ [●]/- per Equity Share aggregating to ₹ [●] Thousands is herein after referred to as the “Net Issue”. The Issue and the Net Issue will constitute [●] % and [●]%, respectively, of the post issue paid up Equity Share capital of our company. The face value of the Equity Shares is ₹ 10/- each.

The price band will be decided by our company in consultation with the book running lead manager (“BRLM”) and will be advertised in all editions of [●] (a widely circulated English national daily newspaper), all editions of [●] (a widely circulated Hindi national daily newspaper, each with wide circulation, at least 2 (two) working days prior to the bid/ issue opening date with the relevant financial ratios calculated at the floor price and the cap price and shall be made available to the Emerge platform of National Stock Exchange of India Limited (“NSE Emerge”, referred to as the “Stock Exchange”) for the purpose of uploading on their website for further details kindly refer to chapter titled “Terms of the issue” beginning on page 183 of this Draft Red Herring Prospectus.

### 5. Objects of the Issue

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

Particulars	Estimated amount (in ₹ Thousands)
Gross proceeds of the Fresh Issue	Up to [●]
(Less) Issue expenses in relation to the Fresh Issue <sup>(2)</sup>	[●]
Net Proceeds <sup>(1)</sup>	[●]

(1) For details with respect to sharing of fees and expenses please refer to “Issue Expenses” on page 190.

(2) To be finalised upon determination of the Issue Price and updated in the Prospectus prior to filing with the RoC.

## 6. Utilization of Net Issue Proceeds

(₹ in Thousands)

Sr. No.	Particulars	Estimated amount
1.	For Setting up a new manufacturing facility at 1459b, Sector-32, Yeida, Gautam Buddha Nagar, UP-203209	Upto 5,65,000
2.	General corporate purposes*	[●]

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

For further details, please see chapter titled “Objects of the Issue” beginning on Page No. 63 of this Draft Red Herring Prospectus.

## 7. Aggregate Pre-Issue Shareholding of Promoters and Promoter Group

Following are the details of the pre-Issue shareholding of Promoters:

Sr. No.	Name of the Shareholders	Pre-Issue	
		Number of Equity Shares	% of Pre-Issue Equity Share Capital
<b>Promoter</b>			
1.	Manoj Arora	1,14,49,810	70.11
2.	Alka Arora	15,77,550	9.66
3.	Dhruv Arora	33,04,240	20.23
<b>Promoter Group</b>			
4.	Quick Infraprojects Private Limited	100	Negligible
5.	Sachee Holdings Private Limited	100	Negligible
6.	Vaishali F & F LLP	100	Negligible
7.	Quartz Impex Private Limited	100	Negligible
<b>Total</b>		<b>1,63,32,000</b>	<b>100.00</b>

For further details, please refer to the chapter titled “Capital Structure” beginning on Page No. 43 of this Draft Red Herring Prospectus

## 8. Summary of Financial Information

Following are the details as per the Restated Financial Information as at the Period Ended on 30<sup>th</sup> September, 2024 and Financial Years ended on March 31, 2024, 2023 and 2022:

(₹ in thousands)

S. No.	Particulars	For the period ended on September 30 <sup>th</sup> , 2024	March 31, 2024	March 31, 2023	March 31, 2022
1.	Share Capital	1,63,320.00	1,63,320.00	40,830.00	40,830.00
2.	Net Worth	5,29,955.00	4,59,508.00	3,53,353.00	2,93,412.00
3.	Revenue from operations	5,04,550.00	8,50,953.00	7,04,919.00	6,38,779.00
4.	Profit after Tax	70,447.00	1,06,155.00	59,941.00	45,497.00
5.	Earnings per Share (Post Bonus)	4.37	6.50	3.67	2.79
6.	Net Asset Value per equity share (Post Bonus)	32.45	28.14	21.64	17.97
7.	Total borrowings	16,856.00	14,250.00	-	82,647.00

For further details, please refer to the section titled “Financial Information” beginning on Page No. 141 of this Draft Red Herring Prospectus.

## 9. Auditor qualifications which have not been given effect to in the Restated Financial Information

The Restated Financial Information does not contain any qualification by the Statutory Auditors:

## 10. Summary of Outstanding Litigation

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

(Rs. In thousands)

Nature of Cases	Number of Cases	Total Amount Involved
<b>Proceedings against our Company</b>		
Criminal	Nil	Nil
Civil	Nil	Nil
Outstanding actions by Regulatory and Statutory Authorities	Nil	Nil
Tax	19	24,136
<b>Proceedings by our Company</b>		
Criminal	Nil	Nil
Civil	1	Not Ascertainable
<b>Proceedings against our Director (other than Promoter)</b>		
Criminal	Nil	Nil
Civil	Nil	Nil
Outstanding actions by Regulatory and Statutory Authorities	Nil	Nil
Tax	Nil	Nil
<b>Proceedings by our Director (other than Promoter)</b>		
Criminal	Nil	Nil
Civil	Nil	Nil
<b>Proceedings against our Promoter</b>		
Criminal	Nil	Nil
Civil	Nil	Nil
Outstanding actions by Regulatory and Statutory Authorities	Nil	Nil
Tax	3	1302
<b>Proceedings by our Promoter</b>		
Criminal	Nil	Nil
Civil	1	Not Ascertainable

For further details, please refer to the chapter titled “*Outstanding Litigations and Material Developments*” beginning on Page No. 163 of this Draft Red Herring Prospectus.

**11. Risk Factors**

Please refer to the section titled “*Risk Factors*” beginning on Page No. 27 of this Draft Red Herring Prospectus.

**12. Summary of Contingent Liabilities**

As per the Restated Financial Information for the Period ended 30<sup>th</sup> September, 2024 and Financial Years ended on March 31, 2024, 2023 and 2022, except following there are no contingent liabilities of our Company which have been recognized and reported in the Restated Financial Information.

(Rs. In thousands)

Particulars	As at	As at	As at	As at
	30th September, 2024	31st March, 2024	31st March, 2023	31st March, 2022
Income Tax Act 1961	3519	3519	4072	4264
Goods and Service Tax	3106	3106	3106	--
<b>Total</b>	<b>6625</b>	<b>6625</b>	<b>7178</b>	<b>4264</b>

**13. Summary of Related Party Transactions**

Based on restated financial statement Related Party Disclosures are given below:

(₹ in thousands)

Particulars	For the half year ended 30th September 2024	As at 31st March, 2024	As at 31st March, 2023	As at 31st March, 2022
<b>Remuneration paid to KMP &amp; Relatives</b>				
- Mr. Manoj Arora	4,500	9,000	9,000	9,000
- Mrs Alka Arora	3,000	6,000	6,000	6,000
- Mr. Dhruv Arora	1,500	3,000	3,000	3,000
- Ms. Divya Arora	942	2,400	2,400	2,400
-Mrs. Indu Agrawal	1,106	2,067	1,883	1,747
- Ms. Gurbani Bhatia	600	1,200	1,200	1,200
- Ms. Aarti Kashyap	409	31	-	-
- Ms. Harpreet Kaur	125	-	-	-
<b>Issue of Bonus Share</b>				
- Mr. Manoj Arora	-	7,404	-	-
- Mrs Alka Arora	-	2,478	-	-
- Mr. Dhruv Arora	-	2,367	-	-
<b>Rent Paid (inclusive of GST)</b>				
-Vaishali F&F LLP	12,744	25,488	25,488	25,488
<b>Sales made during the year</b>				
-Divcare PC&H Pvt. Ltd.	225	340	609	173
<b>Unsecured Loan Taken from</b>				
-Divcare PC&H Pvt. Ltd.	-	-	-	5000
-Sachee Holdings Pvt. Ltd.	1,200	6,400	6,595	14750
- Mr. Manoj Arora	-	14,100	2,260	53700
- Mr. Dhruv Arora	-	3,200	1,100	5800
- Mrs Alka Arora	-	7,050	-	5150
- Ms. Divya Arora	-	-	-	193
<b>Interest Expense on Loan Taken from</b>				
-Divcare PC&H Pvt. Ltd.	-	-	-	76
-Sachee Holdings Pvt. Ltd.	20	236	557	587
- Mr. Manoj Arora	-	-	178	682
- Mr. Dhruv Arora	-	-	92	153
- Ms. Divya Arora	-	-	-	21
- Mrs Alka Arora	-	-	-	138
				-
<b>Unsecured Loan Repayment to</b>				
-Divcare PC&H Pvt. Ltd.	-	-	-	5,000
-Sachee Holdings Pvt. Ltd.	1,200	6,400	6,593	14,750
- Mr. Manoj Arora	4,400	6,600	4,999	50,961
- Mr. Dhruv Arora	1,500	1,700	1,100	9,731
- Mrs Alka Arora	5,000	1,800	-	8,287

- Ms. Divya Arora	-	-	-	890
				-
<b>Unsecured Loan Given to</b>				-
-Sacheerome Advance Technologies Pvt. Ltd.	-	-	-	42
				-
<b>Unsecured Loan Repayment from</b>				-
-Sacheerome Advance Technologies Pvt. Ltd.	-	-	-	64
				-
<b>Expense on behalf of Related Parties</b>				-
-Sachee Holdings Pvt. Ltd.	-	-	33	2
-Sacheerome Advance Technologies Pvt. Ltd.	-	-	32	

**Outstanding payable and receivable at the end of the year:**

Particulars	As at 30th September, 2024 (₹ in thousands)	As at 31st March, 2024 (₹ in thousands)	As at 31st March, 2023 (₹ in thousands)	As at 31st March, 2022 (₹ in thousands)
<b>Key Management Personnel &amp; Relatives</b>				
<b>Salary Payable to directors and Key Managerial Personnel</b>				
- Mr. Manoj Arora	222	573	1,248	951
- Mr. Dhruv Arora	593	4,099	2,697	642
- Mrs. Alka Arora	516	472	3,686	1,036
- Ms. Divya Arora	2	212	293	437
-Mrs. Indu Agrawal	296	314	138	87
- Ms. Aarti Kashyap	95	31	-	-
<b>Unsecured Loan Payable to directors</b>				
- Mr. Manoj Arora	3,100	7,500	-	2,739
- Mr. Dhruv Arora	-	1,500	-	-
- Mrs. Alka Arora	250	5,250	-	-
<b>Salary payable to relative of KMP</b>				
- Ms. Gurbani Bhatia	100	100	100	100
<b>Advance Recoverable From</b>				
Sachee Holding Pvt Ltd	-	-	-	2
<b>Trade Receivable from</b>				
-Divcare PC&H Pvt. Ltd.	1,634	1,294	719	-
<b>Interest Payable to</b>				
Sachee Holding Pvt Ltd	18	-	-	-
<b>Rent and other Payable to</b>				
-Vaishali F&F LLP	2,955	846	5,349	2,452

<b>Security Deposit Given Outstanding</b>				
-Vaishali F&F LLP	5,400	5,400	5,400	5,400

For further details, please refer “Annexure: Related Party Disclosures” from the chapter titled “Restated Financial Information” beginning on Page No. 141 of this Draft Red Herring Prospectus.

**14. Financials Arrangements**

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

**15. Weighted Average Price of the Equity Shares acquired by our Promoters in the last one year preceding the date of this Draft Red Herring Prospectus**

The details of the weighted average price of the Equity Shares acquired by our Promoters in the last one year preceding the date of this Draft Red Herring Prospectus is as follows:

<b>Name of Promoters</b>	<b>No. of shares acquired in last one year from the date of this Draft Red Herring Prospectus</b>	<b>Weighted Average Price (in ₹)*</b>
Manoj Arora	89,81,720	0
Alka Arora	7,88,700	0
Dhruv Arora	24,78,180	0

\* As certified by Agarwal and Dhandhanian, Chartered Accountants by way of their certified dated December 14, 2024.

**16. Average Cost of Acquisition of Equity Shares for Promoters**

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

<b>Name of Promoter</b>	<b>No. of shares held</b>	<b>Average Cost of Acquisition (in ₹)</b>
Manoj Arora	1,14,49,810	0.47
Alka Arora	15,77,550	0.47
Dhruv Arora	33,04,240	Nil

\* As certified by Agarwal and Dhandhanian, Chartered Accountants by way of their certified dated December 14, 2024

**17. Pre-IPO Placement**

Our Company does not contemplate any issuance or placement of Equity Shares in this Issue until the listing of the Equity Shares.

**18. Issue of equity shares made in last one year for consideration other than cash**

Our Company has not issued shares for consideration other than cash during last one year except for issue of 1,22,49,000 bonus shares allotted on 21<sup>st</sup> March, 2024. For further details regarding Issue of Shares please refer chapter titled “Capital Structure” on Page 43 of this Draft Red Herring Prospectus.

**19. Split or consolidation of Equity Shares in the last one year**

No split or consolidation of equity shares has been made in the last one year prior to filing of this Draft Red Herring Prospectus.

**20. Exemption from complying with any provisions of securities laws, if any, granted by SEBI**

Our Company has not applied or received any exemptions from SEBI from complying with any provisions of securities laws.

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## SECTION III – RISK FACTOR

Any investment in equity securities involves a high degree of risk. Investor should carefully consider all the information in this Draft Red Herring Prospectus, including the risks and uncertainties described below, before making an investment in our Equity Shares. To obtain a more complete understanding, you should read this section together with Chapters titled, “Business Overview”, “The Issue”, “Industry Overview”, “Restated Financial Information”, “Outstanding Litigation and Other Material Developments”, and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” beginning on page 89, 40, 83, 141, 163 and 148 respectively, as well as the other financial and statistical information contained in this Draft Red Herring Prospectus.

Any of the following risks, as well as the other risks and uncertainties discussed in this Draft Red Herring Prospectus, could have an adverse effect on our business, financial condition, results of operations and prospects and could cause the trading price of our Equity Shares to decline, which could result in the loss of all or a part of your investment. The risks and uncertainties described in this section are not the only risks that we may face. Additional risks and uncertainties not known to us or that we currently believe to be immaterial may also have an adverse effect on our business, results of operations, financial conditions and Draft Red Herring Prospectus.

This Draft Red Herring Prospectus contains forward-looking statements that involve risks and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements because of certain factors, including the considerations described below and elsewhere in this Draft Red Herring Prospectus.

The financial and other related implications of the risks concerned, wherever quantifiable, have been disclosed in the risk factors mentioned below. However, there are certain risk factors where the effect is not quantifiable and hence has not been disclosed in such risk factors. You should not invest in this Issuing unless you are prepared to accept the risk of losing all or part of your investment, and you should consult your tax, financial and legal advisors about the consequences to you of an investment in the Equity Shares.

The financial information in this section is, unless otherwise stated, derived from our Restated Financial Statements prepared in accordance with Indian GAAP, as per the requirements of the Companies Act, 2013, and SEBI (ICDR) Regulations.

### **Materiality:**

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

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

### **INTERNAL RISK FACTORS**

- 1. The success of our products depends on our ability, as well as that of our customers, to anticipate market trends and understand customer preferences early on, leveraging this information successfully. Failure to do so could negatively impact our cash flows, business performance, financial condition, and overall operational results.***

Our products play a key role in the performance or quality of fast-moving consumer goods (FMCG) by our customers. As a result, our success is closely tied to how well our customers’ products perform with end consumers. The success of these products hinges on our collective ability to anticipate and accurately assess evolving consumer trends, which are shaped by factors such as economic conditions, changing work and leisure habits, disposable income, and preferences across different demographics. However, there is no guarantee that we or our customers will correctly interpret these trends or that the demand for goods utilizing our products will remain strong.

Our products are integral to enhancing the performance and quality of our customers' fast-moving consumer goods (FMCG). Consequently, our success is directly linked to the performance of our customers' products in the hands of end consumers. The success of these products depends on our shared ability to anticipate and accurately interpret evolving consumer trends, influenced by factors such as economic conditions, shifting work and leisure habits, disposable income levels, and preferences across diverse demographics. However, there is no assurance that we or our customers will accurately interpret these trends or that the demand for products incorporating our offerings will continue to be strong.

To remain competitive and achieve our strategic objectives, we may need to make substantial investments in innovation, product development, and market research to effectively anticipate customer needs and provide timely, customized solutions. These investments will generate future revenue only if they are successfully developed products that align with customer specifications, and are competitively priced, and gain acceptance in the consumer market. Furthermore, there may be a considerable delay between incurring development costs and realizing returns.

Our ability to generate revenue from these efforts is influenced by various external factors, including delays in customer product launches, inadequate promotional support from customers, unmet sales projections, changing market demands, and disruptive

innovations by competitors. Any of these challenges could adversely affect our cash flow, business operations, financial health, and overall performance.

**2. *Success in our fragrance and flavor business relies on a limited pool of highly specialized employees, making recruitment and retention critical to our ability to compete and achieve strategic objectives.***

The business demands extensive knowledge, experience, and unique skill sets. However, our collaborative approach ensures that each project involves multiple team members working together to deliver results. When an employee departs, their individual expertise leaves with them, but the collective knowledge and processes remain within the organization, minimizing the impact on ongoing projects or overall performance. While finding a replacement with the necessary expertise can be challenging, we address this through succession planning to ensure continuity and maintain operational efficiency.

**3. *A significant portion of our revenues is dependent on a few key customers, with whom we do not have firm commitments. The loss of any one or more of these major customers could have a material adverse effect on our business, cash flows, results of operations, and financial condition.***

A significant portion of our revenues is dependent on a few key customers. For example, our top five customers accounted for 50.07%, 45.08%, 45.90%, and 42.48% of our revenue from operations for the periods ending September 30, 2024, and the fiscal years 2024, 2023, and 2022, respectively. This reliance on a limited number of customers exposes us to risks, including, but not limited to, reductions, delays, or cancellations of orders from these key customers, the failure to negotiate favorable terms, or the potential loss of these customers. Any of these factors could have a material adverse effect on our business, financial condition, results of operations, cash flows, and future prospects

In addition, we have not entered into long-term agreements with our customers, making the success of our business heavily reliant on maintaining strong relationships with them. The loss of one or more of these key customers, or a reduction in the business we receive from them, could negatively impact our operations, financial condition, results of operations, and cash flows

Moreover, there is no assurance that we will be able to retain the business of our current key customers or maintain the same level of business with each of them. To retain certain customers, we may need to offer terms that could place a strain on our resources. Additionally, our revenues may be negatively impacted if there are changes in our customers' supply chain strategies, a decrease in their outsourcing of products we provide, or if they choose to work with competitors. A significant reduction in the volume of business with these customers could also adversely affect our business.

We cannot guarantee that we will be able to maintain our historical levels of business or negotiate and secure long-term contracts with our significant customers on commercially viable terms, nor that we will be able to reduce customer concentration in the future. Additionally, sales volume may fluctuate due to factors such as our customers' inventory management, market demand, product pricing trends, and shifts in customer preferences. These factors may lead to decreased demand or reduced commercial success of our products, which could negatively impact our sales, cash flows, results of operations, and overall financial condition.

Additionally, we are exposed to the risk of payment delays and defaults by our major customers, and our financial position and performance are heavily dependent on their creditworthiness. There is no assurance that any or all of our customers will settle their outstanding amounts on time or fulfill their obligations, especially if they face financial difficulties, cash flow issues, a decline in business performance, or a downturn in the global economy. If any of these events occur with our major customers, our financial performance and operating cash flows could be adversely affected.


**4. *We are required to obtain certain approvals and licenses as part of our regular business operations and must comply with various rules and regulations. Any failure to secure, retain, or renew these approvals and licenses, or to adhere to these rules and regulations, could have a negative impact on our operations.***

We require various statutory and regulatory permits, licenses, and approvals to operate our business, some of which have already been obtained while others are in the process of being applied for. Many of these approvals are subject to periodic renewal. Failure to renew any expiring approvals, to apply for necessary approvals, licenses, registrations, or permits, or any suspension or revocation of the approvals we hold, could result in delays to our operations. Such issues may negatively impact our business, financial condition, results of operations, and future prospects.


Additionally, some of our permits, licenses, and approvals are contingent on meeting certain conditions, and we cannot guarantee that we will be able to consistently fulfil these requirements or demonstrate compliance to the relevant authorities. Failure to do so may lead to the cancellation, revocation, or suspension of these permits, licenses, or approvals, potentially disrupting our operations and having a material adverse impact on our business, financial condition, cash flows, and results of operations. Moreover, if we fail to comply with all applicable regulations, or if there are changes in regulations or their implementation, we could face increased costs, penalties, or disruptions to our business activities, any of which could adversely affect our operations. For further details, please refer to “Key Industry Regulations and Policies in India” and “Government and Other Statutory Approvals” for the permits and licenses required for our business on pages 106 and 168, respectively.

**5. We may be unable to sufficiently obtain, maintain, protect, or enforce our intellectual property and other proprietary rights**



We own the registered trade mark ‘  ’. Our Company has also made applications dated September 06, 2024 for its logo



‘  ’ under classes 01, 03, 30, 34, 35 of the Trade Mark Act, 1999 which is currently pending as on date. There can be no assurance that we will be able to successfully obtain registration against the application for the logo of the Company, which may affect our ability to use such trade marks in the future. If we are unable to renew or register our trademarks for various reasons, or if any of our unregistered trademark are registered in favour of or used by a third party in India or abroad, we may not be able to claim registered ownership of such trademark and consequently, we may not be able to seek remedies for infringement of those trademarks by third parties other than relief against passing off by other entities, causing damage to our business prospects, reputation and goodwill in India and abroad. Apart from this, any failure to register or renew registration of our registered trademark may affect our right to use such trademark in future.

Further, our efforts to protect our intellectual property in India and abroad may not be adequate and any third party claim on any of our unprotected intellectual property may impact our business value and our reputation, which could adversely affect our operations. Third parties may also infringe or copy our registered brand name in India and abroad which has been registered by us in India. We may not be able to detect any unauthorized use or take appropriate and timely steps to enforce or protect our trademarks in India and abroad.

Further, if do not maintain our brand name and identity, which we believe is one of the factors that differentiates us from our competitors, we may not be able to maintain our competitive edge in India and abroad. If we are unable to compete successfully, we could lose our customers, which would negatively affect our financial performance and profitability. Moreover, our ability to protect, enforce or utilize our brand name is subject to risks, including general litigation risks. Furthermore, we cannot assure you that such brand name will not be adversely affected in the future by actions that are beyond our control, including customer complaints or adverse publicity from any other source in India and abroad. Any damage to our brand name, if not immediately and sufficiently remedied, could have an adverse effect on our business and competitive position in India and abroad.

For further details see “Our Business - Intellectual Property” and “Government and Other Statutory Approvals” on pages 89 and 167, respectively.

**6. Our operations could be adversely affected by strikes, work stoppages or increased wage demands by our employees or any other kind of disputes with our employees.**

We believe our employees and personnel, are critical to maintain our competitive position. Our employees are not unionized. Although we have not experienced any material labour unrest, we cannot assure you that we will not experience disruptions in work or our retail operations due to disputes or other problems with our workforce, which may adversely affect our ability to continue our business operations. Any labour unrest directed against us in the future, could directly or indirectly prevent or hinder our normal operating activities, and, if not resolved in a timely manner, could lead to disruptions in our operations. These actions are very difficult for us to predict or control and any such event could adversely affect our business, results of operations and financial condition.

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

Our company faces potential risks related to incidents of theft or damage to inventory located at manufacturing unit. While we have not encountered such situations in the past, we acknowledge that there is a possibility of experiencing inventory losses due to various factors such as employee theft, vendor fraud, and general administrative errors. These incidents could have a negative impact on our results of operations and financial condition. During the execution of the contract and up to defect liability period we are generally fully liable to compensate all concerned for any loss, damage, or destruction of work, structure, property etc including third party risk arising due to causes attributable to us.

Despite implementing security measures and internal controls, there is no guarantee that we will completely avoid instances of fraud, theft, employee negligence, or security lapses in the future. Any such occurrence could lead to significant financial losses and affect our overall business performance.

Although we have insurance coverage against losses due to theft, fire, breakage, or damage caused by other casualties, the extent of coverage may not fully mitigate the financial impact of such incidents on our operations and financial condition. In some cases, the losses incurred may exceed the insurance coverage, resulting in additional financial strain for the company. Though, there had been no of such instances in past, we may not able to assure such incident will not happen in the future.

**8. We are susceptible to risks relating to unionization of our employees employed by us.**

None of our employees are currently represented by a recognized collective bargaining agreement. We cannot assure you that our employees will not unionize, or attempt to unionize in the future, that they will not otherwise seek higher wages and enhanced

employee benefits. We also cannot assure you that we will not experience disruptions in our work due to disputes or other problems with our workforce. If not resolved in a timely manner, these risks could limit our ability to provide our services to our clients, or result in an increase in our cost of employee benefits and other expenses. If any of these risks materialize, our business, results of operations and financial condition could be affected.

**9. We have experienced negative cash flows from operations in the recent past, and we may have negative cash flows in the future.**

The detailed break up of cash flows based on Restated Financial Statements is summarized in below table and our Company has reported positive cash flow from operating activity and negative cashflow from investing and financing activity in the financial years is as mentioned below, which could affect our business and growth:

(₹ in Thousands)

Particulars	For the Period/Year Ended			
	For the period ended on 30 <sup>th</sup> September, 2024	March 31, 2024	March 31, 2023	March 31, 2022
Net cash flows (used in)/generated from operating activities	126,505	97,716	1,07,509	93,653
Net cash flows (used in)/generated from investing activities	(135,500)	(103,773)	(20,457)	(36,890)
Net cash flows (used in)/generated from financing activities	2,278	13,128	(87,011)	(64,826)

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

**10. Our Company has availed unsecured loans which are repayable on demand. Any demand from lenders for repayment of such unsecured loans, may adversely affect our cashflow.**

Our Company has availed unsecured loans which may be called by their lenders at any time. As on September 30, 2024 the unsecured loan amounting ₹ 3350 thousands were due to lenders. Such loans are not repayable in accordance with any agreed repayment schedule and may be recalled by the relevant lenders at any time. Any such unexpected demand or accelerated repayment may have a material adverse effect on the business, cash flows and financial condition. For further details of unsecured loans of our Company, please refer “Note 7” respectively under chapter titled “Restated Financial Information” beginning on page 141 of this Draft Red Herring Prospectus.

**11. Our insurance coverage may not be adequate to protect us against certain operating hazards and this may have a material adverse effect on our business.**

Our Company has obtained insurance coverage in respect of certain risks. While we believe that we maintain insurance coverage in adequate amounts consistent with size of our business, our insurance policies do not cover all risks. Long periods of business disruption could result in a loss of customers. Although we take precautions to minimize the risk of any significant operational problems at our operations, and we have not experienced any such material incidents in the past, there can be no assurance that we will not face such disruptions in the future. The details relating to insurance expenses incurred by our company in the reporting period is mentioned below:

Particulars	For the Period/Year Ended on			
	For the Period ended on 30 <sup>th</sup> September, 2024	March 31, 2024	March 31, 2023	March 31, 2022

Insurance Expenses (₹ in Thousands)	318	1,599	1,732	2,373
Total Other expenses (₹ in Thousands) (including insurance exp)	52,697	85,801	97,365	75,410
% of Total Other Expenses	0.60%	1.86%	1.78%	3.15%

We may be exposed to various risks which we may not be able to foresee or may not have adequate insurance coverage. Our insurance coverage may not be adequate to cover such loss or damage to life and property, and any consequential losses arising due to such events will affect our operations and financial condition. Further, in addition to the above, any such fatal accident or incident causing damage or loss to life and property, even if we are fully insured or held not to be liable, could negatively affect our reputation, thereby making it more difficult for us to conduct our business operations effectively, and could significantly affect our business, availability of insurance coverage in the future and our results of operations.

While we believe that the insurance coverage that we maintain is in accordance with industry standards, there can be no assurance 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 material losses. To the extent that we suffer loss or damage for which we did not obtain or maintain insurance, that is not covered by insurance or exceeds our insurance coverage, the loss would have to be borne by us and our cash flows, results of operations and financial performance could be adversely affected. In the event that our Company files a claim under the applicable insurance policy, there is no assurance that we will be able to recover all, or part of the losses incurred.

**12. We have in the past entered into related party transactions and may continue to do so in the future, which may potentially involve conflicts of interest with the equity shareholders.**

Our Company has entered into related party transactions with our Promoter and Promoter Group amounting to Rs.36,831 thousands, Rs.91,414 thousands, Rs 71,171 thousands and Rs.2,23,238 thousands in for the period ended for September 30, 2024, March 31, 2024, March 31, 2023 and March 31, 2022 respectively. While our Company believes that all such transactions have been conducted on an arm's length basis and we confirm that the related party transactions entered into by the company are in compliance with the relevant provisions of Companies Act and other applicable laws. However, there can be no assurance that we could not have achieved more favourable terms had such transactions not been entered into with related parties. Furthermore, it is likely that we may enter into related party transactions in the future. There can be no assurance that such transactions, individually or in the aggregate, will not have an adverse effect on our financial condition and results of operations.

For further information, relating to our related party transactions, see "Restated Financial Information" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" beginning on pages 141 and 148 respectively.

**13. Our Company is party to certain litigation and claims. Any adverse decision may make us liable to liabilities/penalties and may adversely affect our reputation, business and financial status.**

Our Company is currently involved in certain legal proceedings. We cannot assure you that such proceedings will be decided in favour of our Company. Any adverse decision in such proceedings may render us liable to penalties and may have an adverse effect on the financials and reputation of our Company. Additionally, during the course of our business we are subject to risk of litigation in relation to contractual obligations, employment and labour laws, personal injury, damage to property, etc.

**A classification of these outstanding proceedings is given in the following table:**

(Rs. In thousands)

Nature of Cases	Number of Cases	Total Amount Involved
<b>Proceedings against our Company</b>		
Criminal	Nil	Nil
Civil	Nil	Nil
Outstanding actions by Regulatory and Statutory Authorities	Nil	Nil
Tax	19	24,136
<b>Proceedings by our Company</b>		
Criminal	Nil	Nil
Civil	1	Not Ascertainable
<b>Proceedings against our Director (other than Promoter)</b>		
Criminal	Nil	Nil

Nature of Cases	Number of Cases	Total Amount Involved
Civil	Nil	Nil
Outstanding actions by Regulatory and Statutory Authorities	Nil	Nil
Tax	Nil	Nil
<b>Proceedings by our Director (other than Promoter)</b>		
Criminal	Nil	Nil
Civil	Nil	Nil
<b>Proceedings against our Promoter</b>		
Criminal	Nil	Nil
Civil	Nil	Nil
Outstanding actions by Regulatory and Statutory Authorities	Nil	Nil
Tax	3	1302
<b>Proceedings by our Promoter</b>		
Criminal	Nil	Nil
Civil	1	Not Ascertainable

We may be required to devote management and financial resources in the defence or prosecution of such legal proceedings. Should any new developments arise, including a change in Indian laws or rulings against us by the appellate courts or tribunals, we may face losses and we may have to make further provisions in our financial statements, which could increase our expenses and our liabilities. Decisions in such proceedings, adverse to our interests, may have a material adverse effect on our business, cash flows, financial condition, and results of operations. Failure to successfully defend these or other claims, or if our current provisions prove to be inadequate, our business and results of operations could be adversely affected. Even if we are successful in defending such cases, we will be subject to legal and other costs relating to defending such litigation, and such costs could be substantial. In addition, we cannot assure you that similar proceedings will not be initiated in the future. Any adverse order or direction in these cases by the concerned authorities, even though not quantifiable, may have an adverse effect on our reputation, brand, business, results of operations and financial condition. For further details, please refer to section titled “Outstanding Litigation and Material Developments” on page 163.

**14. Any non-compliance or delays in EPF Return Filings may expose us to penalties from the regulators.**

As a Company, we are required to file EPF returns with the respective authorities. However, there are certain inadvertent delays in relation to filling of EPF returns in the past for the FY 2017-18, 2022-23 and 2023-24 and taken the steps to improve the internal system for payment of EPF to mitigate the technical difficulties. However, we cannot assure that we will not be subject to any legal proceeding or regulatory actions, including monetary penalties by statutory authorities on account of any inadvertent discrepancies in our EPF filling in future, which may adversely affect our reputation and goodwill of the company.

**15. We intend to utilise certain portion of the Net Proceeds for purchase of plant and machinery for setting up a new manufacturing facility. We are yet to place orders for some of the machinery.**

We intend to utilise certain portion of the Net Proceeds for funding purchase of plant and machinery for setting up a new manufacturing facility at 1459b, Sector-32, Yeida, Gautam Buddha Nagar, UP-203209. Out of total cost of Plant & Machinery worth ₹ 1,57,600.78 Thousands, we are yet to place an order for ₹ 1,02,205.27 Thousands of such Plant and Machinery. Although the validity of the quotations are valid as on the date of filing this Draft Red Herring Prospectus or going to expire in due course of time. In case, at the time of placing the order, our company would not be able to acquire such plant and machinery at the expected price, we are subject to risks on account of inflation in the price of machineries, for further details of plant and machinery please refer the section “Object of the Issue” on page no. 63 of this Draft Red Herring Prospectus. In case of increase in price of such plant and machinery our company shall require to arrange the additional fund for completion of the project. If we are not able to arrange such additional funds in due time which may results in delay in implementation of our project and which may result into adversely affects the profitability and financial results of the company.

**16. There have been instances of delays of certain forms which were required to be filed as per the reporting requirements under the Companies Act, 2013 to ROC**

In the past, there have been certain instances of delays in filing statutory forms which have been subsequently filed by payment of an additional fee of Rs.69000 as specified by RoC. Also, the company has not paid stamp duty on issue of shares since incorporation except bonus shares made by company for that company has filed application with the Collector of Stamps. No show cause notice in respect to the above has been received by our Company till date and no penalty or fine has been imposed by any regulatory authority in respect to the same. It cannot be assured, that there will not be such instances in the future or our Company will not commit any further delays in relation to its reporting requirements, or any penalty or fine will not be imposed by any regulatory authority in respect to the same. The happening of such event may cause a material effect on our results of operations and financial position.



- 17. Our Promoters and Directors have provided personal guarantees for financing facilities availed by our Company and may in the future provide additional guarantees and any failure or default by our Company to repay such facilities in accordance with the terms and conditions of the financing agreements could trigger repayment obligations on them, which may impact their ability to effectively service their obligations as our Promoters and Directors and thereby, adversely impact our business and operations.**

Our Promoters and Directors Mr. Manoj Arora, Mrs. Alka Arora and Mr. Dhruv Arora have personally guaranteed the repayment of certain loan facilities taken by us. Our Promoters may continue to provide such guarantees and other security post listing. In case of a default under our loan agreements, any of the guarantees provided by our Promoters and Directors may be invoked, which could negatively impact the reputation and net worth of our Promoters and Directors. In addition, our guarantors may be required to liquidate their shareholding in our Company to settle the claims of the lenders, thereby diluting their shareholding in our Company.

Furthermore, in the event that our Promoters and Directors withdraw or terminate their guarantees, our lenders for such facilities may ask for alternate guarantees, repayment of amounts outstanding under such facilities, or even terminate such facilities. We may not be successful in procuring guarantees satisfactory to the lenders, and as a result may need to repay outstanding amounts under such facilities or seek additional sources of capital, which could affect our financial condition and cash flows.

- 18. Our Promoters and the Promoter Group will jointly continue to retain majority shareholding in our Company after the Issue, which will allow them to determine the outcome of the matters requiring the approval of shareholders.**

Our Promoters along with the promoter group will continue to hold collectively Up to [●] % of the Equity share capital of the company. As a result of the same, they will be able to exercise significant influence over the control of the outcome of the matter that requires approval of the majority shareholder's vote. Such a concentration of the ownership may also have the effect of delaying, preventing or deterring any change in the control of our company. In addition to the above, our promoters will continue to have the ability to take actions that are not in, or may conflict with our interest or the interest of some or all of our minority shareholders, and there is no assurance that such action will not have any adverse effect on our future financials or results of operations.

- 19. The average cost of acquisition of Equity Shares by our Promoters could be lower than the Issue price.**

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

Sr No.	Name of Promoters	No. of Equity Shares Held	Average Cost of Acquisition per equity share (in Rs.)
1.	Manoj Arora	1,14,49,810	0.47
2.	Alka Arora	15,77,550	0.47
3.	Dhruv Arora	33,04,240	Nil

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

- 20. Our individual Promoters plays key role in our functioning and we heavily rely on their knowledge and experience in operating our business and therefore, it is critical for our business that our Promoter and Executive Directors remain associated with us. Our success also depends upon the services of our key managerial personnel and our ability to attract and retain key managerial personnel and our inability to attract them may affect our operations.**

We benefit from our relationship with our individual Promoters and our success depends upon the continuing services of our Promoters and executive Directors who have been responsible for the growth of our business and is closely involved in the overall strategy, direction and management of our business. Our Promoters and executive Directors have been actively involved in the day-to-day operations and management. Accordingly, our performance is heavily dependent upon the services of our Promoters and executive Directors. If our Promoters and executive directors are unable or unwilling to continue in their present position, we may not be able to replace them easily or at all. Further, we rely on the continued services and performance of our key executives and senior management for continued success and smooth functioning of the operations of the Company. If we lose the services of any of our key managerial personnel, it may take reasonable time to locate suitable or qualified replacements and may incur additional expenses to recruit and train new personnel, which could adversely affect our business operations and affect our ability to continue to manage and expand our business. Our Promoters and executive Directors, along with the key managerial personnel,



have over the years-built relations with various customers and other persons who form part of our stakeholders and are connected with us. The loss of their services could impair our ability to implement our strategy, and our business, financial condition, results of operations and prospects may be materially and adversely affected.

**21. *Relevant copies of educational qualifications proof and experience proof of some of our Directors, Promoters are not traceable.***

Relevant copies of the Degree certificates of Mrs. Alka Arora (Director and Promoter) and Ms. Indu Agarwal (Director), and some experience certificates of Mr. Manoj Arora (Managing Director and Promoter) are not traceable. The information included in the section are based on the affidavits obtained from them. Consequently, we or the Book Running Lead Manager cannot assure you that such information in relation to the particular Directors, Promoters are true and correct and you should not place undue reliance on the experience and qualification of our management included in this Draft Red Herring Prospectus.

**22. *Our Promoters and Executive Directors hold Equity Shares in our Company and are therefore interested in the Company's performance in addition to their remuneration and reimbursement of expenses.***

Our Promoters and Directors are interested in our Company, in addition to regular remuneration or benefits and reimbursement of expenses, to the extent of their shareholding in our Company. We cannot assure you that our Promoters will exercise their rights as shareholders to the benefit and best interest of our Company. Our Promoters may take or block actions with respect to our business which may conflict with the best interests of the Company or that of minority shareholders. For further information on the interest of our Promoters and Directors of our Company, other than reimbursement of expenses incurred or normal remuneration or benefits, see "Our Management" and "Our Promoters and Promoter Group" on pages 112 and 129 respectively of this Draft Red Herring Prospectus.

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

We propose to utilize the Net Proceeds towards utilization for the objects specified in the chapter titled "Objects of the Issue" on page 63. For further details of the proposed objects of the Issue, see "Objects of the Issue" beginning on page 63. However, these objects of the issue have not been appraised by any bank, financial institution or other independent agency. Further, we cannot determine with any certainty if we would require the Net Proceeds to meet any other expenditure or fund any exigencies arising out of the competitive environment, business conditions, economic conditions or other factors beyond our control. In accordance with the Companies Act, 2013 and the SEBI ICDR Regulations, we cannot undertake any variation in the utilization of the Net Proceeds as disclosed in this Draft Red Herring Prospectus without obtaining the approval of shareholders of our Company through a special resolution. In the event of any such circumstances that require us to vary the disclosed utilization of the Net Proceeds, we may not be able to obtain the approval of the shareholders of our Company in a timely manner, or at all. Any delay or inability in obtaining such approval of the shareholders of our Company may adversely affect our business or operations. Further, our Promoters would be required to provide an exit opportunity to the shareholders of our Company who do not agree with our proposal to modify the objects of the Issue, at a price and manner as prescribed by SEBI. Additionally, the requirement to provide an exit opportunity to such dissenting shareholders of our Company may deter our Promoters from agreeing to the variation of the proposed utilization of the Net Proceeds, even if such variation is in the interest of our Company. Further, we cannot assure you that the Promoter will have adequate resources at their disposal at all times to enable them to provide an exit opportunity. In light of these factors, we may not be able to vary the objects of the issue to use any unutilized proceeds of the issue, if any, even if such variation is in the interest of our Company. This may restrict our Company's ability to respond to any change in our business or financial condition, if any, which may adversely affect our business and the results of operations.

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

The fund requirement and deployment, as mentioned in the "Objects of the Issue" on page 63 of this Draft Red Herring Prospectus is based on the estimates of our management and has not been appraised by any bank or financial institution or any other independent agency. These fund requirements are based on our current business plan. We cannot assure that the current business plan will be implemented in its entirety or at all. In view of the highly competitive and dynamic nature of our business, we may have to revise our business plan from time to time and consequently meet these fund requirements. The deployment of the funds as stated on page 63 under chapter "Objects of the Issue" is at the discretion of our Board of Directors and is not subject to monitoring by any external independent agency. Further, we cannot assure that the actual costs or schedule of implementation as stated on page 5 under chapter "Objects of the Issue" will not vary from the estimated costs or schedule of implementation. Any such variance may be on account of one or more factors, some of which may be beyond our control. The occurrence of any such event may delay our business plans and/or may have an adverse bearing on our expected revenues and earnings.

**25. *There is no monitoring agency appointed by Our Company to monitor the utilization of the Issue proceeds and deployment of the Issue is entirely at the discretion of the issuer.***

As per SEBI (ICDR) Regulations, 2018, as amended, appointment of monitoring agency is required only for Issue size above ₹ 10,000.00 Lakhs. Hence, we have not appointed any monitoring agency to monitor the utilization of Issue proceeds and because of such, deployment of the fund is entirely at the discretion of the issuer. However, the audit committee of our Board will monitor the

utilization of Issue proceeds in terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Further, our Company shall inform about material deviations in the utilization of Issue proceeds to the stock exchange and shall also simultaneously make the material deviations / adverse comments of the audit committee public.

**26. *Our company has issued shares at a price which may be lower than the issue price in preceding one year.***

Our Company has allotted 1,22,49,000 equity shares on 21<sup>st</sup> March, 2024 as Bonus issue. The issue price at which the shares were allotted to public may be lower than the issue price. For more details, please refer chapter titled “Capital Structure” on page no. 43 of the Draft Red Herring Prospectus.

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

We may retain majority of our future earnings, if any, for use in the operations and expansion of our business. As a result, we may declare small 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 shareholders investments may largely depend upon the appreciation of the price of our Equity Shares. There can be no assurance that our Equity Shares will appreciate in value.

**28. *Industry information included in this Draft Red Herring Prospectus has been derived from industry sources. There can be no assurance that such third-party statistical, financial and other industry information is complete, reliable or accurate.***

This Draft Red Herring Prospectus includes information on Industry in which we operate from various sources. For further details, please see “Industry Overview” beginning on page 83. The data has been furnished by an independent agency on their websites and has no relationship with our Company, its Promoters, Directors, or the Book Running Lead Manager as on the date of this Draft Red Herring Prospectus. The data used in these sources may have been reclassified by us for the purposes of presentation and may also not be comparable. Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable, but that their accuracy, completeness and underlying assumptions are not guaranteed, and their reliability cannot be assured. Industry sources and publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Industry sources and publications may also base their information on estimates, projections, forecasts and assumptions that may prove to be incorrect. Accordingly, investors must rely on their independent examination of, and should not place undue reliance on, or base their investment decision solely on this information. The recipient should not construe any of the contents in this report as advice relating to business, financial, legal, taxation or investment matters and are advised to consult their own business, financial, legal, taxation, and other advisors concerning the transaction.

**29. *Certain data mentioned in this Draft Red Herring Prospectus has not been independently verified.***

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

## **EXTERNAL RISK FACTOR**

**30. *Changing laws, rules and regulations and legal uncertainties in India, including adverse application of tax laws and regulations, may adversely affect our business and financial performance.***

Our business and financial performance could be adversely affected by changes in law or interpretations of existing, or the promulgation of new, laws, rules and regulations in India applicable to us and our business. There can be no assurance that the central or the state governments in India may not implement new regulations and policies which will require us to obtain approvals and licenses from the central or the state governments in India and other regulatory bodies or impose onerous requirements and conditions on our operations. Any such changes and the related uncertainties with respect to the implementation of the new regulations may have a material adverse effect on all our business, financial condition and results of operations. In addition, we may have to incur capital expenditures to comply with the requirements of any new regulations, which may also materially harm our results of operations. For instance, the Government has proposed a comprehensive national goods and services tax (“GST”) regime that will combine taxes and levies by the Central and state Governments into a unified rate structure. Given the limited availability of information in the public domain concerning the GST, we are unable to provide any assurance as to the tax regime following implementation of the GST. The implementation of this new structure may be affected by any disagreement between certain state Governments, which could create uncertainty. Any such future amendments may affect our overall tax efficiency and may result in significant additional taxes becoming payable.

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

An outbreak of other infectious or virulent diseases, such as severe acute respiratory syndrome, the COVID-19 virus, the H1N1

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

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

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

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

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

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

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

**35. *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.

**36. *Instability in financial markets could materially and adversely affect our results of operations and financial condition.***

The Indian economy and financial markets are significantly influenced by worldwide economic, financial and market conditions. Any financial turmoil, especially in the United States of America or Europe, 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. The global financial turmoil, an outcome of the sub-prime mortgage crisis which originated in the United States of America, led to a loss of investor confidence in worldwide financial markets. Indian financial markets have also experienced the contagion affect of the global financial turmoil, evident from the sharp decline in SENSEX, BSE's benchmark index. Any prolonged financial crisis may have an adverse impact on the Indian economy and us, thereby resulting in a material and adverse effect on our business, operations, financial condition, profitability and price of our Equity Shares.

**37. *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, tsunamis, 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.

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

The performance and growth of our business are necessarily dependent on economic conditions prevalent in India, which may be materially and adversely affected by centre or state political instability or regional conflicts, a general rise in interest rates, inflation, and economic slowdown elsewhere in the world or otherwise. There have been periods of slowdown in the economic growth of India. India's economic growth is affected by various factors including domestic consumption and savings, balance of trade movements, namely export demand and movements in key imports (oil and oil products), global economic uncertainty and liquidity crisis, volatility in exchange currency rates and annual rainfall which affects agricultural production. Any continued or future slowdown in the Indian economy or a further increase in inflation could have a material adverse effect on the price of our raw materials and demand for our products and, as a result, on our business and financial results. The Indian financial market and the Indian economy are influenced by economic and market conditions in other countries, particularly in emerging market in Asian countries. Financial turmoil in Asia, Europe, the U.S. and elsewhere in the world in recent years has affected the Indian economy. Although economic conditions are different in each country, investor's reactions to developments in one country can have adverse effects on the securities of companies in other countries, including India. A loss in investor confidence in the financial systems of other emerging markets may cause increased volatility in Indian financial markets and, indirectly, in the Indian economy in general. Any worldwide financial instability, including the financial crisis and fluctuations in the stock markets in China and further deterioration of credit conditions in the U.S. or European markets, could also have a negative impact on the Indian economy. Financial disruptions may occur again and could harm our business and financial results.

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

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

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

**40. *Rights of shareholders under Indian laws may be more limited than under the laws of other jurisdictions.***

Indian legal principles related to corporate procedures, directors' fiduciary duties and liabilities may differ from those that would apply to a company in another jurisdiction. Investors may have more difficulty in asserting their rights as shareholders in an Indian company than as shareholder of a corporation in another jurisdiction. Shareholders' rights under Indian law may not be as extensive as shareholders' rights under the laws of other jurisdictions. Under the Companies Act, prior to issuance of any new equity shares, a public limited company incorporated under Indian law must offer its equity shareholders pre-emptive rights to subscribe to a proportionate number of equity shares to maintain existing ownership, unless such pre-emptive rights are waived by a special resolution by a three-fourths majority of the equity shareholders voting on such resolution. If you are a foreign investor and the law of the foreign jurisdiction that you are in does not permit the exercise of such pre-emptive rights without our filing an offering document or registration statement with the applicable authority in such foreign jurisdiction, you will be unable to exercise such pre-emptive rights, unless we make such a filing. If we elect not to file an offering document or a registration statement, the new securities may be issued to a custodian, who may sell the securities for your benefit. The value such custodian receives on the sale of any such securities and the related transaction costs cannot be predicted. To the extent that you are unable to exercise pre-emptive rights granted in respect of our Equity Shares, your proportional interest in our Company would decline.

**41. *We will continue to be controlled by our Promoter and Promoter Group after the completion of the Issue, which will allow them to influence the outcome of matters submitted for approval of our shareholders.***

As on the date of this Draft Red Herring Prospectus, our Promoter and Promoter Group hold 100% of the issued and outstanding paid-up share capital of our Company. As a result, they will have the ability to influence matters requiring shareholders' approval, including the ability to appoint Directors to our Board and the right to approve significant actions at Board and at shareholders' meetings, including the issue of Equity Shares and dividend payments, business plans, mergers and acquisitions, any consolidation or joint venture arrangements, any amendment to our Memorandum of Association and Articles of Association, and any other business decisions. We cannot assure you that our Promoters and Promoter Group will not have conflicts of interest with other shareholders or with our Company. Any such conflict may adversely affect our ability to execute our business strategy or to operate our business.

For further details regarding our shareholding, please refer to chapter titled "Capital Structure" beginning on Page 43 of this Draft Red Herring Prospectus.

**42. *Any future issuance of Equity Shares may dilute your shareholdings, and sale of the Equity Shares by our major shareholders may adversely affect the trading price of our Equity Shares.***

Any future equity issuances by our Company may lead to the dilution of investors' shareholdings in our Company. In addition, any

sale of substantial Equity Shares in the public market after the completion of this Issue, including by our major shareholders, or the perception that such sales could occur, could adversely affect the market price of the Equity Shares and could significantly impair our future ability to raise capital through offerings of the Equity Shares. We cannot predict what effect, if any, market sales of the Equity Shares held by the major shareholders of our Company or the availability of these Equity Shares for future sale will have on the market price of our Equity Shares.

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

Following the Issue, we will be subject to a daily "Circuit Breaker" imposed by NSE, which does not allow transactions beyond specified increases or decreases in the price of the Equity Shares. This circuit breaker operates independently of the index-based, market-wide circuit breakers generally imposed by SEBI on Indian stock exchanges. The percentage limit on our circuit breakers will be set by the stock exchange based on the historical volatility in the price and trading volume of the Equity Shares.

**44. *There is no guarantee that the Equity Shares issued pursuant to the Issue will be listed on the Emerge Platform of National Stock Exchange of India Limited in a timely manner, or at all.***

In accordance with Indian law and practice, permission for listing and trading of the Equity Shares issued pursuant to the Issue will not be granted until after the Equity Shares have been issued and allotted. Approval for listing and trading will require all relevant documents authorizing the issuing of Equity Shares to be submitted. There could be a failure or delay in listing the Equity Shares on the Emerge Platform of National Stock Exchange of India Limited. Any failure or delay in obtaining the approval would restrict your ability to dispose of your Equity Shares.

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

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

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

Under current Indian tax laws, capital gains arising from the sale of equity shares within 12 months in an Indian company are classified as short-term capital gains and generally taxable. Any gain realized on the sale of listed equity shares on a stock exchange that are held for more than 12 months is considered as long-term capital gains and is taxable at 10%, in excess of Rs. 1,00,000. Any long-term gain realized on the sale of equity shares, which are sold other than on a recognized stock exchange and on which no STT has been paid, is also subject to tax in India. Capital gains arising from the sale of equity shares are exempt from taxation in India where an exemption from taxation in India is provided under a treaty between India and the country of which the seller is resident. Generally, Indian tax treaties do not limit India's ability to impose tax on capital gains. As a result, residents of other countries may be liable to pay tax in India as well as in their own jurisdiction on a gain on the sale of equity shares.

**47. *QIBs and Non Institutional Investors are not permitted to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after submitting a Bid, and Retail Individual Bidders are not permitted to withdraw their Bids after the Bid/ Issue Closing Date.***

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

**48. *Pursuant to listing of the Equity Shares, we may be subject to pre-emptive surveillance measures like Additional Surveillance Measure (ASM) and Graded Surveillance Measures (GSM) by the Stock Exchanges in order to enhance market integrity and safeguard the interest of investors.***

SEBI and Stock Exchanges in order to enhance market integrity and safeguard interest of investors, have been introducing various enhanced pre-emptive surveillance measures, including ASM and GSM. ASM and GSM are imposed on securities of companies based on various objective criteria such as significant variations in price and volume, concentration of certain client accounts as a

percentage of combined trading volume, average delivery, securities which witness abnormal price rise not commensurate with financial health and fundamentals such as earnings, book value, fixed assets, net worth, price / earnings multiple, market capitalization etc. The main objective of these measures is to alert and advise investors to be extra cautious while dealing in these securities and advise market participants to carry out necessary due diligence while dealing in these securities. Accordingly, SEBI and Stock Exchanges have provided for (a) GSM on securities where such trading price of such securities does not commensurate with financial health and fundamentals such as earnings, book value, fixed assets, networth, price per equity multiple and market capitalization; and (b) ASM on securities with surveillance concerns based on objective parameters such as price and volume variation and volatility.

***49. The determination of the Price Band is based on various factors and assumptions and the issue Price of the Equity Shares may not be indicative of the market price of the Equity Shares after the issue. Further, the current market price of some securities listed pursuant to certain previous issues managed by the BRLM is below their respective issue prices.***

The determination of the Price Band is based on various factors and assumptions and will be determined by our Company in consultation with the Book Running Lead Manager. Furthermore, the issue Price of the Equity Shares will be determined by our Company, in consultation with the Book Running Lead Manager through the Book Building Process.

The Issue Price will be based on numerous factors, including the factors described in “Basis for Issue Price” on page 74 and may not be indicative of the market price for the Equity Shares after the Issue. Further, the BRLM has previously handled issues wherein the market price of the issued shares declined below the Issue price of shares within 30 days of their listing and in certain cases continued to trade at a price lower than their Issue price on the 180th day from listing. For details of the price information of the past issues handled by the BRLM, see “Other Regulatory and Statutory Disclosures” on page 173.

In addition, the stock market often experiences price and volume fluctuations that are unrelated or disproportionate to the operating performance of a particular company. These broad market fluctuations and industry factors may materially reduce the market price of the Equity Shares, regardless of our Company’s performance. As a result of these factors, there can be no assurance that the investors will be able to resell Equity Shares at or above the Issue Price resulting in a loss of all or part of the investment.

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## SECTION IV - INTRODUCTION

### THE ISSUE

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

Issue of Equity Shares <sup>(1) (2)*</sup>	Up to 61,00,000 Equity Shares of face value of ₹ 10/- each fully paid up of our company at a price of ₹ [●] per Equity share aggregating up to ₹ [●] Thousands
<b>of which:</b>	
Market Maker Portion Reservation	Issue of [●] Equity Shares having a face value of ₹ 10/- each at a price of ₹ [●] per Equity Shares aggregating ₹ [●] Thousands
Net Issue to Public <sup>(3)</sup>	Issue of [●] Equity Shares having a face value of ₹ 10/- each at a price of ₹ [●] per Equity Shares aggregating ₹ [●] Thousands
<b>Out of which*:</b>	
A. QIB Portion <sup>(4) (5)</sup>	Not more than [●] Equity Shares aggregating to ₹ [●] Thousands
Of Which	
(a) Anchor Investor Portion	Upto [●] Equity Shares aggregating to ₹ [●] Thousands
(b) Net QIB Portion (assuming the Anchor Investor Portion is fully subscribed)	Upto [●] Equity Shares aggregating to ₹ [●] Thousands
Of which:	
(i) Available for allocation to Mutual Funds only (5% of the QIB Portion (excluding Anchor Investor Portion) <sup>(6)</sup>	Upto [●] Equity Shares aggregating to ₹ [●] Thousands
(ii) Balance of QIB Portion for all QIBs including Mutual Funds	Upto [●] Equity Shares aggregating to ₹ [●] Thousands
<b>B. Non-Institutional Category</b>	Not Less than [●] Equity Shares aggregating to ₹ [●] Thousands
<b>C. Retail Portion</b>	Not Less than [●] Equity Shares aggregating to ₹ [●] Thousands
<b>Pre and post-Issue Equity Shares</b>	
<b>Equity Shares outstanding prior to the Issue</b>	1,63,32,000 Equity Shares of face value of ₹10/- each
<b>Equity Shares outstanding after the Issue</b>	[●] Equity Shares of face value of ₹10/- each
<b>Use of Net Proceeds</b>	Please refer “ <i>Objects of the Issue</i> ” on page 63 for further information about the use of the Net Proceeds.

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

#### **Notes:**

- 1) The Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time. This Issue is being made by our company in terms of Regulation 229 (2) of SEBI ICDR Regulations read with Rule 19(2)(b)(i) of SCRR wherein not less than 25% of the post – issue paid up equity share capital of our company are being offered to the public for subscription.
- 2) The Issue has been authorized by the Board of Directors vide a resolution passed at its meeting held on 20<sup>th</sup> August, 2024 and by the Shareholder of our Company, vide a special resolution passed pursuant to Section 62(1)(c) of the Companies Act, 2013 at the Extra Ordinary General Meeting held on 22<sup>nd</sup> August, 2024.
- 3) In the event of over-subscription, allotment shall be made on a proportionate basis, subject to valid Bids received at or above the Issue Price. Allocation to investors in all categories, except the Retail Portion, shall be made on a proportionate basis subject to valid bids received at or above the Issue Price. The allocation to each Retail Individual Investor shall not be less than the minimum Bid Lot, and subject to availability of Equity Shares in the Retail Portion, the remaining available Equity Shares, if any, shall be allocated on a proportionate basis.
- 4) The SEBI ICDR Regulations permit the issue of securities to the public through the Book Building Process, which states that, not less than 15 % of the Net Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35 % of the Net Issue shall be available for allocation on a proportionate basis to 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.
- 5) 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.

- 6) Our Company in consultation with the Book Running Lead Manager, may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI (ICDR) Regulations. One third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of undersubscription in the Anchor Investor Portion, the remaining Equity Shares shall be added to the QIB Portion. Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Issue Price. However, if the aggregate demand from Mutual Funds is less than 5% of the Net QIB Portion, the balance Equity Shares available for allotment in the Mutual Fund Portion will be added to the Net QIB Portion and allocated proportionately to the QIB Bidders (other than Anchor Investors) in proportion to their Bids. For further details, please refer section titled “*Issue Procedure*” beginning on page 193 of this Draft Red Herring Prospectus.

For details, including grounds for rejection of Bids, refer to “*Issue Structure*” and “*Issue Procedure*” on page 190 and 193, respectively. For details of the terms of the Issue, see “*Terms of the Issue*” on page 183.

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## **SUMMARY OF FINANCIAL INFORMATION**

*The following tables provide the summary of financial information of our Company derived from the Restated Financial Information for the Period ended September 30<sup>th</sup>, 2024 and Financial Years ended March 31, 2024, 2023 and 2022. The Restated Financial Information referred to above is presented under the section titled “Financial Information” beginning on Page No. 141 of this Draft Red Herring Prospectus. The summary of financial information presented below should be read in conjunction with the Restated Financial Information, the notes thereto and the chapters titled “Financial Information” and “Management’s Discussion and Analysis of Financial Position and Results of Operations” beginning on Page Nos. 141 and 148, respectively of this Draft Red Herring Prospectus.*

<b>S. No.</b>	<b>Details</b>	<b>Page Number</b>
1.	Summary of Financial Information	S1 to S3

*(The remainder of this page is intentionally left blank)*

## GENERAL INFORMATION

Our Company was originally incorporated as “Sachee Fragrances Limited” under the provisions of Companies Act, 1956 with Registrar of Companies, Delhi & Haryana and received a certificate of incorporation from the Registrar of Companies, Delhi & Haryana on June 19, 1992. Later, the name of the company changed from “Sachee Fragrances Limited” to “Sachee Cosmetics Limited” vide Extra Ordinary General Meeting dated December 26, 1994 and fresh certificate of Incorporation issued by Registrar of Companies Delhi & Haryana on February 13, 1995. Later the name of the company changed from “Sachee Cosmetics Limited to Sachee Aromatics Limited” vide Extra Ordinary General Meeting dated March 19, 1997 and fresh certificate of incorporation issued by Registrar of Companies Delhi & Haryana on April 3, 1997. Further the company has converted from “Sachee Aromatics Limited” to “Sachee Aromatics Private Limited” vide Extra Ordinary General Meeting dated February 24, 2012 and fresh certificate of incorporation issued by Registrar of Companies Delhi & Haryana on March 14, 2012. Further the name of the company changed from “Sachee Aromatics Private Limited” to “Sacheerome Private Limited” vide Extra Ordinary General Meeting dated April 04, 2012 and fresh certificate of Incorporation issued by the Registrar of Companies Delhi & Haryana on April 17, 2012. Further the name of the company changed from “Sacheerome Private Limited” to “Sacheerome Limited” vide Extra Ordinary General Meeting dated May 01, 2024 and fresh certificate of Incorporation issued by Registrar of Companies Delhi & Haryana on August 8th, 2024. The corporate identification number of our Company is U74899DL1992PLC049258.

For further details including details of change in registered office of our Company, please refer to chapter titled “*History and Certain Corporate Matters*” beginning on page 111 of this Draft Red Herring Prospectus.

<b>Registered Office</b>	Y-4 Okhla Industrial Areaph-II, New Delhi, Delhi, India, 110020 <b>Telephone:</b> +011-49953250 <b>E-mail:</b> compliance@sacheerome.com <b>Investor grievance id:</b> Investors@sacheerome.com <b>Website:</b> www.sacheerome.com <b>CIN:</b> U74899DL1992PLC049258
<b>Corporate Office</b>	F-89-4-2 Okhla Industrial Area, Phase-1, New Delhi, Delhi, Okhla Industrial Area Phase-I, South Delhi, New Delhi, India, 110020 <b>Telephone:</b> +011-47311111

### Address of Registrar of Companies

Our Company is registered with the Registrar of Companies, Delhi situated at the following address:

Registrar of Companies, 4<sup>th</sup> Floor, IFCI Tower, 61, Nehru Place, New Delhi- 110019

### Board of Directors of our Company

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

S. No.	Name	Designation	DIN	Address
1.	Manoj Arora	Managing Director	01811530	F 57A, Radhey Mohan Drive Chattarpur, Gadai Pur, South Delhi-110030
2.	Dhruv Arora	Whole time Director	03166931	F 57A, Radhey Mohan Drive Chattarpur, Gadai Pur, South Delhi-110030
3.	Alka Arora	Non-Executive Director	01819475	F 57A, Radhey Mohan Drive Chattarpur, Gadai Pur, South Delhi-110030
4.	Indu Agrawal	Executive Director	05154418	H-195, Nehru Nagar, Ghaziabad, Uttar Pradesh-201001
5.	Sanjay Roye	Independent Director	10746841	Villa 2, 23 Acres Residential Complex, Behind Mount St.Marry School, Delhi Cantt, South West Delhi, Delhi- 110010
6.	Sunil Suri	Independent Director	10736965	H-81/1, Shivaji Park, West Delhi, Delhi- 110026

For detailed profile of our directors, please refer to the chapter titled “*Our Management*” on page 112 of the Draft Red Herring Prospectus.

Chief Financial Officer	Company Secretary & Compliance Officer
<b>Ms. Aarti Kashyap</b> <b>Sacheerome Limited</b>	<b>Ms. Harpreet Kaur</b> <b>Sacheerome Limited</b>

<b>Address:</b> L-154, Mohan Garden Extn, Uttam Nagar, West Delhi, Delhi- 110059 <b>Telephone:</b> +91 9311532800 <b>E-mail:</b> aarti.kashyap@sacheerome.com	<b>Address:</b> J-7/66, U/G Floor, Rajouri Garden, Tagore Garden, West Delhi, Delhi- 110027 <b>Telephone:</b> +91-779094005 <b>E-mail:</b> compliance@sacheerome.com
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### Investor grievances

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

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

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

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

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

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

Book Running Lead Manager to the Issue	Registrar to the Issue
<b>GYR CAPITAL ADVISORS PRIVATE LIMITED</b> 428, Gala Empire, Near JB Tower, Drive in Road, Thaltej, Ahemdabad-380 054, Gujarat, India. <b>Telephone:</b> +91 87775 64648 <b>Fax:</b> N.A. <b>Email ID:</b> <a href="mailto:info@gyrcapitaladvisors.com">info@gyrcapitaladvisors.com</a> <b>Website:</b> <a href="http://www.gyrcapitaladvisors.com">www.gyrcapitaladvisors.com</a> <b>Investor Grievance ID:</b> <a href="mailto:investors@gyrcapitaladvisors.com">investors@gyrcapitaladvisors.com</a> <b>Contact Person:</b> Mohit Baid <b>SEBI Registration Number:</b> INM000012810	<b>LINK INTIME INDIA PRIVATE LIMITED</b> C-101, 1st Floor, 247 Park, Lal Bhadur Shastri Marg , Vikhroli (West), Mumbai 400 083, Maharashtra, India <b>Telephone:</b> +91 810 811 4949 <b>Email:</b> <a href="mailto:sacheerome.ipo@linkintime.co.in">sacheerome.ipo@linkintime.co.in</a> <b>Website:</b> <a href="http://www.linkintime.co.in">www.linkintime.co.in</a> <b>Investor Grievance Email:</b> <a href="mailto:sacheerome.ipo@linkintime.co.in">sacheerome.ipo@linkintime.co.in</a> <b>Contact Person:</b> Shanti Gopalkrishnan <b>SEBI Registration Number:</b> INR000004058 <b>CIN :-</b> U67190MH1999PTC118368
Legal Advisor to the Issue	Statutory and Peer Review Auditor of our Company
<b>M/S VIDHIGYA ASSOCIATES, ADVOCATES</b> 501, 5 <sup>th</sup> Floor, Jeevan Sahakar Building, Homi Street, Fort, Mumbai-400001 <b>Contact Person:</b> Mr. Rahul Pandey <b>Telephone:</b> +91 8424030160 <b>Facsimile:</b> N.A. <b>Email:</b> <a href="mailto:rahul@vidhigyassociates.com">rahul@vidhigyassociates.com</a>	<b>T R CHADHA &amp; CO LLP,</b> Chartered Accountants B-30, Connaught Place, Kuthiala Building, New Delhi, Delhi-110001 <b>Contact No.:</b> +011-49003080 <b>Email:</b> <a href="mailto:delhi@trchadha.com">delhi@trchadha.com</a> , <a href="mailto:aashishgupta@trchadha.com">aashishgupta@trchadha.com</a> <b>Contact Person:</b> Aashish Gupta <b>Membership No.:</b> 097343 <b>Firm Registration No.:</b> 006711N/N500028 <b>Peer Review Certificate No.:</b> 014544
Bankers to our Company	
<b>Kotak Mahindra Bank Limited</b> E-49/12, Basement and Ground Floor, Okhla Industrial Area, Phase-II, New Delhi-110020 <b>Tel:</b> + 91- 9953234414 <b>Facsimile:</b> N.A. <b>Email:</b> <a href="mailto:puneet.gupta@kotak.com">puneet.gupta@kotak.com</a> <b>Website:</b> <a href="http://www.kotak.com">www.kotak.com</a> <b>Contact person:</b> Mr. Puneet Gupta	
Banker to the Issue*	Sponsor Bank*

[•]	[•]
<b>Refund Bank*</b>	<b>Syndicate Member*</b>
[•]	[•]

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

### Designated Intermediaries

#### Self-Certified Syndicate Banks

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

In accordance with SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019 and SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, Retail Individual Investors Applying using the UPI Mechanism may apply through the SCSBs and mobile applications whose names appears on the website of the SEBI (<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40>) and (<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43>) respectively, as updated from time to time.

#### SCSBs enabled for UPI Mechanism

In accordance with SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 5, 2022 and SEBI circular No SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, the UPI Bidders may only apply through the SCSBs and mobile applications whose names appears on the website of the SEBI, which may be updated from time to time. A list of SCSBs and mobile applications, using the UPI handles and which are live for applying in public issues using UPI mechanism, is provided in the SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019. The said list is available on the website of SEBI at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40> and <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43>, as updated from time to time..

#### Registered Brokers

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

#### Registrar and Share Transfer Agent

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

#### Collecting Depository Participants

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

### IPO Grading

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

### Credit Rating

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

### Green Shoe Option

No Green Shoe Option is applicable for this Issue.

### Brokers to the Issue

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



## **Debenture Trustees**

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

## **Monitoring Agency**

As the Net Proceeds of the Issue will be less than ₹10,000 lakhs, under the SEBI ICDR Regulations, it is not required that a monitoring agency be appointed by our Company.

## **Appraising Entity**

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

## **Expert Opinion**

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

Our Company has received written consent dated 11<sup>th</sup> December, 2024 from the Statutory Auditors to include their name as required under Section 26(5) of the Companies Act 2013 read with SEBI ICDR Regulations in this Draft Red Herring Prospectus as an “expert” as defined under Section 2(38) of the Companies Act, 2013 to the extent and in its capacity as an independent Statutory Auditor and in respect of its (i) examination report dated November 16, 2024 on our restated financial information; and (ii) its report dated 11<sup>th</sup> December, 2024 on the statement of special tax benefits in this Draft Red Herring Prospectus and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus.

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

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

## **Filing**

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

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

## **Changes in Auditors during the last three years**

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

## **BOOK BUILDING PROCESS**

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

Principal parties involved in the Book Building Process are-

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

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

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

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

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

All Bidders, except Anchor Investors, are mandatorily required to use the ASBA process for participating in the Issue by providing details of their respective ASBA Account in which the corresponding Bid Amount will be blocked by SCSBs. In addition to this, the RIBs may participate through the ASBA process by either (a) providing the details of their respective ASBA Account in which the corresponding Bid Amount will be blocked by the SCSBs; or (b) through the UPI Mechanism. Anchor Investors are not permitted to participate in the Issue through the ASBA process. Non-Institutional Investors with an application size of up to ₹ 500,000 shall use the UPI Mechanism and shall also provide their UPI ID in the Bid cum Application Form submitted with Syndicate Members, Registered Brokers, Collecting Depository Participants and Registrar and Share Transfer Agents. Anchor Investors are not permitted to participate in the Offer through the ASBA process. Pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022, all individual bidders in initial public offerings whose application sizes are up to ₹ 500,000 shall use the UPI Mechanism.

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

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

In terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, all the investors applying in a public Issue shall use only Application Supported by Blocked Amount (ASBA) process for application providing details of the bank account which will be blocked by the Self Certified Syndicate Banks (SCSBs) for the same. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018, 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 193 of the Draft Red Herring Prospectus.

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

For further details on the method and procedure for Bidding, please see section entitled “*Issue Procedure*” on page 193 of this Draft Red Herring Prospectus.

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

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

2,500	20	7,500	250.00%
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The price discovery is a function of demand at various prices. The highest price at which the Issuer is able to Issue the desired number of Equity Shares is the price at which the book cuts off, i.e., ₹ 22.00 in the above example. The Company in consultation with the BRLM, may finalise the Issue Price at or below such Cut-Off Price, i.e., at or below ₹ 22.00. All Bids at or above this Issue Price and cut-off Bids are valid Bids and are considered for allocation in the respective categories.

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

- Check eligibility for making a Bid (see section titled “Issue Procedure” on page 193 of this Draft Red Herring Prospectus);
- Ensure that you have a demat account and the demat account details are correctly mentioned in the Bid cum Application Form;
- Ensure correctness of your PAN, DP ID and Client ID mentioned in the Bid cum Application Form. Based on these parameters, the Registrar to the Issue will obtain the Demographic Details of the Bidders from the Depositories.
- Except for Bids on behalf of the Central or State Government officials, residents of Sikkim and the officials appointed by the courts, who may be exempt from specifying their PAN for transacting in the securities market, for Bids of all values ensure that you have mentioned your PAN allotted under the Income Tax Act in the Bid cum Application Form. The exemption for Central or State Governments and officials appointed by the courts and for investors residing in Sikkim is subject to the Depository Participant’s verification of the veracity of such claims of the investors by collecting sufficient documentary evidence in support of their claims.
- Ensure that the Bid cum Application Form is duly completed as per instructions given in this Draft Red Herring Prospectus and in the Bid cum Application Form;

#### Bid/Issue Program:

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

*\*In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding two Working Days from the Bid/Issue Closing Date for cancelled / withdrawn / deleted ASBA Forms, the Bidder shall be compensated at a uniform rate of ₹ 100 per day or 15% per annum of the Bid Amount, whichever is higher from the date on which the request for cancellation/ withdrawal/ deletion is placed in the Stock Exchanges bidding 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 Bidder 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 Bid Amount, the Bidder 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 Bids, exceeding two Working Days from the Bid/Issue Closing Date, the Bidder shall be compensated at a uniform rate of ₹ 100 per day or 15% per annum of the Bid Amount, whichever is higher for the entire duration of delay exceeding two Working Days from the Bid/Issue Closing Date by the SCSB responsible for causing such delay in unblocking. The Book Running Lead Managers shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. The Bidder shall be compensated in the manner specified in the SEBI master circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023 and 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 and 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 SEBI circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023, which for the avoidance of doubt, shall be deemed to be incorporated in the deemed agreement of the Company with the SCSBs, to the extent applicable.*

*The processing fees for applications made by the UPI Bidders may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 read with SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and SEBI Circular No. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022.*

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 three 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 BRLM, RTA and National Stock Exchange of India Limited Emerge taking into account the total number of applications received up to the closure of timings.

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

In accordance with SEBI ICDR Regulations, QIBs and Non-Institutional Applicants are not allowed to withdraw or lower the size of their application (in terms of the quantity of the Equity Shares or the Application amount) at any stage. 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

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

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

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

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

## UNDERWRITING AGREEMENT

After the determination of the Issue Price and allocation of Equity Shares, but prior to the filing of the Prospectus with the RoC, our Company will enter into an Underwriting Agreement with the Underwriters for the Equity Shares proposed to be offered through the Issue. The Underwriting Agreement is dated [●]. Pursuant to the terms of the Underwriting Agreement, the obligations of the Underwriters will be several and will be subject to certain conditions specified therein:

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

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

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

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



## DETAILS OF THE MARKET MAKING ARRANGEMENT FOR THIS ISSUE

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

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

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

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

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

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

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

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.

- Risk containment measures and monitoring for Market Maker:** EMERGE Platform of National Stock Exchange of India Limited will have all margins which are applicable on the National Stock Exchange of India Limited Main Board viz., Mark-to-

Market, Value-At-Risk (VAR) Margin, Extreme Loss Margin, Special Margins and Base Minimum Capital etc. National Stock Exchange of India Limited can impose any other margins as deemed necessary from time-to-time.

12. **Punitive Action in case of default by Market Maker:** EMERGE Platform of National Stock Exchange of India Limited will monitor the obligations on a real time basis and punitive action will be initiated for any exceptions and / or non-compliances. Penalties / fines may be imposed by the Exchange on the Market Maker, in case he is not able to provide the desired liquidity in a particular security as per the specified guidelines. These penalties / fines will be set by the Exchange from time to time. The Exchange will impose a penalty on the Market Maker in case he is not present in the market (offering two-way quotes) for at least 75% of the time. The nature of the penalty will be monetary as well as suspension in market making activities / trading membership.
13. 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.
14. 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.
15. Additionally, the securities of the Company will be placed in SPOS and would remain in Trade for Trade settlement for first 10 days from commencement of trading. The following spread will be applicable on the SME platform.

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

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

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

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

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

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## CAPITAL STRUCTURE

The share capital of our Company as on date of this Draft Red Herring Prospectus is set forth below:

(in ₹, except share data)

Sr. No.	Particulars	Aggregate Value at Face Value	Aggregate Value at Issue Price
<b>A</b>	<b>Authorized Share Capital</b> 2,50,00,000 Equity Shares having Face Value of ₹ 10/- each	25,00,00,000	-
<b>B</b>	<b>Issued, Subscribed &amp; Paid-up Share Capital prior to the Issue</b> 1,63,32,000 Equity Shares having Face Value of ₹10/- each	16,33,20,000	-
<b>C</b>	<b>Present Issue in terms of this Draft Red Herring Prospectus*</b> Upto 61,00,000 Equity Shares having Face Value of ₹ 10/-each at a Premium of ₹ [●] per share	[●]	[●]
	<i>Which comprises of:</i>		
<b>D</b>	<b>Reservation for Market Maker Portion</b> [●] Equity Shares of ₹10/- each at a price of ₹[●] per Equity Share reserved as Market Maker Portion	[●]	[●]
<b>E</b>	<b>Net Issue to Public</b> Net Issue to Public of [●] Equity Shares of ₹10/- each at a price of ₹[●] per Equity Share to the Public	[●]	[●]
	<i>Of which:</i>		
	i. At least [●] Equity Shares aggregating up to Rs. [●] Thousands will be available for allocation to Retail Individual Investors	[●]	[●]
	ii. At least [●] Equity Shares aggregating up to Rs. [●] Thousands will be available for allocation to Non-Institutional Investors	[●]	[●]
	iii. Not more than [●] Equity Shares aggregating up to Rs. [●] Thousands will be available for allocation to Qualified Institutional Buyers	[●]	[●]
<b>F</b>	<b>Issued, Subscribed and Paid-up Equity Share Capital after the Issue**</b>		
	Upto [●] Equity Shares of face value of ₹10/- each	[●]	
<b>G</b>	<b>Securities Premium Account</b>		
	Before the Issue (as on date of 30 <sup>th</sup> September, 2024)	Nil	
	After the Issue	[●]	

\*The present Issue has been authorized pursuant to a resolution of our Board dated 20<sup>th</sup> August, 2024 and a special resolution of our Shareholders at an Extra-Ordinary General Meeting dated 22<sup>nd</sup> August, 2024 under Section 62(1)I of the Companies Act, 2013.

\*\*Subject to finalization of Basis of Allotment.

### Classes of Shares

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

### NOTES TO THE CAPITAL STRUCTURE

#### 1) Details of changes in Authorized Share Capital of our Company

The Initial authorised capital of our Company was ₹ 50,00,000 consisting of 5,00,000 Equity Shares of ₹ 10 each. Further, the authorised share capital of our Company has been altered in the manner set forth below:

Date of Shareholder's Meeting	Particulars of Change		AGM/EGM
	From	To	
21 <sup>st</sup> December, 1992	₹ 50,00,000 consisting of 5,00,000 Equity Shares of ₹ 10 each	₹ 5,00,00,000 consisting of 50,00,000 Equity Shares of ₹ 10 each	EGM
29 <sup>th</sup> November, 1993	₹ 5,00,00,000 consisting of 50,00,000 Equity Shares of ₹ 10 each	₹ 5,50,00,000 consisting of 55,00,000 Equity Shares of ₹ 10 each	EGM
14 <sup>th</sup> March, 2024	₹ 5,50,00,000 consisting of 55,00,000	₹ 25,00,00,000 consisting of	EGM



Date of Shareholder's Meeting	Particulars of Change		AGM/EGM
	From	To	
	Equity Shares of ₹ 10 each	2,50,00,000 Equity Shares of ₹ 10 each	

2) **History of Paid-up Equity Share Capital our Company:**

The following table sets forth details of the history of paid-up Equity Share capital of our Company:

Date of Allotment	No. of Equity Shares	Face value (₹)	Issue Price (₹)	Nature of consideration	Nature of Allotment	Cumulative number of Equity Shares	Cumulative paid-up Capital (₹)
19.06.1992	700	10	10	Cash	Subscription to Memorandum of Association <sup>(1)</sup>	700	7,000
01.12.1997	1,99,300	10	10	Cash	Preferential Allotment <sup>(2)</sup>	2,00,000	20,00,000
25.06.2004	60,000	10	10	Cash	Preferential Allotment <sup>(3)</sup>	2,60,000	26,00,000
30.03.2006	5,00,000	10	10	Cash	Private Placement <sup>(4)</sup>	7,60,000	76,00,000
10.06.2010	32,68,000	10	10	NIL	Bonus Issue <sup>(5)</sup>	40,28,000	4,02,80,000
15.02.2011	55,000	10	100	Cash	Preferential Allotment <sup>(6)</sup>	40,83,000	4,08,30,000
21.03.2024	1,22,49,000	10	10	NIL	Bonus Issue <sup>(7)</sup>	1,63,32,000	16,33,20,000

<sup>(1)</sup> Subscription to the MOA for the total of 700 Equity Shares by Amrit Rai Arora (100 Equity Shares), Rakesh Arora (100 Equity Shares), Manoj Arora (100 Equity Shares), Sangeeta Arora (100 Equity Shares), Alka Arora (100 Equity Shares), Satya Rani Arora (100 Equity Shares) and Uma Rani (100 Equity Shares).

<sup>(2)</sup> Preferential allotment of a total of 1,99,300 shares to Manoj Arora 1,24,900 and Alka Arora 74,400.

<sup>(3)</sup> Preferential Allotment of 60,000 Equity Shares to Sachee Holdings Limited.

<sup>(4)</sup> Preferential allotment of a total of 5,00,000 shares to Manoj Arora 3,00,000 and Alka Arora 2,00,000

<sup>(5)</sup> Bonus Issue of total of 32,68,000 Equity Shares in the ratio of 43 New Equity Share for every 10 Equity Share held to Manoj Arora (19,56,500 Equity Shares), Alka Arora (13,09,350 Equity Shares), Satya Rani Arora (430 Equity Shares), Ajay Virmani (430 Equity Shares), Sanjay Virmani (430 Equity shares), Dhruv Arora (430 Equity Shares) and Divya Arora (430 Equity Shares).

<sup>(6)</sup> Preferential Allotment of a total of 55,000 Equity Shares to Chahat Estates Agents Pvt Ltd. (15,000 Equity Shares), Sunlit Tradex (I) (P) Ltd. (15,000 Equity Shares), Fabrika Industries (I) Ltd. (25,000 Equity Shares).

<sup>(7)</sup> Bonus Issue of total of 1,22,49,000 Equity Shares in the ratio of 3 New Equity Shares for every 1 Equity Shares held to Manoj Arora (74,04,270 Equity Shares), Alka Arora (23,66,550 Equity Shares) and Dhruv Arora (24,78,180 Equity Shares).

3) **Preference Share capital history of our Company**

Our Company does not have any preference share capital as on the date of this Draft Red Herring Prospectus.

4) **Issue of equity shares for consideration other than cash or out of revaluation reserves or through Bonus Issue:**

Except as set out below we have not issued Equity Shares for consideration other than cash or by way of bonus issue or out of revaluation reserves

Date of allotment	Number of Equity Shares allotted	Face value (₹)	Issue Price	Nature of allotment	Benefit accrued to our Company	Source out of which Bonus Shares Issued
10.06.2010	32,68,000	10	Nil	Bonus issue in the ratio of 43 Equity Shares issued for every 10 Equity Share held by the existing Equity Shareholders authorised by our Board, pursuant to a resolution	Capitalisation of Reserves and Surplus	Bonus Issued out of Reserves and Surplus

Date of allotment	Number of Equity Shares allotted	Face value (₹)	Issue Price	Nature of allotment	Benefit accrued to our Company	Source out of which Bonus Shares Issued
				passed at its meeting held on June 10, 2010 and by our Shareholders pursuant to a resolution passed at the EGM held on June 10, 2010. <sup>(1)</sup>		
21.03.2024	1,22,49,000	10	Nil	Bonus Issue in the ratio of 3 Equity Shares issued for every 1 Equity Shares held by the existing equity shareholders authorised by our board, pursuant to a resolution passed at its meeting held on March 21 <sup>st</sup> 2024 and by our Shareholders pursuant to a resolution passed at the EGM held on March 14 <sup>th</sup> 2024. <sup>(2)</sup>	Capitalisation of Reserves and Surplus	Bonus Issued out of Share Premium and Profit and loss account.

(1) For list of allottees see note (5) of paragraph titled “History of Paid-up equity Share capital of our Company” mentioned above.

(2) For list of allottees see note (7) of paragraph titled “History of Paid-up equity Share capital of our Company” mentioned above.

(3) As of date of this Draft Red Herring Prospectus, our Company has not undertaken a bonus issue by capitalizing its revaluation reserves

- 5) As of date of this Draft Red Herring Prospectus, our Company has not allotted Equity Shares pursuant to any scheme approved under sections 391-394 of the Companies Act, 1956 and/or sections 230-232 of the Companies Act, 2013.
- 6) Our Company has not issued any Equity Shares under any employee stock option scheme or employee stock purchase scheme.
- 7) Except as stated below, Our Company has not issued any Equity Shares at a price lower than the Issue Price during a period of the one year preceding the date of this Draft Red Herring Prospectus.

Date of allotment	Number of Equity Shares allotted	Face value (₹)	Issue Price	Nature of allotment	Benefit accrued to our Company	Source out of which Bonus Shares Issued
21.03.2024	1,22,49,000 <sup>(1)</sup>	10	Nil	Bonus Issue in the ratio of 3 Equity Shares issued for every 1 Equity Shares held by the existing equity shareholders authorised by our board, pursuant to a resolution passed at its meeting held on March 21 <sup>st</sup> 2024 and by our Shareholders pursuant to a resolution passed at the EGM held on March 14 <sup>th</sup> 2024. <sup>(1)</sup>	Capitalisation of Reserves and Surplus	Bonus Issued out of Share Premium and Profit and loss account.

(1) For list of allottees see note (7) of paragraph titled “History of Paid-up equity Share capital of our Company” mentioned above.

#### 8) Shareholding Pattern of our Company

The table below represents the shareholding pattern of our Company as on the date of this Draft Red Herring Prospectus:

Category (I)	Category of Shareholder (II)	No. of Shareholders (III)	No. of fully paid-up Equity Shares held (IV)	No. of Partly paid-up Equity Shares held (V)	No. of shares underlying depositary receipts (VI)	Total No. of shares held (VII) = (IV)+(V)+(VI)	Shareholding as a % of total no. of Equity Shares (calculate as per SCRR) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)			No. of Shares underlying outstanding convertible securities (including warrants)	Shareholding as a % assuming full conversion of convertible securities No. (a)	No. of locked-in Equity Shares (XII)		Number of Equity Shares pledged or otherwise encumbered (XIII)		No. of Equity Shares held in dematerialized form (XIV)
								Class (Equity)	Total	Total as a % of (A+B+C)			No. (a)	As a % of total shares held (b)	No. (a)	As a % of total shares held (b)	
(A)	Promoters and Promoter Group	7	1,63,32,000	-	-	1,63,32,000	100	1,63,32,000	1,63,32,000	100	-	100	-	-	-	-	1,63,32,000
(B)	Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
I	Non Promoter- Non Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C1)	Shares underlying depositary receipt	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C2)	Shares held by employee trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total</b>		7	1,63,32,000	-	-	1,63,32,000	100	1,63,32,000	1,63,32,000	100	-	100	-	-	-	-	1,63,32,000

9) **Other details of shareholding of our Company:**

- a) As on the date of the filing of this Red Herring Prospectus, our Company has seven (7) holders of Equity Shares.
- b) Particulars of the shareholders holding 1% or more of the paid-up share capital of our Company as on the date of filing of this Draft Red Herring Prospectus:

Sr. No.	Particulars	No. of Equity Shares	% of Shares to Pre – Issue Equity Share Capital
1.	Manoj Arora	1,14,49,810	70.11
2.	Alka Arora	15,77,550	9.66
3.	Dhruv Arora	33,04,240	20.23
<b>Total</b>		<b>1,63,31,600</b>	<b>100</b>

- c) Particulars of the shareholders holding 1% or more of the paid-up equity share capital of our Company and the number of shares held by them ten (10) days prior to the date of filing of this Draft Red Herring Prospectus:

Sr. No.	Particulars	No. of Equity Shares	% of Shares to Pre – Issue Equity Share Capital
1.	Manoj Arora	1,14,49,810	70.11
2.	Alka Arora	15,77,550	9.66
3.	Dhruv Arora	33,04,240	20.23
<b>Total</b>		<b>1,63,31,600</b>	<b>100</b>

- d) Particulars of the shareholders holding 1% or more of the paid-up equity share capital of our Company and the number of shares held by them one (01) year from the date of filing of this Draft Red Herring Prospectus:

Sr. No.	Particulars	No. of Equity Shares	% of Shares to Pre – Issue Equity Share Capital
1.	Manoj Arora	24,68,090	60.45
2.	Alka Arora	7,88,850	19.32
3.	Dhruv Arora	8,26,060	20.23
<b>Total</b>		<b>40,83,000</b>	<b>100</b>

- e) Particulars of the shareholders holding 1% or more of the paid-up equity share capital of our Company and the number of shares held by them two (02) years prior to filing of this Draft Red Herring Prospectus:

Sr. No.	Particulars	No. of Equity Shares	% of Shares to Pre – Issue Equity Share Capital
1.	Manoj Arora	24,68,090	60.45
2.	Alka Arora	7,88,850	19.32
3.	Dhruv Arora	8,26,060	20.23
<b>Total</b>		<b>40,83,000</b>	<b>100</b>

- f) None of the shareholders of our Company holding 1% or more of the paid-up capital of the Company as on the date of the filing of the Draft Red Herring Prospectus are entitled to any Equity Shares upon exercise of warrant, option or right to convert a debenture, loan or other instrument.

- g) Our Company has not made any initial public offer of its Equity Shares or any convertible securities during the preceding 02 (two) years from the date of this Draft Red Herring Prospectus.

- 10) Our Company does not have any intention or proposal to alter its capital structure within a period of six (06) months from the date of opening of the Issue by way of split/consolidation of the denomination of Equity Shares or further issue of Equity Shares whether preferential or bonus, rights or further public issue basis. 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 opening of the Issue to finance an acquisition, merger or joint venture or for regulatory compliance or such other scheme of arrangement or any other purpose as the Board may deem fit, if an opportunity of such nature is determined by its Board of Directors to be in the interest of our Company.

11) **Shareholding of our Promoters**

Set forth below are the details of the build-up of shareholding of our Promoters:

Date of Allotment and made fully paid up/ Transfer	Nature of Transaction	Consideration	No. of Equity Shares	F. V (in Rs.)	Issue / Transfer Price (in Rs.)	Cumulative no. of Equity Shares	% of Pre-Issue Equity Paid Up Capital	% of Post-Issue Equity Paid Up Capital	No. of Shares Pledged	% of shares pledged
<b>Manoj Arora</b>										
June 19, 1992	Subscription to MoA	Cash	100	10	10	100	0.00%	[●]	N.A.	N.A.
December 01, 1997	Preferential Allotment	Cash	1,24,900	10	10	1,25,000	0.76%	[●]	N.A.	N.A.
December 01, 1997	Transfer of Shares to Sanjeev Dutta Sharma	Cash	(100)	10	10	1,24,900	0.76%	[●]	N.A.	N.A.
December 01, 1997	Transfer of shares from Rakesh Arora	Cash	100	10	10	1,25,000	0.76%	[●]	N.A.	N.A.
April 01, 2005	Transfer of shares from Sachee Holding Limited	Cash	30,000	10	10	1,55,000	0.94%	[●]	N.A.	N.A.
March 30, 2006	Private Placement	Cash	3,00,000	10	10	4,55,000	2.78%	[●]	N.A.	N.A.
June 10, 2010	Bonus Issue	NIL	19,56,500	10	NIL	24,11,500	14.76%	[●]	N.A.	N.A.
July 25, 2011	Transfer of shares from M/s Chahat Estates Agents Pvt Ltd	Cash	15,000	10	14.1	24,26,500	14.85%	[●]	N.A.	N.A.
July 25, 2011	Transfer of shares from M/s Sunlit Traders (I) (P) Ltd	Cash	15,000	10	14.1	24,41,500	14.94%	[●]	N.A.	N.A.
July 25, 2011	Transfer of shares from M/s Fabrika Industries (I) ltd	Cash	25,000	10	14.1	24,66,500	15.10%	[●]	N.A.	N.A.
March 26, 2012	Transfer from Ajay Virmani	Cash	530	10	14.1	24,67,030	15.10%	[●]	N.A.	N.A.
March 26, 2012	Transfer from Sanjay Virmani	Cash	530	10	14.1	24,67,560	15.10%	[●]	N.A.	N.A.
October 15, 2018	Transfer from Satya Rani Arora	Gift	530	10	NIL	24,68,090	15.11%	[●]	N.A.	N.A.
March 21, 2024	Bonus Issue	NIL	74,04,270	10	NIL	98,72,360	60.44%	[●]	N.A.	N.A.
July 31,	Transfer from	Gift	15,77,550	10	NIL	1,14,49,910	70.10%	[●]	N.A.	N.A.

2024	Divya Arora						%			
July 31, 2024	Transfer to Quartz Impex Private Limited	Cash	(100)	10	30	1,14,49,810	70.10 %	[●]	N.A.	N.A.
<b>Total</b>						<b>1,14,49,810</b>				
<b>Alka Arora</b>										
June 19, 1992	Subscription to MoA	Cash	100	10	10	100	0.00%	[●]	N.A.	N.A.
December 01, 1997	Preferential Allotment	Cash	74,400	10	10	74,500	0.45%	[●]	N.A.	N.A.
December 01, 1997	Transfer of shares from Sangeeta Arora	Cash	100	10	10	74,600	0.45%	[●]	N.A.	N.A.
December 01, 1997	Transfer of shares to Sanjay Virmani	Cash	(100)	10	10	74,500	0.45%	[●]	N.A.	N.A.
April 01, 2005	Transfer of shares from Sachee holdings Ltd.	Cash	30,000	10	10	1,04,500	0.63%	[●]	N.A.	N.A.
March 30, 2006	Private Placement	Cash	2,00,000	10	10	3,04,500	1.86%	[●]	N.A.	N.A.
June 10, 2010	Bonus Shares	NIL	13,09,350	10	NIL	16,13,850	9.88%	[●]	N.A.	N.A.
May 09, 2014	Share transfer to Dhruv Arora	Gift	(8,25,000)	10	NIL	7,88,850	4.83%	[●]	N.A.	N.A.
March 21, 2024	Bonus Issue	NIL	23,66,550	10	NIL	31,55,400	19.32 %	[●]	N.A.	N.A.
March 30, 2024	Share Transfer to Sachee Holdings Private Limited	Cash	(100)	10	30	31,55,300	19.32%	[●]	N.A.	N.A.
March 30, 2024	Share Transfer to Vaishali F&F LLP	Cash	(100)	10	30	31,55,200	19.32 %	[●]	N.A.	N.A.
March 30, 2024	Share transfer to Quick Infraprojects Private Limited	Cash	(100)	10	30	31,55,100	19.32 %	[●]	N.A.	N.A.
March 30, 2024	Share transfer to Divya Arora	Gift	(15,77,550)	10	NIL	15,77,550	9.65%	[●]	N.A.	N.A.
<b>Total</b>						<b>15,77,550</b>				
<b>Dhruv Arora</b>										
May 15, 2010	Transfer of shares from Sanjeev Datta Sharma	Cash	100	10	14	100	0.00%	[●]	N.A.	N.A.
June 10,	Bonus	NIL	430	10	NIL	530	0.00%	[●]	N.A.	N.A.



2010	Shares									
May 09, 2014	Transfer of shares from Alka Arora	Gift	8,25,000	10	NIL	8,25,530	5.05%	[●]	N.A.	N.A.
October 15, 2018	Share Transfer from Divya Arora	Gift	530	10	NIL	8,26,060	5.05%	[●]	N.A.	N.A.
March 21, 2024	Bonus Issue	NIL	24,78,180	10	NIL	33,04,240	20.23 %	[●]	N.A.	N.A.
<b>Total</b>						<b>33,04,240</b>				

- 12) As on the date of the Draft Red Herring Prospectus, the Company has Seven (07) shareholders.
- 13) The details of the Shareholding of the Promoters and members of the Promoter Group as on the date of this Draft Red Herring Prospectus are set forth in the table below:

Sr. No.	Name of the Shareholders	Pre-Issue		Post Issue	
		Number of Equity Shares	% of Pre-Issue Equity Share Capital	Number of Equity Shares	% of Post-Issue Equity Share Capital
<b>Promoters</b>					
1.	Manoj Arora	1,14,49,810	70.11	[●]	[●]
2.	Alka Arora	15,77,550	9.66	[●]	[●]
3.	Dhruv Arora	33,04,240	20.23	[●]	[●]
<b>Promoter Group</b>					
4.	Quick Infraprojects Private Limited	100	Negligible	[●]	[●]
5.	Sachee Holdings Private Limited	100	Negligible	[●]	[●]
6.	Vaishali F & F LLP	100	Negligible	[●]	[●]
7.	Quartz Impex Private Limited	100	Negligible	[●]	[●]
<b>Total</b>		<b>1,63,32,000</b>	<b>100.00</b>	[●]	[●]

- 14) Except as mentioned below, there were no shares purchased/sold by the Promoter(s) and Promoter Group, directors of our Company and their relatives during last six months:

Date of Allotment/transfer	Name of Allottee/ Transferee	Party Category	Number of Shares Allotted/ Transferred	Face Value	Issue Price/ Transfer Price	Reason of Allotment/ Transfer
July 31, 2024	Manoj Arora	Promoter	15,77,550	10	NIL	Share Transfer
July 31, 2024	Manoj Arora	Promoter	(100)	10	30	
July 31, 2024	Quartz Impex Private Limited	Promoter Group	100	10	30	

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

**16) Promoter's Contribution and other Lock-In details:**

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

Our Promoters have given their consent to include such number of Equity Shares held by them as may constitute 20% of the post-issue Equity Share Capital of our Company as Promoter's Contribution and have agreed not to sell or transfer or pledge or otherwise dispose of in any manner, the Promoter's Contribution from the date of filing of this Draft Red Herring Prospectus until the completion of the lock-in period specified above.

In terms of clause (a) of Regulation 238 of the SEBI (ICDR) Regulations, 2018, Minimum Promoter's Contribution as mentioned above shall be locked-in for a period of three years from the date of commencement of commercial production or date of allotment in the Initial Public Offer, whichever is later.

Explanation: The expression "date of commencement of commercial production" means the last date of the month in which

commercial production of the project in respect of which the funds raised are proposed to be utilised as stated in the offer document, is expected to commence.

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

The Minimum Promoter's Contribution has been brought into to the extent of not less than the specified minimum lot and has been contributed by the persons defined as Promoters under the SEBI (ICDR) Regulations, 2018.

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

Details of the Equity Shares to be locked-in for three years from the date of Allotment as Promoter's Contribution are set forth in the table below:

Number of Equity Shares locked-in*	Nature of Allotment / Transfer	Date of Allotment and Date when made fully paid-up	Face value (in ₹)	Issue / Acquisition Price per Equity Share (in ₹)	Nature of consideration (cash / other than cash)	% of fully diluted post-Issue paid-up capital	Period of lock-in
<b>Manoj Arora</b>							
Upto 31,40,480	Bonus Issue	March 21, 2024	10	NIL	NIL	[•]	3 years
<b>Alka Arora</b>							
Upto 8,97,280	Bonus Issue	March 21, 2024	10	NIL	NIL	[•]	3 years
<b>Dhruv Arora</b>							
Upto 4,48,640	Bonus Issue	March 21, 2024	10	NIL	NIL	[•]	3 years
<b>Up to 44,86,400</b>						[•]	

\*Subject to finalisation of Basis of Allotment.

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

We confirm that the minimum Promoter's contribution of 20% which is subject to lock-in for three years does not consist of:

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

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

#### 17) Details of Equity Shares locked-in for one year

In addition to the Promoter's Contribution that are locked-in for three years as the minimum Promoter's contribution, the promoter and public shareholding pre-issue Equity Share capital of our Company, shall be locked in for a period of one

year from the date of Allotment in the Public Issue. Further, such lock-in of the Equity Shares would be created as per the bye laws of the Depositories.

**18) Lock-in of the Equity Shares to be allotted, if any, to the Anchor Investors**

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

**19) Recording on non-transferability of Equity Shares locked-in**

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

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

***Other requirements in respect of 'lock-in'***

In terms of Regulation 243 of the SEBI (ICDR) Regulations, the Equity Shares held by persons other than the Promoters prior to the Issue may be transferred to any other person holding the Equity Shares which are locked-in as per Regulation 239 of the SEBI (ICDR) Regulations, subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with the Takeover Code as applicable.

In terms of Regulation 243 of the SEBI (ICDR) Regulations, the Equity Shares held by our Promoters which are locked in as per the provisions of Regulation 238 of the SEBI (ICDR) Regulations, may be transferred to and amongst Promoters / members of the Promoter Group or to a new promoter or persons in control of our Company, subject to continuation of lock-in in the hands of transferees for the remaining period and compliance of Takeover Code, as applicable.

In terms of Regulation 242(a) of the SEBI (ICDR) Regulations, the locked-in Equity Shares held by our Promoters can be pledged only with any scheduled commercial banks or public financial institutions or a systemically important non-banking finance company or a housing finance company as collateral security for loans granted by such banks or financial institutions, provided that such loans have been granted for the purpose of financing one or more of the objects of the Issue and pledge of the Equity Shares is a term of sanction of such loans.

In terms of Regulation 242(b) of the SEBI ICDR Regulations, the Equity Shares held by the Promoters which are locked-in for a period of one year from the date of allotment may be pledged only with scheduled commercial banks, public financial institutions, systemically important non-banking finance companies or housing finance companies as collateral security for loans granted by such entities, provided that such pledge of the Equity Shares is one of the terms of the sanction of such loans.

- 20) Our Company, our Promoters, our Directors and the Book Running Lead Manager have no existing buyback arrangements or any other similar arrangements for the purchase of Equity Shares being offered through the Issue.
- 21) The post-Issue paid up Equity Share Capital of our Company shall not exceed the authorised Equity Share Capital of our Company.
- 22) There have been no financing arrangements whereby our directors or any of their relatives have financed the purchase by any other person of securities of our Company during the six months immediately preceding the date of filing of this Draft Red Herring Prospectus.
- 23) No person connected with the Issue, including, but not limited to, our Company, the members of the Syndicate, or our Directors, shall offer any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise to any Bidder for making a Bid, except for fees or commission for services rendered in relation to the Issue.
- 24) There neither have been and there will be no further issue of Equity Shares whether by way of issue of bonus shares, preferential allotment, rights issue or in any other manner during the period commencing from the date of filing of the Draft Red Herring Prospectus until the Equity Shares have been listed on the Stock Exchange or all application monies have been refunded, as the case may be.
- 25) Our Company has no outstanding warrants, options to be issued or rights to convert debentures, loans or other convertible instruments into Equity Shares as on the date of this Draft Red Herring Prospectus.

- 26) There shall be only one denomination of the Equity Shares, unless otherwise permitted by law. Our Company will comply with such disclosure and accounting norms as may be specified by SEBI from time to time.
- 27) Our Company shall ensure that any transactions in Equity Shares by our Promoters and the Promoter Group during the period between the date of filing the Draft Red Herring Prospectus and the date of closure of the Issue, shall be reported to the Stock Exchanges within 24 hours of the transaction.
- 28) All Equity Shares issued pursuant to the Issue shall be fully paid-up at the time of Allotment and there are no partly paid-up Equity Shares as on the date of this Draft Red Herring Prospectus.
- 29) As on the date of this Draft Red Herring 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 BRLM 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.
- 30) Our Promoters and the members of our Promoter Group will not participate in the Issue.
- 31) Following are the details of Equity Shares of our Company held by our Directors, Key Management Personnel:

<b>Sr. No.</b>	<b>Name of Director</b>	<b>Number of Equity Shares</b>	<b>% of the pre-Issue Equity Share Capital</b>
1)	Manoj Arora	1,14,49,810	70.11
2)	Alka Arora	15,77,550	9.66
3)	Dhruv Arora	33,04,240	20.23

- 32) Our Company has not raised any bridge loans which are proposed to be repaid from the proceeds of the Issue.
- 33) 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 No. 193 of this Draft Red Herring Prospectus. In case of over-subscription in all categories the allocation in the Issue shall be as per the requirements of Regulation 253 (1) of SEBI (ICDR) Regulations, as amended from time to time.
- 34) An investor cannot make an application for more than the number of Equity Shares offered in this Issue, subject to the maximum limit of investment prescribed under relevant laws applicable to each category of investor.
- 35) An over-subscription to the extent of 10% of the 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.
- 36) 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 BRLM and Designated Stock Exchange. Such inter-se spill over, if any, would be effected in accordance with applicable laws, rules, regulations and guidelines
- 37) No payment, direct, indirect in the nature of discount, commission, and allowance, or otherwise shall be made either by us or by our Promoters to the persons who receive allotments, if any, in this Issue.
- 38) As on date of this Draft Red Herring Prospectus, there are no outstanding financial instruments or any other rights that would entitle the existing Promoters or shareholders or any other person any option to receive Equity Shares after the Issue.

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## OBJECTS OF THE ISSUE

The Issue constitutes a public Issue of upto 61,00,000 Equity Shares having face value of ₹ 10 each of our Company at an Issue Price of ₹ [•]/- per Equity Share.

### FRESH ISSUE

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

1. For Setting up a new manufacturing facility at 1459b, Sector-32, Yeida, Gautam Buddha Nagar, UP-203209
2. General Corporate Purpose

The main object clause of our Memorandum of Association and the objects incidental and ancillary to the main objects enables us to undertake the activities for which funds are being raised in the Issue. The existing activities of our Company are within the objects clause of our Memorandum of Association.

We believe that listing will enhance our corporate image and visibility of brand name of our Company. We also believe that our Company will receive the benefits from listing of Equity Shares on the NSE Emerge (“NSE”). It will also provide liquidity to the existing shareholders and will also create a public trading market for the Equity Shares of our Company.

### REQUIREMENT OF FUNDS

The proceeds of the Issue, after deducting Issue related expenses, are estimated to be Up to ₹ [•] thousands (the “Net Issue Proceeds”).

The following table summarizes the requirement of funds:

*(Rs. In Thousands)*

Particulars	Amount
Gross Issue Proceeds	[•]
Less: Public Issue Related Expenses	[•]
<b>Net Issue Proceeds</b>	[•]

\* Subject to finalisation of Basis of Allotment.

### UTILIZATION OF NET ISSUE PROCEEDS

The Net Issue Proceeds will be utilized for following purpose:

*(Rs. In Thousands)*

Sr no.	Particulars	Amount	% of Issue Proceeds
1.	Setting Up a new manufacturing facility at 1459b, Sector-32, Yeida, Gautam Buddha Nagar, UP-203209	Upto Rs. 5,65,000	[•]
2.	General Corporate Purpose	[•]	[•]
	<b>Net Issue Proceeds</b>	[•]	[•]

### MEANS OF FINANCE

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

*(Rs. In Thousands)*

Sr no.	Particulars	Amount Required	From IPO Proceeds	Internal Accruals	Borrowings
1.	Setting Up a new manufacturing facility at 1459b, Sector-32, Yeida, Gautam Buddha Nagar, UP-203209	Rs. 14,88,402.48	Up to Rs. 5,65,000	Up to Rs. 3,53,224	Up to Rs. 6,00,000

2.	General Corporate Purpose	[•]	[•]	[•]	[•]
3.	Public Issue Expense	[•]	[•]	[•]	[•]
	<b>Total</b>	[•]	[•]	[•]	[•]

As on the date of this Draft Red Herring Prospectus, our existing manufacturing unit is located at F-89-4-2 Okhla Industrial Area, Phase-1, New Delhi, Okhla Industrial Area Phase-I, South Delhi, New Delhi, Delhi, India, 110020 admeasuring the total area of 898.55 sq. mtr., where we are manufacturing fragrance and flavours. Our company intends to set up new manufacturing facility at 1459b, Sector-32, Yeida, Gautam Buddha Nagar, UP-203209

The fund requirements, the deployment of funds and the intended use of the Net Proceeds, for setting up of manufacturing facility, as described herein are based on our current business plan, current and valid quotations from suppliers, and other commercial and technical factors. However, such total estimated cost and related fund requirements have not been appraised by any bank or financial institution or any other independent agency.

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, as amended, through verifiable means towards 75% of the stated means of finance excluding the amount to be raised the net proceeds and existing identifiable internal accruals.

For further details on the risks involved in our proposed fund utilization as well as executing our business strategies, please refer chapter titled “Risk Factors” beginning on Page No. 27 of this Draft Red Herring Prospectus.

## DETAILS OF USE OF ISSUE PROCEEDS

### 1. SETTING UP A NEW MANUFACTURING FACILITY AT 1459B, SECTOR-32, YEIDA, GAUTAM BUDDHA NAGAR, UP-203209

As part of our growth strategy, we are setting up a new manufacturing facility at 1459b, Sector-32, Yeida, Gautam Buddha Nagar, UP-203209 admeasuring total area of 21,250 sq. mtr. This will enable us to expand production capacity. The Total estimated cost for the project is Upto Rs. 18,41,626.48 Thousands out of which company has made expenditure of Rs. 3,53,224 Thousands till 30<sup>th</sup> November, 2024 and for the remaining amount i.e., Upto Rs. 14,88,402.48 Thousand, company proposes to utilise Upto Rs.5,65,000 Thousands from the Net Proceeds for the capital expenditure requirements for setting up the proposed project and remaining Up to Rs.9,23,402.48 Thousands from Internal Accrual and Borrowings.

### Estimated Costs:

(₹ in thousands)

Particulars	Estimated Amount	Expenditure Incurred till 30 <sup>th</sup> Nov , 2024	Funding from IPO	Funding from Borrowings/Internal Accruals*
<b>Land Acquisition</b>	1,47,189	1,47,189	--	--
<b>Building Construction and Civil Works</b>	Up to 6,41,263.41	1,94,402		Up to 4,46,861.41
<b>Electrical Installation</b>	Up to 4,52,851.38	2,213	--	Up to 4,50,638.38
<b>Furniture, Fixtures, Interior and Kitchen Equipments</b>	Up to 4,21,704.04	--	Up to 4,07,399.22	Up to 14,304.82
<b>Consultancy</b>	Up to 21,017.87	9,420	--	Up to 11,597.87
<b>Plant &amp; Machinery</b>	Up to 1,57,600.78	--	Up to 1,57,600.78	--
<b>Total</b>	<b>Up to 18,41,626.48</b>	<b>Up to 3,53,224</b>	<b>Up to 5,65,000</b>	<b>Up to 9,23,402.48</b>

The total cost involved in setting up of manufacturing unit has been estimated by our management and is based on the quotations received from third party suppliers/ contractors and certified by M/s. Goyal N Associates Engineers Chartered Engineer dated December 17, 2024.

\* Project amounting to Rs.6,00,000 Thousands has been sanctioned by the HDFC Bank Limited.

**Land:**

The land on which the new facility will be set up is located at 1459b, Sector-32, Yeida, Gautam Buddha Nagar, UP-203209 admeasuring 21,250 sq. mtr. The said land is leased for a period of 90 years from the date of allotment i.e from 13th December, 2021 vide lease agreement dated 13th December, 2021 which was executed between Yamuna Expressway Industrial Development Authority and our company. Our company has paid total consideration of Rs. 142,900 Thousands as lease for the proposed manufacturing unit. The land acquired by us is free from all the encumbrances and has a clear title.

**Building Construction and Civil Works:**

Building construction and civil works for the project mainly includes all Boundary Wall, Plaster Work, Fabrication and installation of cladding etc. Total Estimated cost for civil construction is Up to Rs. 6,41,263.41 Thousands. Upto 30<sup>th</sup> November, 2024 company has deployed Rs. 194,402 Thousands towards building construction and civil work out of internal accruals/borrowings duly certified by statutory auditor M/s Agarwal and Dhandhanian, Chartered Accountants vide certificate dated 17<sup>th</sup> December, 2024 bearing UDIN: 24111062BKARVL2993. Our company has received following quotations for the Building Construction and Civil works.

(Rs. In Thousands)

Sr no.	Particulars	Name of Vendor	Amount	Date of receipt of Quotation	Validity of Quotation
1.	Boundary Wall	M/s Navin Techno Projects  <b>Address:</b> 389, 2 <sup>nd</sup> Floor, Elegant Tower, Near Hotel Godawari, Delhi road, Roorkee-247667 (Uttarakhand)  <b>GSTIN:</b> 09ADPPT0091G1Z6	19,173.31		Company has executed Letter of Intent with M/s Navin Techno Projects dated 13 <sup>th</sup> June, 2022 and the work has already started
2.	Civil and Structural Work	M/s Navin Techno Projects  <b>Address:</b> 389, 2 <sup>nd</sup> Floor, Elegant Tower, Near Hotel Godawari, Delhi road, Roorkee-247667 (Uttarakhand)  <b>GSTIN:</b> 09ADPPT0091G1Z6	3,00,900.00		Company has executed Letter of Intent with M/s Navin Techno Projects dated 25 <sup>th</sup> October, 2023 and the work has already started
3.	Plaster work	M/s Navin Techno Projects  <b>Address:</b> 389, 2 <sup>nd</sup> Floor, Elegant Tower, Near Hotel Godawari, Delhi road, Roorkee-247667 (Uttarakhand)  <b>GSTIN:</b> 09ADPPT0091G1Z6	1,65,548.1	1 <sup>st</sup> October, 2024	3 months from the date of receipt of quotation
4.	Supply, Fabrication & Installation of Cladding	M/s Revansh Projects  <b>Address:</b> 389, 2 <sup>nd</sup> Floor, Elegant Tower, Near Hotel Godawari,	1,55,642.00	27 <sup>th</sup> September, 2024	90 days from the date of receipt of quotation



		Delhi road, Roorkee-247667 (Uttarakhand)			
		<b>GSTIN:</b> 09ADPPT0091G1Z6			
	<b>Total</b>		<b>6,41,263.41</b>		

### **Electrical Installation**

Electrical installation mainly includes light fixtures, sanitary fixtures, fire fighting works, Heating, Ventilation, Air conditioning, elevator etc. Total estimated cost for the same is Up to Rs. 452,851.38 Thousand. Upto 30<sup>th</sup> November,2024 company has deployed Rs. 2,213 Thousands towards installation of elevators out of internal accruals/borrowings duly certified by statutory auditor M/s Agarwal and Dhandhanian, Chartered Accountants vide certificate dated 17<sup>th</sup> December, 2024 bearing UDIN: 24111062BKARVL2993 Our company has received following quotations for the Electrical Installation.

*(Rs. In Thousands)*

<b>Sr no.</b>	<b>Particulars</b>	<b>Name of Vendor</b>	<b>Amount</b>	<b>Date of receipt of Quotation</b>	<b>Validity of Quotation</b>
1.	MEP Work	M/s Harcomp Airflex Private Limited  <b>Address:</b> D-154, Okhla Industrial Area-I, N.D.-110020  <b>GSTIN:</b> 07AAGCM5237L1Z6	4,30,716.47	21 <sup>st</sup> September, 2024	3 months from the date of receipt of quotation
2.	Elevator	M/s TK Elevator (India) Private Limited  <b>Address:</b> 429, Functional Industrial Estate Patparganj, Delhi, India, 110092  <b>GSTIN:</b> 09AABCT6921F2ZB	22,134.91	Company has executed contract with M/s TK Elevator (India) Private Limited for two elevators dated 27 <sup>th</sup> January, 2024 and for six elevator dated 1 <sup>st</sup> April, 2024	
	<b>Total</b>		<b>4,52,851.38</b>		

### **Furniture, Fixtures and Interior**

Furniture, Fixtures includes Tables, chairs, Sofa, Interior includes mainly Flooring, Lockers, Painting Work, Doors etc and Kitchen equipment's includes Mobile Chiller Shelving, Dough Kneader, Exhaust Hood etc. Total Estimated cost for the Furniture, Fixtures and Interior is Up to Rs. 4,21,704.04 thousand. Our company has received following quotations for the Furniture, Fixtures and Interior.

*(Rs. In Thousands)*

<b>Sr no.</b>	<b>Particulars</b>	<b>Name of Vendor</b>	<b>Amount</b>	<b>Date of receipt of Quotation</b>	<b>Validity of Quotation</b>
1.	Furniture and Fixtures	M/s Handa & Chopra  <b>Address:</b> 75, Industrial Business Park-2 Chandigarh-160002	1,27,829.4	1 <sup>st</sup> October, 2024	90 days from the date of receipt of quotation

		<b>GSTIN:</b> 04ADBPC7928D1Z1			
2.	Interior Work	M/s Netra  <b>Address:</b> C-179, West Karawal Nagar, Delhi, North East Delhi, Delhi, 110094  <b>GSTIN:</b> 07BIFPP3036B1ZN	2,83,417.05	1 <sup>st</sup> October, 2024	3 months from the date of receipt of quotation
3	Kitchen Equipment's	M/s Kaath Interior  <b>Address:</b> C-3/1705, Spring Meadows, Tech Zone-IV, Gr. Noida (west), G.B. Nagar-201306 (U.P.)  <b>GSTIN:</b> 09FJUPS4095H1Z6	10,457.59	8 <sup>th</sup> October, 2024	3 months from the date of receipt of quotation
	<b>Total</b>		<b>4,21,704.04</b>		

### Consultancy

Total estimated cost for the consultancy is Up to Rs. 21,017.87 Thousand. Upto 30<sup>th</sup> November,2024 company has deployed Rs. 9420 Thousands towards appointment of Architect and project manager from internal accruals duly certified by statutory auditor M/s Agarwal and Dhandhania, Chartered Accountants vide certificate dated 17<sup>th</sup> December, 2024 bearing UDIN: 24111062BKARVL2993 Our company has received following quotations for the Electrical Installation

(Rs. In Thousands)

Sr no.	Particulars	Name of Vendor	Amount	Date of receipt of Quotation	Validity of Quotation
1.	Project Management Consultancy	M/s TUV SUD South Asia Private Limited  <b>Address:</b> Off Saki Vihar Road Saki Naka, Andheri (East), Mumbai, Maharashtra, India, 400072  <b>GSTIN:</b> 06AABCT0716G1ZR	5,546		Company has executed contract with M/s TUV SUD South Asia Private Limited dated 11 <sup>th</sup> January, 2024 and the work has already started
2.	Architectural & Engineering Services	M/s Gian P. Mathur and Associates Private Limited  <b>Address:</b> C-55, East of Kailash, New Delhi-110065  <b>GSTIN:</b> 07AAACG1033C2ZE	15,471.87		Company has appointed M/s Gian P. Mathur and Associates Private Limited
	<b>Total</b>		<b>21,017.87</b>		

### Purchase of Plant and Machinery:

Our Company intends to purchase and install plant and machinery at the proposed project, which includes Blending Vessel & Storage Vessel, Sampling machine, CDL, Quality check machines etc. The details of costing of such plant and machinery are set forth below. Estimated total cost of Plant and Machinery is Up to Rs.1,58,662.41 thousands. Our company has received following quotations for the Purchase of Plant and machinery.

(Rs. In Thousand)

Sr no.	Particulars	Name of Vendor	Qty	Amount	Date of receipt of Quotation	Validity of Quotation
1.	Laboratory Density Meter DMA 1001	Anton Paar India Private Limited <b>Address:</b> 582, Phase V, Udyog Vihar Industrial Area, Gurugram-122 016 (Haryana), India  <b>Correspondence Address:</b> BNP Paribas India New Delhi Branch, 8th Floor, Sood Tower, 25 Barakhamba Road, New Delhi-110001  <b>GSTIN:</b> 06AAHCA3734H1ZU	1	1006.95	11 <sup>th</sup> December, 2024	31 <sup>st</sup> January, 2025
2.	Compact Dispense Line (CDL)	Vanwyk Systems B.V.  <b>Address:</b> P.O. Box 580 2070 AN Santpoort-Noord The Netherlands  <b>Import VAT/ BTW No:</b> NL001503522B.01	1	55,395.51*	Company has given purchase order for this machinery	
3.	Automatic Flash Point tester	Elico Marketing Private Limited  <b>Address:</b> 57, Phase-V, Near Telephone Exchange, KPHB, Kukatpally, Hyderabad 500 085, India  <b>GSTIN:</b> 36AAACE4453G1ZU	1	3880.55	6 <sup>th</sup> December, 2024	90 days from the date of receipt of quotation
4.	Storage Vessel 25KL	Intertech Technologies Private Limited  <b>Address:</b> #4, 3 <sup>rd</sup> Floor, B-7, Vasant Arcade, Dr. Nelson Mandela Marg, Vasant Kunj,	2	5450.00	10 <sup>th</sup> December, 2024	90 days from the date of receipt of quotation
5.	Storage Vessel 2KL		10	4170.00		
6.	Blending Vessel 3KL		4	5976.00		
7.	Blending Vessel 5KL		2	4546.00		
8.	Blending Vessel 10KL		1	3436.00		
9.	Storage Vessel 500 Litter		50	9200.00		
10.	Storage Vessel 300 Litter		80	12120.00		
11.	Storage Vessel 120 Litter		28	2786.00		

12.	Storage Vessel 60 Litter	New Delhi-110070	25	1842.50		
13.	Storage Vessel 30 Litter	(India)  <b>Correspondence</b> <b>Address:</b> A Wing, Building, No.1 & 2 Unique Industrial Estate Survey No. 36, Hissa No. 10, Dhupal Nagar, Waliv Vasai (E), Palghar – 401208  <b>GSTIN:</b> 27AABC13608J1ZM	25	1525.00		
14.	Rapid Oxy 100	Anton Paar India Pvt. Ltd.  <b>Address:</b> 582, Phase V, Udyog Vihar Industrial Area, Gurugram-122 016 (Haryana), India  <b>Correspondence</b> <b>Address:</b> BNP Paribas India New Delhi Branch, 8th Floor, Sood Tower, 25 Barakhamba Road, New Delhi-110001  <b>GSTIN:</b> 06AAHCA3734H1ZU	1	3845.77	11 <sup>th</sup> December, 2024	31 <sup>st</sup> January, 2025
15.	GC-MS (Single Quadropole)	Toshvin Analytical Pvt. Ltd.	3	15930.00	9 <sup>th</sup> December, 2024	90 days from the date of receipt of quotation
16.	GC-MS (Single Quadropole) with Headspace Sampler	<b>Address:</b> 103, S.J. House, Sitaram Mills Compound, N.M. Joshi Marg, Lower Parel, Mumbai 400011, India	1	7493.00		
17.	GAS CHROMATOGRAPH		3	5133.00		
18.	GC-MS/MS (Triple Quadropole)	<b>Branch Office:</b> 202, 2 <sup>nd</sup> Floor, DLF Tower,- A, Jasola District Centre, New Delhi – 110025, India  <b>GSTIN:</b> 27AABCT4482D1ZE	1	9204.00		
19.	Spray Drying	Advanced Drying Systems  <b>Address:</b> 125, Vora Industrial Estate No. 4, Navgarh, Vasai (E) 401210	1	4661.00	11 <sup>th</sup> November, 2024	90 days from the date of receipt of quotation

		<b>GSTIN:</b> 27AAGPK7074E1ZN				
	<b>Total</b>			<b>1,57,600.78</b>		

\* The quotation was received in EURO (Source 1 EURO= Rs.89.29 <https://www.rbi.org.in/scripts/ReferenceRateArchive.aspx> dated 11th December, 2024)

Notes:

- (a) Quotation received from the vendors mentioned above is valid as on the date of this Draft Red Herring Prospectus. However, there can be no assurance that the same vendors would be engaged to eventually civil work, Electrical Installation, Furniture, Fixtures, Interior and Kitchen Equipments and supply the Plant & Machinery or at the same costs. If there is any increase in the costs, the additional costs shall be paid by our Company from its internal accruals/borrowings.
- (b) The Plant & machinery models and quantity to be purchased, Building & Civil work, Electrical Installation, Furniture Fixtures and Interior, and plant machinery 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) at the time of actual placement of the order. In such case, the Management can utilize the surplus of proceeds, if any, arising at the time of actual placement of the order, to meet the cost of such other machinery, equipment's or utilities, as required. Furthermore, if any surplus from the proceeds remains after meeting the total cost of machineries, equipment's 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.
- (c) We are not acquiring any second-hand machinery.
- (d) 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, exchange rate fluctuations, custom duty etc. Such cost escalation would be met out of our internal accruals/borrowings.

#### Government Approval:

Our Company has received following approvals in relation to the above project:

Sr no.	Nature of License/Approval/NOCs	Name of Authority	Applicable Laws	Date of Issue	Date of Expiry
1	NOC for height clearance	Airport Authority of India	Ministry of Civil Aviation order GSR 751 (E) dated 30 <sup>th</sup> Sept.2015 amended by GSR770(E) dated 17 <sup>th</sup> Dec.2020	27/08/2024	26/08/2032
2	Principal Employer registration certificate	Labour Department, UP	Contract Labour (Regulation and Abolition) Act, 1970	18/12/2023	Valid till cancelled
3	GST registration certificate	Goods and Service Tax department	Goods and Service Tax Act, 2017	18/01/2022	Valid till cancelled
4	NOC for Pollution	Pollution Control Board	Water Prevention and Control of Pollution) Act, 1981	05/10/2021	Valid till cancelled

Further our Company undertakes to file necessary applications with the relevant authorities to obtain all approvals, as applicable at the relevant stages, including but not limited to those mentioned below:

Sr no.	Nature of License/Approval/NOCs	Applicable Laws	Name of Authority	Expected timeline to make the Application
1	Consent to establish	The Water (Prevention and Control of Pollution) Act, 1974 and the Air	Pollution control board	Within 30 days of installation of Plant & Machinery

		(Prevention and Control of Pollution) Act, 1981		
2	Sanction of Load of Electricity	The Uttar Pradesh Electricity Reforms Act, 1999 and the Electricity Supply Code, 2005	State Electricity board	January 2025
3	Factory License	The Factories Act, 1948	Pollution Control Board	Within 30 days of installation of Plant & Machinery
4	Factory Inspector Approval Permission	The Factories Act, 1948 and the U.P. Factories Rules, 1950	Chief Inspector of Factories	Within 30 days of installation of Plant & Machinery
5	Commencement Certificate	The Factories Act, 1948	Municipality	Within 30 days of installation of Plant & Machinery
6	Occupancy Certificate after completion	The Real Estate Regulation and Development Act, 2016	State Industrial Development Corporation	Within 30 days of installation of Plant & Machinery
7	FSSAI certificate	The Food Safety and Standards Act, 2006	Food Safety and Standards Authority of India, Ministry of Health & Family Welfare, Government of India	Application Along Side installation of plant & machinery.
8	ESIC registration	The Employees' State Insurance (ESI) Act of 1948	Employees' State Insurance Corporation, Ministry of Labour and Employment, Government of India	Within 30 days of commercial operations

### Utilities:

The Proposed Facility is located at 1459b, Sector-32, Yeida, Gautam Buddha Nagar, UP-203209. The requirements for water supply and power for the proposed facility will be provided by Yamuna Expressway Industrial Development Authority (YEIDA) and Pashchimanchal Vidyut Vitran Nigam Limited.

### Other Confirmations relating to the proposed expansion:

Estimation of the cost of setting up of new manufacturing unit has been derived and provided by the Chartered Engineer. Any escalation in Building & Civil Work along with Electrical installation, Furniture and Fixtures escalation in the cost of plant and machineries to be purchased, will be met from Internal Accruals/borrowings of our Company.

Our Promoters, Directors and Key Managerial Personnel do not have any interest in the proposed construction of building civil works, Electrical Installation, Furniture and fixtures or purchase of plant and machineries or in the entities from whom we have obtained quotation in relation to such activities.

The proposed Schedule of Implementation for setting up of a new manufacturing unit is as follows:

Particular	Estimate month of	
	Commencement	Completion
Land Acquisition	Completed as on 17 <sup>th</sup> June, 2022	
Building Construction and Civil Works	June 2022	May 2025
Electrical Installation	February 2025	August 2025



Furniture, Fixtures, Interior and Kitchen Equipments	March 2025	June 2025
Consultancy	January 2024	January 2026
Order of Plant and Machinery	December 2024	November 2025
Installation of Plant and Machinery	November 2025	December 2025
Commercial Operation	January 2026	

As certified by Goyal N Associates Chartered Engineer vide certificate dated December 17, 2024.

## 2. GENERAL CORPORATE PURPOSE

Our Company proposes to deploy the balance Net Proceeds aggregating to ₹[●] Thousands towards general corporate purposes and business requirements of our Company, subject to such amount not exceeding 25% of the Gross Proceeds from the Fresh Issue, in compliance with the SEBI ICDR Regulations. Such general corporate purposes may include, but are not restricted to, (i) investments in accordance with the investment policy of our Company, and (ii) meeting exigencies, salaries and meeting expenses incurred by our Company in the ordinary course of business as may be approved by the Board or a duly appointed committee from time to time, subject to compliance with the necessary provisions of the Companies Act, 2013, incurred by our Company in the ordinary course of business, as may be applicable. Further, this portion of Net Proceeds may also be utilised to meet the shortfall in the Net Proceeds for the Objects set out above.

In addition to the above, our Company may utilise the Net Proceeds towards other expenditure considered expedient and as approved periodically by our Board, subject to compliance with necessary provisions of the Companies Act and other applicable laws. The quantum of utilisation of funds towards each of the above purposes will be determined by our Board, based on the amount actually available under this head and the business requirements of our Company, from time to time.

## ISSUE RELATED EXPENSES

The total estimated Issue Expenses are ₹ [●] Thousands, which is [●] % of the total Issue Size. The details of the Issue Expenses are tabulated below:

(₹ in Thousands)

S. No.	Particulars	Amount	% of total expenses	% of total issue size
1	Issue Management fees including Merchant Banking fees, Underwriting fees and payment to other intermediaries such as Legal Advisors, Registrars and other out of pocket expenses	[●]	[●]	[●]
2	Advertising and Marketing Expenses	[●]	[●]	[●]
3	Fees payable to the stock exchange(s)	[●]	[●]	[●]
4	Printing & Stationery, Distribution, Postage, etc.	[●]	[●]	[●]
5	Brokerage and Selling Commission	[●]	[●]	[●]
6	Other Expenses (Banker's to the Issue, Auditor's Fees etc.)			
<b>Total Estimated Issue Expense</b>		[●]	[●]	[●]

Notes:

Structure for commission and brokerage payment to the SCSBs Syndicate, RTAs, CDPs and SCSBs

- ASBA applications procured directly from the applicant and Bided (excluding applications made using the UPI Mechanism, and in case the Issue is made as per Phase I of UPI Circular) - Rs 10/- per application on wherein shares are allotted.
- Syndicate ASBA application procured directly and bided by the Syndicate members (for the forms directly procured by them) - Rs 10/- per application on wherein shares are allotted
- Processing fees / uploading fees on Syndicate ASBA application for SCSBs Bank - Rs 10/- per application on wherein shares are allotted
- Sponsor Bank shall be payable processing fees on UPI application processed by them - Rs 10/- per application on wherein shares are allotted
- No additional uploading/processing charges shall be payable to the SCSBs on the applications directly procured by them.
- The commissions and processing fees shall be payable within 30 Working days post the date of receipt of final invoices of the respective intermediaries.
- Amount Allotted is the product of the number of Equity Shares Allotted and the issue Price

## **Funds Deployed and Source of Funds Deployed**

Till the date of November 30, 2024 Our Company has deployed Rs. 3,53,224 Thousands for the objects of the Issue.

## **Appraisal**

None of the Objects have been appraised by any bank or financial institution or any other independent third-party organization. The funding requirements of our Company and the deployment of the proceeds of the Issue are currently based on available quotations and 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 but not limited to variations in interest rate structures, changes in our financial condition and current commercial conditions of our Business 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 Loans.

## **Bridge Financing Facilities**

As on the date of this Draft Red Herring Prospectus, we have not raised any bridge loans which are proposed to be repaid from the Net proceeds.

## **Monitoring Utilization of Funds**

The Audit committee & the Board of Directors of our Company will monitor the utilization of funds raised through this public Issue. Pursuant to Regulation 32 of SEBI Listing Regulation 2015, our Company shall on half-yearly basis disclose to the Audit Committee the Applications of the proceeds of the Issue. On an annual basis, our Company shall prepare a statement of funds utilized for purposes other than stated in the Red Herring Prospectus and place it before the Audit Committee. Such disclosures shall be made only until such time that all the proceeds of the Issue have been utilized in full. The statement of funds utilized will be certified by the Statutory Auditors of our Company.

## **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 is no material existing or anticipated transactions with our Promoters, our Directors and 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.

## BASIS FOR ISSUE PRICE

Investors should read the following summary with the section titled “Risk Factors”, the details about our Company under the section titled “Our Business” and its financial statements under the section titled “Financial Information of the Company” beginning on page 27, 89 and 141 respectively of the Draft Red Herring Prospectus. The trading price of the Equity Shares of Our Company could decline due to these risks and the investor may lose all or part of his investment.

Price Band/Issue Price shall be determined by our Company in consultation with the Book Running Lead Manager on the basis of the assessment of market demand for the Equity Shares through the Book Building Process and on the basis of the qualitative and quantitative factors as described in this section. The face value of the Equity Shares is Rs. 10/- each and the Issue Price is [●] times of the face value at the lower end of the Price Band and [●] times of the face value at the upper end of the Price Band.

For the purpose of making an informed investment decision, the investors should also refer “Risk Factors”, “Our Business” and “Restated Financial Information as” beginning on Page no. 27, 89 and 141 respectively of this Draft Red Herring Prospectus.

### QUALITATIVE FACTORS

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

1. Experienced Promoters and Management Team;
2. Efficient operational team;
3. Consistent financial performance;

For further details, please refer chapters titled “Risk Factors” and “Our Business” beginning on Page Nos. 27 and 89, respectively.

### QUANTITATIVE FACTORS

The information presented in this section for the restated audited financial statements of the Company for the period ended on September 30<sup>th</sup>, 2024 and financial year ended March 31, 2024, 2023 and 2022 is derived from our Restated Financial Statements. For more details on financial information, investors please refer the chapter titled “Restated Financial Information” beginning on Page No. 141 of this Draft Red Herring Prospectus.

Investors should evaluate our Company taking into consideration its earnings and based on its growth strategy. Some of the quantitative factors which may form the basis for computing the price are as follows:

#### 1. Basic and Diluted Earnings per Share (EPS), as adjusted for changes in capital (Post Bonus)

(in ₹)

Year ended	Basic and Diluted EPS (in ₹)	Weight
FY 2021-22	2.79	1
FY 2022-23	3.67	2
FY 2023-24	6.50	3
<b>Weighted Average</b>		4.94
<b>For Period ended as on September 30, 2024 (Not Annualised)</b>		4.37

#### Note:

- i. The figures disclosed above are based on the Restated Financial Statements of the Company
- ii. The face value of each equity share is Rs.10.00
- iii. Basic EPS: Net Profit after tax as restated divided by weighted average number of Equity Shares outstanding at the end of the period/ year.
- iv. Diluted EPS: Net Profit after tax as restated divided by weighted average number of Equity Shares outstanding at the end of the period/year for diluted EPS.
- v. 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 the total number of days during the year/period.
- vi. The above statement should be read with significant accounting policies and notes on Restated Financial Statements as appearing in the Financial Statements.

vii. The EPS has been calculated in accordance with AS 20 Earnings Per Share (EPS) issued by Institute of Chartered Accountants of India.

2. Price Earning (P/E) Ratio in relation to the Price Band of Rs. [●] to Rs. [●] per Equity Share of Face Value of Rs. 10/- each fully paid up

Particulars	(P/E) Ratio at the Floor Price (Number of times)*	(P/E) Ratio at the Cap Price (Number of times)*
a) P/E ratio based on Basic and Diluted EPS as at March 31, 2024	[●]	[●]
b) P/E ratio based on Basic and Diluted EPS as at March 31, 2023	[●]	[●]
c) P/E ratio based on Basic and Diluted EPS as at March 31, 2022	[●]	[●]
d) P/E ratio based on Basic and Diluted EPS as at September 30, 2024		
e) P/E ratio based on Weighted Average EPS	[●]	[●]

Note:

(i) The P/E ratio has been computed by dividing issue price with EPS

\* The details shall be provided post the fixing of the price band by our Company at the stage of the Red Herring Prospectus or the filing of the price band advertisement.

3. Industry Peer Group P/E ratio

Particulars	Industry P/E
Highest	NA
Lowest	NA
Average	NA

Note: We have only one peer hence the above information is not applicable to the company

Return on Net Worth (RoNW):

Year ended	RoNW(%)	Weight
FY 2021-22	15.51	1
FY 2022-23	16.96	2
FY 2023-24	23.10	3
<b>Weighted Average</b>		<b>19.79</b>
<b>For Period ended as on September 30<sup>th</sup>, 2024 (Not Annualised)</b>		<b>13.29</b>

Note:

(i) RoNW is calculated as net profit after taxation and minority interest attributable to the equity shareholders of the Company divided by shareholders' funds for that year. Shareholders' funds = Share capital + reserves & surplus – revaluation reserves

(ii) Networth is computed as the sum of the aggregate of paid up equity share capital, all reserves created out of the profits, securities premium account received in respect of equity shares and debit or credit balance of profit and loss account. It may be noted that equity component of financial instruments is excluded while calculating Networth of the Company.

(iii) Weighted Average = Aggregate of year wise weighted RONW divided by the aggregate of weights i.e. (RoNW x Weight) for each year/Total of weights.

4. Net Asset Value (NAV) per Equity Share (Post Bonus)

Particulars	NAV per Share (₹)*
As on March 31, 2022	17.97
As on March 31, 2023	21.64
As on March 31, 2024	28.14
Period Ended September 30, 2024	32.45
<b>Net Asset Value per Equity Share after the Issue</b>	
(i) At Floor Price	[●]
(ii) At Cap Price	[●]

Particulars	NAV per Share (₹)*
Issue price	[●]

\* The above NAV has been calculated giving the effect of Bonus Issue

Note:

(i) NAV (book value per share) = Total shareholders' funds divided by number of shares outstanding as on March 31, 2024, and every year.

(ii) Networth is computed as the sum of the aggregate of paid up equity share capital, all reserves created out of the profits, securities premium account received in respect of equity shares and debit or credit balance of profit and loss account. It may be noted that equity component of financial instruments is excluded while calculating Networth of the Company

(iii) Issue Price per Equity Share will be determined by our Company in consultation with the Book Running Lead Manager.

## 5. Comparison of Accounting Ratios with Industry Peers

The following peer group has been determined on the basis of companies listed on Indian stock exchanges, whose business profile is comparable to our businesses:

Name of the Company	CMP*	EPS (₹)	Face Value (₹)	P/E Ratio*	RoNW (%)	NAV Per Share	Total Income (₹ in Thousands)
<b>Peer Group</b>							
S H Kelkar Limited	270.20	8.93	10	31.15	10.67%	87.72	1,93,60,200
Our Company**	[●]	6.50	10	[●]	23.10%	28.14	8,63,978

\*Source: All the financial information for listed industry peers mentioned above is sourced from the Annual Reports of the aforesaid companies for the year ended March 31, 2024 and stock exchange data dated October 29, 2024 to compute the corresponding financial ratios for the financial year ended March 31, 2024. The current market price and related figures are as on 13<sup>th</sup> December, 2024.

1. P/E figures for the peers are based on closing market prices of equity shares on BSE and NSE on October 29, 2024 divided by the Basic EPS as at March 31, 2024
2. Basic and Diluted EPS refers to the Basic and Diluted EPS sourced from the Annual Reports for FY 23-24 of the listed peer companies.
3. Return on Net Worth (%) for listed industry peers has been computed based on the Net Profit After Tax for the year ended March 31, 2024 divided by Total Equity as on March 31, 2024.
4. NAV per share for listed peers is computed as the Total Equity as on March 31, 2024 divided by the outstanding number of equity shares as on March 31, 2024.

\*\*The details shall be provided post the fixing of the price band by our Company at the stage of the red herring prospectus or the filing of the price band advertisement.

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

Key Performance Indicators (KPIs) are imperative to the Financial and Operational performance evaluation of the company. However, KPIs disclosed below shall not be considered in isolation or as substitute to the Restated Financial information. In the opinion of our Management the KPIs disclosed below shall be supplementary tool to the investor for evaluation of the company.

The KPIs disclosed below have been approved by a resolution of our Audit Committee dated 16<sup>th</sup> November, 2024 and the members of the Audit Committee have verified the details of all KPIs pertaining to the Company. Further, the members of the Audit Committee have confirmed that there are no KPIs pertaining to 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 the Draft Red Herring Prospectus. Further, the KPIs herein have been certified by M/s Agarwal and Dhandhania, Chartered Accountants, by their certificate dated December 11, 2024.

The KPIs of our Company have been disclosed in the sections “Business Overview” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” starting on pages 89 and 148, respectively. We have described and defined the KPIs, as applicable, in “Definitions and Abbreviations” beginning on page 6.

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 Fresh Issue as per the disclosure made in the Objects of the Offer Section, whichever is later or for such other duration as may be required under the SEBI (ICDR) Regulations, 2018.

Set forth below are KPIs which have been used historically by our Company to understand and analyse the business performance, which in result, help us in analyzing the growth of various verticals of the Company that have a bearing for arriving at the Basis for the Issue Price.

## FINANCIAL KPIs OF OUR COMPANY

(Rs In Thousands)

Key Performance Indicator	For the half year ended September 30, 2024	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
Revenue from Operations	5,04,550	8,50,953	7,04,919	6,38,779
Growth in Revenue from Operations (%)	(40.71)%	20.72%	10.35%	8.44%
Total Income	5,07,826	8,63,978	7,09,281	6,43,626
EBITDA	1,03,148	1,64,537	1,03,567	89,685
EBITDA Margin (%)	20.31%	19.04%	14.60%	13.93%
Net Profit for the Year/Period	70,447	1,06,155	59,941	45,497
PAT Margin (%)	13.96%	12.47%	8.50%	7.12%
Return on Net Worth (%)	13.29%	23.10%	16.96%	15.51%
Return on Capital Employed (in times)	0.17	0.31	0.25	0.19
Debt-Equity Ratio	0.03	0.03	-	0.28

1. Revenue from operations represents the revenue from sale of service & product & other operating revenue of our Company as recognized in the Restated financial information.
2. Total income includes revenue from operations and other income.
3. EBITDA means Earnings before interest, taxes, depreciation and amortization expense, which has been arrived at by obtaining the profit before tax/ (loss) for the year / period and adding back interest cost, depreciation, and amortization expense.
4. EBITDA margin is calculated as EBITDA as a percentage of total income.
5. Net Profit for the year/period represents the restated profits of the Company after deducting all expenses.
6. PAT Margin (%) is calculated as Profit for the year/period as a percentage of Revenue from Operations.
7. Return on net worth is calculated as Net profit after tax, as restated, attributable to the owners of the Company for the year/ period divided by Net worth at the end of respective period/year. Networth means aggregate value of the paid-up equity share capital and reserves & surplus.
8. Return on capital employed calculated as Earnings before interest and taxes divided by capital employed as at the end of respective period/year. (Capital employed calculated as the aggregate value of total equity, total debt and deferred tax liabilities)
9. Debt- equity ratio is calculated by dividing total debt by total equity. Total debt represents long-term and short-term borrowings. Total equity is the sum of share capital and reserves & surplus.

### Explanation for the Key Performance Indicators:

KPIs	Explanations
Revenue from Operations	Revenue from Operations is used by our management to track the revenue profile of our business and in turn helps assess the overall financial performance of our Company and size of our business.
Total Income	Total Income is used by our management to obtain a comprehensive view of all income including revenue from operations and other income
EBITDA	EBITDA provides information regarding the operational efficiency of our business
EBITDA Margin	EBITDA Margin is an indicator of the operational profitability and financial performance of our business.
Net Profit for the Year / Period	Net Profit for the year/period provides information regarding the overall profitability of our business
Return on Net Worth (in %)	Return on Net Worth provides how efficiently our Company generates profits from shareholders' funds.
Return on Capital Employed (in %)	Return on Capital Employed provides how efficiently our Company generates earnings from the capital employed in our business.



Debt-Equity Ratio (in times)	Debt- equity ratio is a gearing ratio which compares shareholder’s equity to company debt to assess our company’s amount of leverage and financial stability.
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### WEIGHTED AVERAGE COST OF ACQUISITION (WACA)

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

There has been no issuance of Equity Shares during the 18 months preceding the date of this Draft Red Herring Prospectus (Except Bonus Issue of Shares), 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.

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

The details of secondary sale / acquisition of whether equity shares or convertible securities, where the promoter, members of the promoter group, selling shareholders, 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 Draft Red Herring Prospectus, where either acquisition or sale is equal to or more than 5% of the fully diluted paid up share capital of 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, are as follows:

Date of Transfer	Name of Transferor	Name of Transferee	Number of Shares Transferred	Transfer Price
March 30, 2024	Alka Arora	Sachee Holdings Private Limited	100	30
March 30, 2024	Alka Arora	Quick Infraprojects Private Limited	100	30
March 30, 2024	Alka Arora	Vaishali F&F LLP	100	30
March 30, 2024	Alka Arora	Divya Arora	15,77,550	Nil (Through Gift)
July 31, 2024	Divya Arora	Manoj Arora	15,77,550	Nil (Through Gift)
July 31, 2024	Manoj Arora	Quartz Impex Private Limited	100	30

#### c) Price per share based on the last five primary or secondary transactions.

Since there are transactions to report to under (b) above, therefore, information based on last 5 primary or secondary transactions (secondary transactions where Promoters / Promoter Group entities or Selling Shareholder or shareholder(s) having the right to nominate director(s) in the Board of our Company, are a party to the transaction) not older than 3 years prior to the date of this Draft Red Herring Prospectus irrespective of the size of transactions, is not applicable.

#### d) Weighted average cost of acquisition, floor price and cap price.

Types of transactions	Weighted average cost of acquisition (₹ per Equity Share)	Floor Price	Cap Price
Weighted average cost of acquisition for last 18 months for primary / new issue of shares (equity / convertible securities), excluding shares issued under an employee stock option plan/employee stock option scheme and issuance of bonus shares, during the 18 months preceding the date of filing of this Draft Red Herring Prospectus, where such issuance is equal to or more than five per cent of the fully diluted paid-up share capital of our Company (calculated based on the pre-issue capital before such transaction/s and excluding employee stock options), in a single transaction or multiple transactions combined together over a span of rolling 30 days.	Nil	Nil	Nil

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

\* The details shall be provided post the fixing of price band by our Company at the stage of Red Herring Prospectus or the filing of price band advertisement.

**Justification for Basis of Issue price:**

1. The following provides a detailed explanation for the Issue Price/Cap Price being [●] times of weighted average cost of acquisition of Equity Shares that were issued by our Company or acquired or sold by our Promoter, the Promoter Group or other shareholders with rights to nominate directors by way of primary and secondary transactions as disclosed in paragraph above, in the last 18 months preceding the date of this Draft Red Herring Prospectus compared to our Company’s KPIs and financial ratios for Financial Years 2023-24, 2022-23 and 2021-22.

[●]

(To be included on finalization of Price Band)

2. The following provides an explanation to the Issue Price/Cap Price being [●] times of weighted average cost of acquisition of Equity Shares that were issued by our Company or acquired by our Promoter, the Promoter Group or other shareholders with rights to nominate directors by way of primary and secondary transactions as disclosed in paragraph above, in the last 18 months preceding the date of this Draft Red Herring Prospectus in view of external factors, if any

[●]

(To be included on finalization of Price Band)

The Issue Price of ₹ [●] has been determined by our Company, in consultation with the BRLMs, on the basis of the demand from investors for the Equity Shares through the Book Building process. Investors should read the abovementioned information along with “Risk Factors”, “Business Overview” and “Summary of Restated Financial Information” beginning on pages 27, 89 and 141, respectively of this Draft Red Herring Prospectus, to have a more informed view

## STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS

To,  
The Board of Directors  
Sacheerome Limited  
(Formerly known as Sacheerome Private Limited)  
Plot No Y-4, Okhla Industrial Area Phase- II New Delhi 110020

GYR Capital Advisors Private Limited  
428, Gala Empire, Near JB Tower,  
Drive in Road, Thaltej,  
Ahemdabad-380 054,  
Gujarat, India.  
(GYR Capital Advisors Private Limited referred to as the “Lead Manager”)

**Sub: Proposed initial public offering of equity shares of face value of ₹ 10 each (the “Equity Shares”) by Sacheerome Limited (the “Company” and such offering, the “Issue”)**

We, T R Chadha & Co LLP, Chartered Accountants, being the Statutory Auditor of the company, in connection with the Offer, we have been requested by the Company to verify the possible special tax benefits available to the Company and to its shareholders (hereinafter referred to as the “Annexure 1”) under the Income Tax Act, 1961 (read with Income Tax Rules, circulars, notifications) as amended by the Finance Act, 2024, hereinafter referred to as the “Indian Income Tax Regulations” presented in Annexure 1 and under the central goods and services tax act, 2017, the integrated goods and services tax act, 2017 and the applicable state/union territory goods and services tax act, 2017 (“GST Acts”) as amended by notification issued from time to time as presented in Annexure 2 (together the “Annexures”), prepared by the management of the company and initialed by us for identification purpose.

### Management’s Responsibility

1. The preparation of the Statement of Tax Benefits (as presented in Annexure 1 and Annexure 2) and maintenance of books of accounts, restated financial information and other relevant supporting records and documents in this regard, is the responsibility of the management of the Company for the purpose set out in paragraph 1 above. The management’s responsibility includes designing, implementing and maintaining internal control relevant to the preparation and presentation of the Statement, and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances. The management is also responsible for identifying and ensuring that the Company complies with the laws and regulations applicable to its activities.

### Auditor’s Responsibility & Procedure Adopted

2. Pursuant to the requirements of SEBI ICDR Regulations, it is our responsibility to provide limited assurance as to whether the details provided in this certificate are in compliance with the Indian Income Tax Regulations and GST Acts.

3. We conducted our examination of the information given in this certificate (including the annexures thereto) in accordance with the ‘Guidance Note on Reports or Certificates for Special Purposes (Revised 2016)’ (“Guidance Note”) issued by the Institute of Chartered Accountants of India (“ICAI”), as revised from time to time, to obtain a limited assurance that such details are in compliance with the Indian Income Tax Regulations and GST Acts, in all material respects. The aforesaid Guidance Note requires that we comply with the ethical requirements of the ‘Code of Ethics’ issued by the ICAI, as revised from time to time.

4. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, ‘Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements’, issued by the ICAI.

5. The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. A limited assurance engagement involves performing procedures to obtain sufficient appropriate evidence on the matters mentioned

in paragraph 1 above. The procedures selected depend on the auditor's judgment, including the assessment of the risks associated with the matters mentioned in paragraph 1 above. we have performed the following procedures in this regard:

6. We have reviewed the enclosed Annexures 1 and Annexure 2 (together, the "Annexures"), prepared by the company, which provides the special tax benefits available to the company and to the shareholders of the company as stated in those annexures, as under:

- The Income-tax Act, 1961(the "Act") as amended by the Finance Act, 2024 applicable for the financial year 24-25 relevant to the assessment year 2025-26, presently in force in India; and
- The central goods and services tax act, 2017, the integrated goods and services tax act, 2017 and the applicable state/union territory goods and services tax act, 2017 ("GST Acts") as amended from time to time, as amended by notification issued from time to time.

7. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the respective tax laws. Hence, the ability of the Company or its shareholders to derive the stated special tax benefits as mentioned in Annexures is dependent upon their fulfilling such conditions by them as prescribed under the Income-tax provisions, which based on business imperatives the Company faces in the future, the Company may or may not choose to fulfill and may or may not be able to fulfil, which may or may not be fulfilled.

8. The benefits discussed in the enclosed Annexures are not exhaustive and also do not cover any general tax benefits available to the Company. This statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the offer. Neither are we suggesting nor advising the investor to invest money based on this statement.

9. Further, we give no assurance that the revenue authorities / courts will concur with our views expressed herein. Our views are based on the existing provisions of Indian Income Tax Regulations and its interpretation and GST Acts, which are subject to change from time to time. We do not assume responsibility to update the views consequent to such changes.

10. We shall not be liable to the Company for any claims, liabilities or expenses arising from facts and disclosure in statement of tax benefits determined to have resulted primarily from bad faith or intentional misrepresentation.

We will not be liable to any other person in respect of the Statement.

#### Conclusion

11. Based on the procedures performed as above, evidences obtained, and the information and explanation provided to us, along with the representations provided by the Management, read with Auditor's responsibility section above, nothing has come to our attention that cause us to believe that the information included in the accompanying Statement does not present in all material respects, the possible special tax benefits available as on the date of signing of this certificate, to the Company and its shareholders, in accordance with the Indian Income Tax Regulations and GST Acts. However, we do not express any opinion or provide any assurance as to whether:

- i) the Company or its shareholders will continue to obtain these benefits in future; or
- ii) the conditions prescribed for availing the benefits as per statement have been/would be met with.

12. We undertake to update you of any change in the above-mentioned position on obtaining or becoming aware of any relevant information, until the Equity shares of the company issued pursuant to the Offer commence trading on the stock exchanges. In the absence of any such communication from us, the above information should be considered as updated information until the Equity Shares commence trading on the stock exchanges, pursuant to the Offer.

13. All capitalized terms used herein and not specifically defined shall have the meaning ascribed to them in the Offer Documents.

14. We hereby consent to the extracts of this certificate being used in the draft prospectus and the prospectus (the “Offer Documents”), as may be required, in connection with the Issue. We also consent to the submission of this certificate as may be necessary, to any regulatory authority and / or for the records to be maintained by the Lead Manager in connection with the Issue and in accordance with applicable law.

This certificate may be relied on by the Company and the Lead Manager in relation to the Issue.

#### Restriction on Use

15. Our certificate is made solely to the Company's management and Lead Manager for the purpose as set forth in the first paragraph of this report and for your information and is not to be used for any other purpose or to be distributed to any other parties. This certificate relates only to the items specified above and does not extend to any financial statements of the Company, taken as a whole. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this certification.

Your sincerely,

**T R Chadha & Co LLP**  
**Chartered Accountants**  
**ICAI Firm Registration No: 006711N/N500028**

S/d  
**Aashish Gupta**  
**Partner**  
**Membership No. 097343**  
**UDIN:24097343BKEIEF9539**  
**Place: Gurugram**  
**Date: 11-12-2024**

## SECTION V – ABOUT THE COMPANY

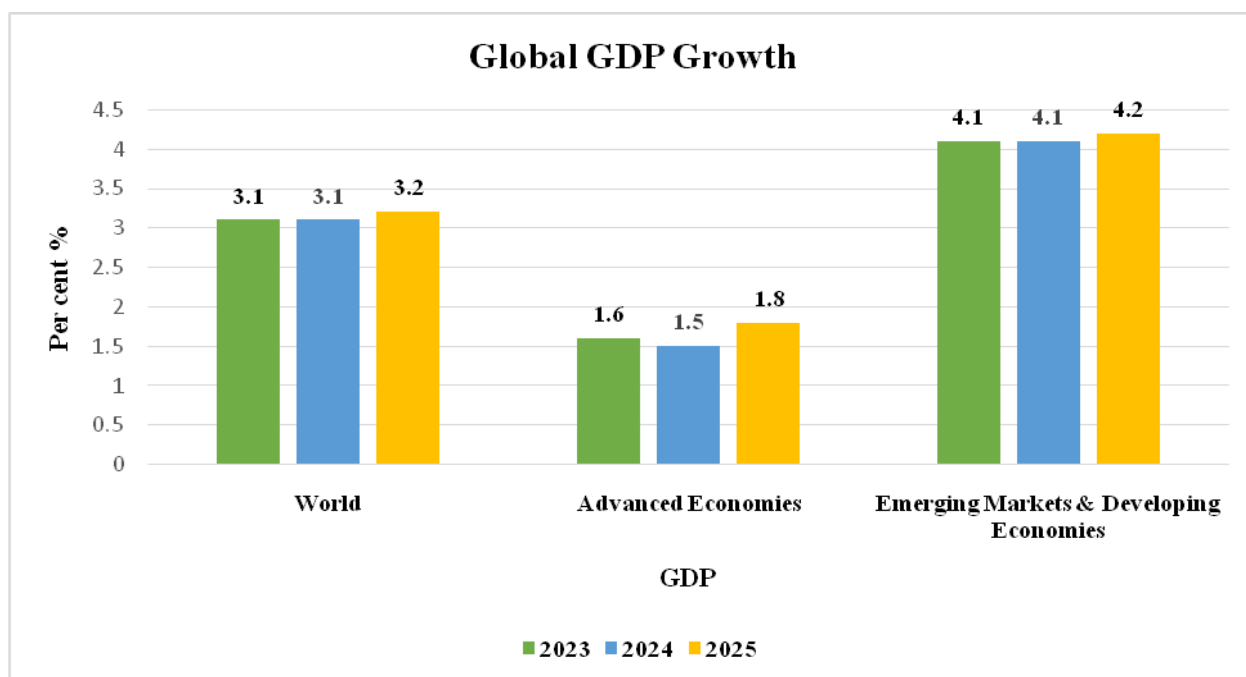
### INDUSTRY OVERVIEW

The information in this section has been extracted from various websites and publicly available documents from various industry sources. The data may have been re-classified by us for the purpose of presentation. None of the Company and any other person connected with the Issue have independently verified this information. Industry sources and publications generally state that the information contained therein has been obtained from believed to be reliable, but their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured. Industry sources and publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Industry sources and publications may also base their information on estimates, projection forecasts and assumptions that may prove to be incorrect. Accordingly, investors should not place undue reliance on information.

#### GLOBAL ECONOMY

##### Macroeconomic Environment

As per the International Monetary Fund's (IMF) World Economy Outlook, April 2024, report, global growth estimated at 3.2% in 2023, is projected to continue at the same pace in 2024 and 2025. The forecast for 2024 is revised up by 0.1% point from January 2024 *World Economy Outlook (WEO) Update*, and by 0.3% point from the October 2023 WEO. The pace of expansion is low by historical standards, owing to both near-term factors, such as still-high borrowing costs and withdrawal of fiscal support, and longer-term effects from the COVID-19 pandemic and Russia's invasion of Ukraine; weak growth in productivity; and increasing geoeconomic fragmentation. Global headline inflation is expected to fall from an annual average of 6.8% in 2023 to 5.9% in 2024 and 4.5% in 2025, with advanced economies returning to their inflation targets sooner than emerging market and developing economies.



Src: *World Economic Outlook, April 2024*

Economic activity was surprisingly resilient through the global disinflation of 2022-23. As global inflation descended from its mid-2022 peak, economic activity grew steadily, defying warnings of stagflation and global recession. Growth in employment and incomes held steady, reflecting supportive demand developments including greater-than-expected government spending and household consumption-and a supply-side expansion amid, notably, an unanticipated boost to labor force participation. The unexpected economic resilience, despite significant central bank interest rate hikes aimed at restoring price stability, also reflects the ability of households in major advanced economies to draw on substantial savings accumulated during the pandemic.

#### INDIAN ECONOMY

*India to stay the fastest-growing large economy in 2024 among key nations*

After a better-than-expected 7.6% this fiscal, India's real GDP growth will likely moderate to 6.8% in fiscal 2025. The next seven fiscals will see the Indian economy crossing the US\$ 5 trillion mark and inching closer to US\$ 7 trillion. The transmission of the rate hikes effected by the Monetary Policy Committee(MPC) of the Reserve Bank of India (RBI) between May 2022 and February 2023 still continues and is likely to weigh on demand next fiscal. On the other hand, regulatory actions to tame unsecured lending will have a bearing on credit growth.

Among the major economies, India with a growth rate of 9.1% was the fastest growing economy in 2021, followed by China at 8.4%. The country also overtook the UK as the fifth-largest economy in the world in the April-June quarter of 2022 and registered GDP growth of 6.8% in 2022. India is expected to grow faster than China in 2023 and 2024 as per the IMF forecast.

### Real GDP growth by geographies-%

Regions	2019	2020	2021	2022	2023	2024 P	2025 P
US	2.3	-2.8	5.9	2.1	2.5	2.7	1.9
Euro Area	1.6	-6.1	5.4	3.5	0.4	0.8	1.5
Canada	1.9	-5.1	5.0	3.4	1.1	1.2	2.3
UK	1.6	-11.0	7.6	4.1	0.1	0.5	1.5
China	6.0	2.2	8.4	3.0	5.2	4.6	4.1
Japan	-0.4	-4.3	2.1	1.0	1.9	0.9	1.0
India	3.9	-5.8	9.1	7.2	7.8	6.8	6.5
World	2.8	-2.8	6.3	3.5	3.2	3.2	3.2

Note: P: Projection as per IMF update

Source: IMF economic database, World Bank national accounts data, OECD national accounts data

### India's macroeconomic assessment

#### India's capital formation story has begun to unfold

The Indian government's economic growth strategy rests on two pillars: growth through infrastructure buildout, and inclusion through empowerment. Overall, public sector spending on capital investment rose from ₹7.9 lakh crore in fiscal 2017 to a budgeted ₹18.6 lakh crore in fiscal 2024. As we begin the countdown to the next decade, the Indian economy is expected to achieve some key milestones:

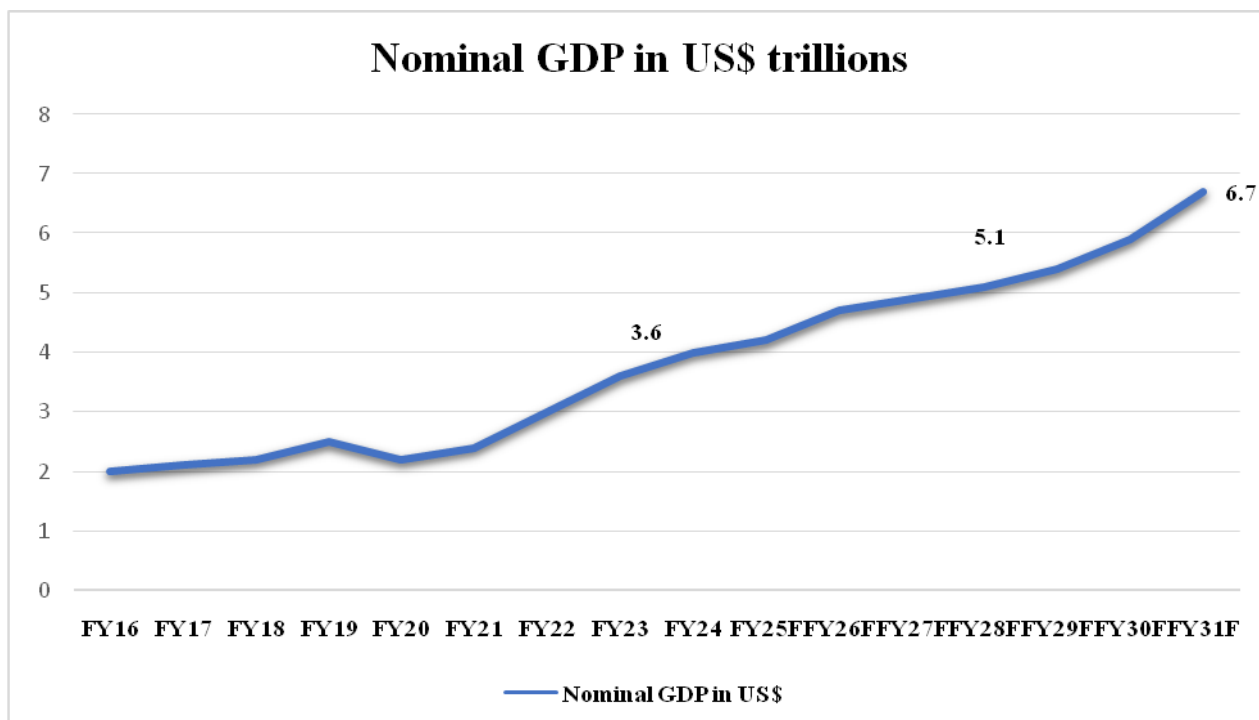
1. Over a seven-year period (fiscal 2025-2031), economist expect India to sustain average GDP growth of 6.7%. This, over a similar growth rate seen in the past decade (pre-pandemic), is expected to compound the gains for the economy.
2. The economy is expected to expand to US\$ 6.7 trillion by fiscal 2031 from US\$ 3.6 trillion this fiscal. That would mark a growth of 1.9 times in the next seven fiscals.
3. Fiscal 2031 will mark the year when India enters the upper middle-income country club with per capita income rising to US\$4,500. Such a shift augurs well for consumption. India's close peers that are currently in this club include Indonesia, South Africa, Thailand and Brazil.

#### US\$ 7 trillion now in sight for India's GDP

The Indian economy will close this fiscal at US\$3.6 trillion. It is interesting to note that the pandemic years did not materially deflect the economy's march towards US\$ 5 trillion and subsequently US\$ 7 trillion for the following two reasons: -

- Nominal GDP was only 2.8% below its pre-pandemic trend level in fiscal 2024 (the pre-pandemic trend level is the forecast value of nominal GDP for fiscal 2024 in the absence of the pandemic).
- A slower pace of rupee weakening. The rupee weakened 4% on average over fiscals 2021-2024, compared with 4.3% in the pre-pandemic decade.





This forecast is based on India’s improved growth premium, investor confidence and inclusion in global bond indexes, which will help keep the balance of payment comfortable and moderate the pace of currency depreciation. S&P Global estimates suggest that just the inclusion of India’s bond indexes could attract an initial inflow of US\$20-40 billion, which could increase to US\$180 billion over the next decade.

At US\$6.7 trillion, the economy is expected to be 1.9 times in seven years.

Source: NSO, RBI

#### ***Make in India***

Indian government launched the ‘Make in India’ initiative in 2014 to boost local manufacturing and to make India a global manufacturing hub. The scheme involved focused investments to increase innovation and intellectual property, develop best-in-class manufacturing infrastructure and promote favorable policy initiatives. The scheme currently focuses on improving twenty-seven key sectors, fifteen of which are manufacturing sectors with tailored ‘Action Plans’. The Department for Promotion of Industry & Internal Trade (DPIIT), which also manages ‘Invest India’ to facilitate foreign investments into the country, has chosen twenty-four sub-sectors (including automobile, chemicals, medical devices, auto-components, defence manufacturing, electronic systems etc.) to boost local manufacturing based on local competency, potential for import substitution, opportunities for export and potential for increased employment opportunities.

#### ***Atma Nirbhar Bharat Abhiyan***

In the midst of the COVID-19 epidemic, the Government of India announced the Atma Nirbhar Bharat Abhiyan (or 'Self-reliant India') in May 2020. The campaign's principal goal was to recover from the economic impact of the pandemic and become self-sufficient on five key pillars: economy, technology-driven infrastructure, infrastructure, demand, and demographics. The Indian government unveiled a combined economic package worth INR 20 trillion (approximately 10% of India's GDP) to support a variety of projects aimed at benefiting enterprises, MSMEs, farmers, and the agriculture sector.

Reducing import dependence and promoting the growth of domestic manufacturing industry was one of the key emphases of the government in this scheme. Under Atma Nirbhar Bharat, the government also plans to introduce parameters for better quality of output to meet international standards so that Indian products can compete in the global market.

#### ***Production-Linked Incentive (PLI) scheme***

India introduced the PLI scheme in 2020 to promote domestic production through subsidies and encourage exports while cutting down on cheap imports. The scheme is available across fourteen key manufacturing sectors including specialty steel, telecom, auto

components, drone components etc. It is designed to provide incentives which are linked to investment and turnover size. The government sanctioned over INR 1.9 lakh crore to be periodically utilized for the scheme.

### ***Ease of doing business***

India ranks 63rd in the 'Ease of Doing Business' ranking by World Bank. This is a massive improvement over its position just a decade back, when it stood at 142nd rank in 2014. The improvement in ranking is driven by simplification of the business ecosystem through government initiatives such as 'Make in India', 'National Single Window System (NSWS)' etc. The government has been focusing on initiatives to empower India as an export destination and capitalizing on the opportunities arising out of global China plus one strategy. Thus, improving the overall ease of doing business in the country is a major milestone on the path towards manufacturing success.

## **GLOBAL FRAGRANCE & FLAVOURS INDUSTRY**

The global flavours and fragrances market, valued at USD 32.2 billion in 2023, is expected to grow at an annual rate of 3.3%, reaching USD 43.6 billion by 2032, as shared by Imarc. This growth is fueled by the expanding food and beverage industry, rising interest in personal grooming and hygiene, changing consumer preferences, urbanization, and a growing demand for natural and organic ingredients.

The rise in disposable income, particularly in emerging economies such as India and China, coupled with population growth, is expected to augment demand for personal care and cosmetic products. Simultaneously, the fast-paced lifestyle prevalent in both developing and developed economies is increasing the demand for processed foods and beverages, thereby boosting the need for diverse and appealing flavours.

In 2023, the Asia-Pacific region dominated the global market, accounting for over 32% of the total revenue. The region's large market share is attributed to changing consumer preferences for nutritional and health-focused food products in densely populated countries such as India and China.

Asian flavours and fragrances are gaining traction globally, with markets like Europe, the Middle East, and North America embracing these sensory experiences. Countries such as Indonesia, India, China, and Vietnam have emerged as key markets for food flavor innovations in the Asia-Pacific region, with significant investments in research and development (R&D) facilities.

### **Flavours and Fragrances: A Sensory Experience**

Fragrances and flavours enhance sensory experiences and play a vital role in the perception of both food and non food FMCG products used as a part of our daily life. Fragrances refer to the appealing scents used in composed of aromatic compounds, both natural essential oils, oleoresins, absolutes and synthetic molecules used. Fragrances & flavours are must for use in personal care, hair care, fabric care, home care, and more, product categories. In addition to enhancing product appeal, fragrances suppress unpleasant odors, uplift mood, evoke memories, enhance the sensory experience, make product more recognizable and provide a signature smell to the product.

Flavours, on the other hand, add complexity to food and beverages. They are perceived by a combination of taste and olfactory senses, with flavours classified as sweet, sour, salty, bitter, or umami. Flavours are essential in applications such as dairy products, snacks, beverages, oral care, confectionery and more. In addition to enhancing the taste of the product, flavours provide aroma, mask the taste of ingredients to make it more likable, add stability & consistency and can replace costly or bulky ingredients.

### **Key Market Drivers**

- 1. Expanding Personal Care Industry:** The personal care industry is a major driver of the flavours fragrances market. With increasing focus on self-care and grooming, demand for a wide range of personal care products, such as skincare, haircare, and cosmetics, is rising.

Fragrances play an integral role in these products, enhancing their appeal through pleasant scents and creating emotional connections with consumers. They help mask unpleasant odors from active ingredients and provide a sense of luxury and self-expression.

- 2. Continuous Innovation in the Food and Beverage Industry:** Innovation in the F&B industry is driving demand for new and unique flavours. Consumers are increasingly health-conscious, driving the development of functional foods and beverages.

Flavours play a critical role in enhancing the taste of these products while adhering to dietary preferences. The growing trend toward natural, clean-label ingredients is also boosting the demand for innovative flavor solutions that align with consumer preferences for healthier and sustainable products.

- 3. Rising Awareness of Personal Grooming and Hygiene:** Growing awareness of personal grooming and hygiene is driving demand for fragrant personal care products such as soaps, shampoos, and deodorants. Fragrances not only improve the sensory experience but also contribute to personal identity and self-expression.

As individuals increasingly seek products that reflect their personality, demand for diverse fragrance options has grown, including natural and cruelty-free alternatives.

- 4. Rising Market Opportunities Amid Technological Advancements, Rising Incomes & Wellness Trends:** The flavours and fragrances market is poised for growth due to increased investments in technological advancements, R&D, and product innovations. Rising disposable incomes, particularly among the middle-class population, are also contributing to market expansion.

Moreover, the growing focus on hygiene, cleanliness, and wellness through marketing campaigns and advertisements is further boosting demand across various product categories.

## INDIAN FLAVOURS & FRAGRANCE INDUSTRY

### Indian Fragrances Market

India's fragrances market is anticipated to grow at a CAGR of 14.50% from 2024 to 2032, driven by factors such as rising disposable incomes, increasing consumer focus on personal grooming, and the proliferation of global beauty trends via social media. India has a rich history of olfactory culture, with the use of aromatherapy, incense, and ittar dating back to ancient times.

The Indian market is experiencing a surge in demand for natural and organic fragrances as consumers seek healthier alternatives to synthetic chemicals. Additionally, the influence of Western fashion, e-commerce growth, and celebrity endorsements are contributing to the market's expansion. Fragrances are now considered an essential part of daily grooming, particularly among the millennial population, which accounts for a significant portion of India's consumer base.

### Key Fragrance Trends in the Indian Market:

- Growing Influence of Social Media & Celebrity Endorsements:** Indian companies are increasingly utilizing social media platforms for advertising and promotion. Celebrity endorsements are being integrated into marketing strategies to influence purchasing decisions, with Instagram and Facebook leading the charge.

A 2022 article in the Financial Express highlighted that over 36% of Indian marketers allocate around 60% of their marketing budgets to digital platforms. Instagram and Facebook are the leading platforms for fragrance companies in India, with Facebook being more widely used.

As online sales grow and e-commerce expands, fragrance businesses are increasingly investing in digital strategies, utilizing photos, videos, and offering personalized options to drive sales. For example, L'Oreal has developed a tool called "Cockpit" to monitor the real-time ROI and effectiveness of its media investments.

- Focus on:** With rising environmental awareness in India, there's a growing demand for natural and sustainable fragrances. According to recent data, 72% of Indian consumers prefer products made from natural ingredients (Source: Nielsen, 2023).

Additionally, the market for cruelty-free and vegan products is expanding rapidly, with the natural fragrance sector experiencing a 15% annual growth (Source: Euromonitor International, 2024). Brands adopting eco-friendly practices, such as recyclable packaging, are gaining traction. For instance, The Body Shop launch 'The India Edit,' a celebration of India's scent-sational treasures. Inspired by Lotus, Hibiscus, Pomegranate, and Black Grape, these vegan, paraben-free bath & bodycare products offer ethical beauty and vibrant IFRA certified scents. (<https://www.thebodyshop.in/lotus-shower-gel-250ml/p/p100011>).

- Millennials & Personalization:** As millennials and Gen Z increasingly dominate India's population, demand for personalized and luxury fragrances is rising. In 2023, millennials made up about 34% of India's population, and along with Gen Z, they are expected to account for 50% by 2030.

In the case of digital payments, 33% of all transactions came from the 18-25 age group, with Gen Z contributing 31.57%, followed by Gen X at 7.64%, according to data from Freo. As a result, brands are increasingly focusing on youth-driven marketing strategies and innovative products to engage this demographic.

### **Indian Flavours Market: Growth Drivers & Trends**

The Indian flavours market is experiencing robust growth, driven primarily by the expanding food processing industry and increased demand for packaged, ready-to-eat foods and beverages. According to a report by IMARC Group, the market size reached INR 4,287 Crore in 2023 and is projected to grow at a CAGR of 7.1% from 2023 to 2032, reaching INR 8,100 Crore by 2032.

The utilization of flavoring ingredients in various products—such as bakery items, confectioneries, ice creams, smoothies, and energy drinks—is significantly contributing to this growth. The rise of urbanization and Western food trends further boosts demand for these flavoring agents.

Additionally, the popularity of processed and shelf-stable food products like noodles, soups, cake mixes, RTD tea and coffee, and juices—especially among millennials—is accelerating market expansion. The Food Safety and Standards Authority of India (FSSAI) has also introduced stringent regulations on flavor quality, which supports market growth by ensuring higher standards for processed food products.

A key trend is the rising consumer preference for natural flavours over synthetic alternatives. The market is seeing a shift towards natural ingredients due to growing health concerns and awareness of flavoring agents. According to a report by Grand View Research, the natural flavours market in India is expected to grow at a CAGR of 8.2% from 2023 to 2030, highlighting the increasing consumer shift towards natural and organic options.

The emergence of quick-service restaurants (QSRs) and the expanding café culture in India are also driving demand for innovative and diverse flavours. Moreover, government initiatives such as the 'aroma mission' of CSIR-CIMAP, the Aroma Park in Uttarakhand, and the Purple Revolution in Jammu & Kashmir aim to cultivate new aromatic ingredients and harness India's rich aromatic heritage. These initiatives are set to revolutionize the industry, create rural employment opportunities, and promote sustainable practices.

### **Conclusion**

The global and Indian flavours and fragrances markets are experiencing robust growth, driven by innovation, rising consumer awareness, and an increasing focus on natural and sustainable products. The Indian market, in particular, is seeing rapid expansion due to changing consumer preferences, growing disposable incomes, and the influence of social media. This presents significant opportunities for businesses to tap into the growing demand for unique, high-quality flavours and fragrances, and to meet the evolving needs.

#### **Sources**

<https://www.imarcgroup.com/flavours-fragrances-market>

<https://www.grandviewresearch.com/industry-analysis/flavours-fragrances-market>

<https://www.mordorintelligence.com/industry-reports/flavor-and-fragrance-market>

<https://chemicalmarketforecast.com/>

## OUR BUSINESS

*Some of the information in the following section, especially information with respect to our plans and strategies, contain certain forward-looking statements that involve risks and uncertainties. You should read the section entitled “Forward Looking Statements” on page 20 for a discussion of the risks and uncertainties related to those statements and the section entitled “Risk Factors” on page 27 for a discussion of certain risks that may affect our business, financial condition, or results of operations. Our actual results may differ materially from those expressed in or implied by these forward-looking statements.*

*Unless otherwise stated, or the context otherwise requires, the financial information used in this section is derived from our Restated Financial Statements included in this Draft Red Herring Prospectus on page 141. Unless stated otherwise, industry and market data used in this Draft Red Herring Prospectus has been obtained or derived from publicly available information as well as other industry publications and sources. For details, please refer to the section titled “Industry Overview on page 83.*

### BUSINESS OVERVIEW

‘Sacheerome Limited’ is a creative house, designing & manufacturing fragrance and flavours. It was founded in the year 1992 by our visionary promoter Mr. Manoj Arora, who is a third-generation entrepreneur of a business family in Fragrance & Flavour industry and has been actively involved in this line of business form last 40 years. Sacheerome was initially only in the fragrance industry. In 2014, the company ventured into the flavours and has a separate unit, with a team of skilled flavorists, an application centre and a Research & Development centre.

Our Company was originally incorporated as “Sachee Fragrances Limited” under the provisions of Companies Act, 1956 with Registrar of Companies, Delhi & Haryana and received a certificate of incorporation from the Registrar of Companies, Delhi & Haryana on June 19, 1992. Later, the name of the company changed from “Sachee Fragrances Limited” to “Sachee Cosmetics Limited” vide Extra Ordinary General Meeting dated December 26, 1994 and fresh certificate of Incorporation issued by Registrar of Companies Delhi & Haryana on February 13, 1995. Later the name of the company changed from “Sachee Cosmetics Limited to Sachee Aromatics Limited” vide Extra Ordinary General Meeting dated March 19, 1997 and fresh certificate of incorporation issued by Registrar of Companies Delhi & Haryana on April 3, 1997. Further the company has converted from “Sachee Aromatics Limited” to “Sachee Aromatics Private Limited” vide Extra Ordinary General Meeting dated February 24, 2012 and fresh certificate of incorporation issued by Registrar of Companies Delhi & Haryana on March 14, 2012. Further the name of the company changed from “Sachee Aromatics Private Limited” to “Sacheerome Private Limited” vide Extra Ordinary General Meeting dated April 04, 2012 and fresh certificate of Incorporation issued by the Registrar of Companies Delhi & Haryana on April 17, 2012. Further the name of the company changed from “Sacheerome Private Limited” to “Sacheerome Limited” vide Extra Ordinary General Meeting dated May 01, 2024 and fresh certificate of Incorporation issued by Registrar of Companies Delhi & Haryana on August 8th, 2024. The corporate identification number of our Company is U74899DL1992PLC049258.

Sacheerome is in business of creation & manufacturing of Fragrance and Flavours;

Fragrances and Flavours are one of the most important factor in determining customer buying & preferences, and are thus viewed as vital components in any FMCG product's market standing and repurchase. The Fragrance & Flavours make a product distinct, preferred and enhance the entire olfactory as well sensory experience which a product promises to deliver. Our consumer insight and market research team conduct detailed analysis, enabling us to deliver tailored solutions that perfectly align with consumer preferences, latest market trends and the customer’s requirements. We are into B2B segment in food and non-food FMCG, catering to leading companies in India & many other parts of the world, in various categories.

Fragrances manufactured by us are used in the Personal Care & Wash, Body Care, Hair Care & Wash, Fabric Care, Home Care, Baby Care, Fine fragrance, Air care, Pet Care, Men’s Grooming, Hygiene & Wellness and various other industries.

Flavours manufactured by us are used in Beverage, Bakery, Confectionery, Dairy Products, Health & Nutrition, Oral care, Shisha, Meat Products, Dry Flavours, Seasonings and others. It is Sacheerome’s endeavour to continue to do research and innovation to deliver more solutions.

Our products adhere to the global standards such as the International Fragrance Association (IFRA), European Commission (EU), Food Safety and Standards Authority of India (FSSAI),and Flavour Extract Manufacturers Association (FEMA as per the requirements of the customers). We are member of Chemexcil and Fragrances & Flavours Association of India (FAFAI). Additionally, we comply to ISO 9001:2015 ensuring top quality and reliability.

Our company's trajectory has been moulded by the unwavering devotion of our Promoters, Mr. Manoj Arora and Mrs. Alka Arora. Mr. Manoj Arora is the driving force behind Sacheerome, leading the whole management and R&D team, making substantial contributions to the company's growth and exemplifying innovative thinking. With 40 years of expertise, he heads R&D and QC, oversees research & development of fragrances & flavours, general management, day to day affairs and strategic decision making.

As a Chief perfumer at Sacherome, he has contributed to some of the most well-known fragrance creations over the course of his extensive career. In June 2022, Manoj Arora was invited to speak on "The Past, Present & Future of India's Fragrance Industry- Decoding it's DNA" at the prestigious forum of World Perfumery Congress in Miami, USA, which is a huge recognition of our company 'Sacherome Fragrances & Flavours' at the largest global platform. He was a keynote speaker at 'World Aroma Ingredients Congress & Expo 2024' on 'Aroma Ingredients – Shaping the Consumer Preferences', held in Chennai.

The Next Generation along with Mr. Manoj Arora is carrying forward the legacy of innovation and excellence, Mr. Dhruv Arora, the promoter and whole-time Director, holds a degree of Bachelor of Science Chemistry with Business and Management from The University of Manchester. He has been a leading member to develop the team since 2010 and actively & tirelessly works to take the company to new heights. With 14 years of experience, he is also a perfumer and dedicates most of his time in new business development and leading different business Department.

Sacherome's manufacturing facility is equipped, with an annual production capacity of 7,60,000 Kg. We have a strong and dedicated R&D team of 45 specialist persons, at Y-4 Okhla Industrial Area, Phase-II, New Delhi, India, 110020 and F-89-4-2 Okhla Industrial Area, Phase-1, New Delhi, India, 110020. Our highly trained team combines expertise from fragrance and flavour design specialists and marketing intelligence.

## FINANCIAL SNAPSHOT:

The financial performance of our company for the period ended on 30<sup>th</sup> September, 2024 and Fiscals 2024, 2023 and 2022 is as follows:

(Amount Rs. Thousands)

Particulars	For the Period ended on 30 <sup>th</sup> September, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
Revenue from operations	5,04,550	8,50,953	7,04,919	6,38,779
Total Income	5,07,826	8,63,978	7,09,281	6,43,626
EBITDA	1,03,149	1,64,537	1,03,566	89,685
EBITDA margin (%)	20.31%	19.04%	14.60%	13.93%
PAT	70,447	1,06,155	59,941	45,497
PAT Margin (%)	13.96%	12.47%	8.50%	7.12%
Total Equity	5,29,956.47	4,59,508.81	3,53,352.90	2,93,412.39
ROE (%)	13.29%	23.10%	16.96%	15.51%
ROCE	0.17	0.31	0.25	0.19
EPS (Basic & Diluted)	4.37	6.50	3.67	2.79

## REVENUE BIFURCATION

Revenue Break Up of the revenue earned from the sale of Fragrance & Flavours for the period ended on 30<sup>th</sup> September, 2024 and preceding three fiscals has been provided below:

(Rs. Thousands)

Sr no.	Particulars	For the Period ended on 30 <sup>th</sup> September, 2024	Fiscal 2024	Fiscal 2023	Fiscal 2022
1.	Fragrance	4,87,891	7,83,311	6,43,099	5,96,979
2.	Flavours	15,748	65,950	60,360	40,646
3.	Others (Scrap Sale)	911	1,692	1,460	1,154
	<b>Total</b>	<b>5,04,550</b>	<b>8,50,953</b>	<b>7,04,919</b>	<b>6,38,779</b>



The following is the revenue break up of the top five and top ten customers of our company for the period ended on 30<sup>th</sup> September, 2024 and preceding three fiscals are as follows:

Particulars	For the Period Ended on 30 <sup>th</sup> September, 2024		Fiscal 2024		Fiscal 2023		Fiscal 2022	
	Amount (Rs. In Thousands)	Percentage (%)	Amount (Rs. In Thousands)	Percentage (%)	Amount (Rs. In Thousands)	Percentage (%)	Amount (Rs. In Thousands)	Percentage (%)
Top 5 Customers	252,635	50.07%	3,83,632	45.08%	3,23,589	45.90%	2,71,403	42.48%
Top 10 Customers	297,588	58.98%	4,94,781	58.14%	3,97,236	56.35%	3,52,567	55.18%

The following is the revenue bifurcation for geography wise

(Rs. In Thousands)

Sr no.	Particulars	For the Period Ended on 30 <sup>th</sup> September, 2024	% for the Period Ended on 30 <sup>th</sup> September, 2024	Fiscal 2024	% for Fiscal 2024	Fiscal 2023	% for Fiscal 2023	Fiscal 2022	% for Fiscal 2022
1.	Domestic Sales	4,62,684	91.70%	8,08,378	95.01%	6,78,612	96.27%	6,08,602	95.28%
2.	Export Sales	41,866	8.30%	42,575	4.99%	26,307	3.73%	30,177	4.72%
	<b>Total</b>	<b>5,04,550</b>		<b>8,50,953</b>		<b>7,04,919</b>		<b>6,38,779</b>	

## COMPETITIVE STRENGTHS

Sacheerome's diverse and comprehensive product portfolio, longstanding history of customer relationships, robotic manufacturing, raw material sourcing, and strong research & development skills, created an entry barrier for new entrants.

The below mentioned strengths give Sacheerome a competitive edge:

### ***Strong Research and Development Skill:***

Together with knowledge from Fragrance & Flavours design specialists, marketing intelligence, and quality assurance, our highly experienced in-house team of trained perfumers and flavourists works to create distinctive notes at accords. With their extensive training and specialized knowledge, they are adept at comprehending the unique requirements of our clients.

### ***Application & Evaluation Facility***

- A team of highly experienced fragrance design managers, formulation technologists, experienced evaluators, on-call experts, to create & provide the best suitable creations.
- In-house application lab for various end products,
- Latest equipment for end product application, shelf-life, stability & rapid age testing.
- Dedicated odour-controlled evaluation chambers to conduct inhouse evaluation and support external consumer evaluations.

### ***Experienced Promoters and Management Team:***

We are led by a qualified and experienced management team with the vision to grow the business and provide customer with quality products. Our Promoters & Management team including Mr. Manoj Arora having 40 years of experience, Mrs. Alka Arora having experience of more than 26 years, Mr. Dhruv Arora having experience of 14 yrs, and Ms. Indu Agrawal having experience of 13 years.



### ***Quality Control, Assurance and Regulatory:***

- Sacheerome is equipped with the latest analytical equipment's & gadgets - Gas chromatography (GC), Gas Chromatography Mass Spectrometry (GCMS), HS- GCMS, Flash point apparatus, Refractive Index, Density Meter, PH meter, Specific Gravity meter
- We follow global regulatory guidelines including International Fragrance Association (IFRA), Flavour Extract Manufacturers Association (FEMA), European Commission (EU), ISO 9001-2015 and other guidelines as per the requirements of the customer.
- We practice advanced techniques & practices for quality control of all incoming & outgoing materials records

Our commitment to quality is non compromising which is evident throughout the production process, with thorough testing conducted at key stages including raw material procurement and final product dispatch.

### ***Efficient Sales and Marketing:***

- Global Marketing Insight - A dedicated team working on new marketing initiatives, committed to pushing boundaries to develop new ways to experience and understand fragrances and flavours of tomorrow.
- Engagement of our marketing team with customers curating immersive experiences, fragrance workshops etc. for our partners.

### ***Efficient Manufacturing Facilities:***

Sacheerome's manufacturing facility situated at F-89/4/2, Okhla Industrial Area, Phase I, New Delhi - 110020, is equipped with cutting-edge technology, and robotic finesse at formulating the most sophisticated aromas in single lot sizes ranging from 10gm to 10MT with great precision. The robotic production plant is imported from Europe. The company's storage facilities is made of stainless steel 316, is temperature controlled and it use nitrogen-filled storage vessels to safeguard the delicate properties of ingredients and products. Sacheerome's facilities represent a seamless integration of technology, stringent quality control measures, and robotic production, all aimed at delivering superior fragrance and flavour solutions tailored to the clients' needs.

### ***Efficient Sourcing of Raw Materials / Global Sourcing***

Sacheerome's extensive knowledge of ingredients and network to procure the right quality of raw materials at the most competitive rates give us, a competitive edge in terms of effective and timely sourcing, which guarantees efficient manufacturing process and prompt product delivery, improving the customer experience overall. In the financial year 2023-24, we sourced major raw materials from Indian importers and manufacturers.

### ***New Technologies***

Sacheerome continuously work to assess its consumer needs and innovate to offer improved fragrance delivery technologies for a better consumer experience. It has been working on various new age technologies including Sach/Maxicaps, Sach/Veda, Sach/Odocon and Sach/Booster to stay ahead from competition and differentiate its product offerings.

## **OUR STRATEGIES**

### ***1. Setting up a new modern infrastructure manufacturing facility in YEIDA to increase production capacity***

We continue to seek to increase our market share and strengthen our position in the industry. We propose to achieve this by setting up a modern infrastructure manufacturing facility comprising of Manufacturing, Research & Innovation Centre, Quality Centre, Application Centre, Consumer evaluation Centre, Administration and Perfumery training Centre and various other dedicated facilities for our fragrances & flavours at 1459B, Sector-32, YEIDA, Gautam Buddha Nagar, Uttar Pradesh- 203209. The company has already purchased land, civil construction is going on, plant and machines are identified and ordered. The commencement of production is expected to start by end of 1<sup>st</sup> Quarter of fiscal 2026. The funding requirement of Building construction and civil work, Electrical Installation, Furniture Fixtures, Interior, Kitchen Equipment's, Consultancy and purchase of Plant and Machinery and other equipment for this expansion is Rs. Upto Rs. 14,88,402.48 thousands and is being met through Issue Proceeds, internal accruals, and borrowings from banks.

### ***2. Strengthen our Innovation Platform to Enhance Sacheerome Products Portfolio***

Innovation is the key of success for the creative houses like Sacheerome. To continue offering cutting-edge products and solutions in order to fulfil our commitment to adding value for customers as well as maintaining their competitive edge in the fiercely

competitive FMCG market, we encourage close collaboration between our R&D and Sales & Marketing departments. By using our research and development capabilities, we develop new products based on customer requirements and market trends.

### **3. Expansion of Research and Development**

Sacheerome has dedicated highly experience R&D team and sales professionals to cater to the Middle East market, specifically in Gulf Cooperation Council region.

## **OUR PRODUCTS AND PRODUCT APPLICATION**

Sacheerome is in the creation & manufacturing of Fragrances and Flavours:

### **Fragrances:**

Fragrance compounds are complex compositions created by a specialized team of perfumers by blending ingredients such as aroma chemicals and natural essential oils, extracts, resinoids, oleoresins, absolutes and extracts. Fragrance compounds are used in for products in the following categories:

**Personal Wash:** Personal wash applications of Toilet Soap, Face Wash, Handwash and Shower Gel and many more.

**Fine Fragrance:** Fine fragrance applications Eau de Toilette (EDT's), Eau de Parfum (EDP's), Parfums, Cologne and Attar.

**Body Care:** Product application of Deodorant, Body Cream, Lotion, Face Cream and Talcum powder and many more.

**Fabric Care:** Detergent Cake, Detergent Powder, Fabric Softener, Liquid Detergent and others.

**Home Care:** Dish Wash, Floor Cleaner, Floor Disinfectant and many more.

**Air Care:** Air Freshener, Candle, Diffusers, Incense sticks and Mosquito Repellent.

**Cosmetics:** Make Up, lip care products, nail polishes and many more.

**Hair Care:** Hair Oils, Shampoos, Conditioners, Hair Colours, Hair styling products and many more.

**Pet Care:** Pet shampoo, pet talcum powders and many more.

**Personal Care:** Wet wipes, Creams, Lotion, Sunscreen, Body Butter and many more.

**Baby Care:** Baby soaps, Baby shampoos, Baby talcum powder, Baby oils and many more.

**Men's grooming:** Pre shave and Post shave products and many more.

**Hygiene:** Sanitizers

### **Flavours:**

Sacheerome manufacture natural, nature identical or artificial flavours in liquid and spray dried form It also manufacturers Seasonings in liquid top notes and powdered form. We have a diverse portfolio of over in the following categories:

**1. Beverages:** Juices, Carbonated & non carbonated drinks, Energy drinks and many more.

**2. Bakery Products:** Product applications as Biscuits, Cakes, Cookies, Crackers, Muffins and many more.

**3. Dairy Products:** Ice Creams, Flavoured Milks, and Yoghurts, UHT drinks and many more.

**4. Seasoning:** Such as Extruded snacks, Chips, Dips, Pickles, Ready to cook food, Ready to eat snacks, sauces and toppings and many more.

**5. Dry Flavours:** Spray dried Powder and, Plated powder used across applications.

**6. Health & Nutrition:** Cereal Bars and Weigh Protein powders and many more.

**7. Oral Care:** Mouthwash, Toothpaste, Tooth serums and many more.

**8. Lip Care:** Lip Balm and Lipsticks.

**9. Confectionary:** Chocolates, Candies, Chewing gums, Lollipops, Jellys and many more

## PRODUCT CREATION AND MANUFACTURING PROCESS OF FRAGRANCES & FLAVOURS:

Research & development to create innovative product creation is the essential elements of our business. Creation of new products often begin with a customer's brief which provides customer's technical and commercial requirements for the desired product.

We develop and provide the challengers & matching of the existing products to our customers, based on our consumer insights and market research, which is a unique skill of Sacherome. During the creation stage, our perfumers and flavourist develop new creations keeping abreast of customer requirements and specifications. These products are then evaluated as per protocol by our Head - Evaluation & expert evaluation panel, and if the results are satisfactory to Perfumers (for Fragrance) & Flavourists (for flavours) then samples of oils or applied end product are sent to the customer for their evaluation & approval and for standardization by our quality control department.

On approval from the customer, the fragrance or flavour formulation go for manufacturing as per the process standardised by our research and creative teams in collaboration with our specialized production team. Trained and experienced specialist monitor the production process.

The manufactured materials/Finished goods are then analysed by our Quality check teams and upon satisfactory results, the materials are packaged and dispatched to the customer.

The following diagrams provide an overview of product creation, manufacturing and blending process.

## PRODUCT CREATION AND MANUFACTURING PROCESS OF LIQUID FRAGRANCE OR FLAVOURS

### MANUFACTURING OF LIQUID FRAGRANCE OR FLAVOURS



#### 1. Production Order Issued from Manufacturing Software:

A production order is generated and issued through the manufacturing software system. This order includes details such as batch size, ingredient list, and specific instructions for the production of the liquid fragrance or flavour.

#### 2. Quality Check approved Ingredients dispensed by automated robotic dispenser:

Ingredients required for the batch are dispensed using an automated robotic dispenser. The robotic system ensures precise measurement and dispensing of ingredients according to the production order specifications.

##### (i) Automatic Dispensing from CDL Machine:

The ingredients are further dispensed using the Compact Dispense Line (CDL) machine. This machine handles large volumes of ingredients and ensures consistent flow rates for the mixing process.

### (ii) Automatic Dispensing from Cluster Machine:

The Cluster machine dispenses bulk ingredient quantities that require precise control. It works similar to the CDL machine and maintains ingredient accuracy.

### (iii) Automatic Dispensing from HCSD Machine:

The High-Capacity Sample Dispenser (HCSD) machine dispenses small quantity ingredients that require special handling and dosing precision.

### (iv) Manual Dispensing from MDS Station:

Certain ingredients that cannot be dispensed automatically due to their properties are manually dispensed at the Manual Dispensing Station (MDS). Operators ensure these ingredients are measured and added accurately.

### 3. Mixing in Designated Blending Vessel:

All ingredients from the various dispensing stations are collected in a designated blending vessel. The ingredients are mixed together according to the specific mixing protocol for the product. The mixing process is automated to ensure consistency and homogeneity of the batch.

### 4. Quality Control (QC) Sample Collection:

After the mixing process is complete, a batch sample is collected by the Quality Control (QC) team. The sample is tested to ensure it meets all the required specifications and quality standards. Approval from QC is required before the batch can proceed to the next stage of production or packaging.

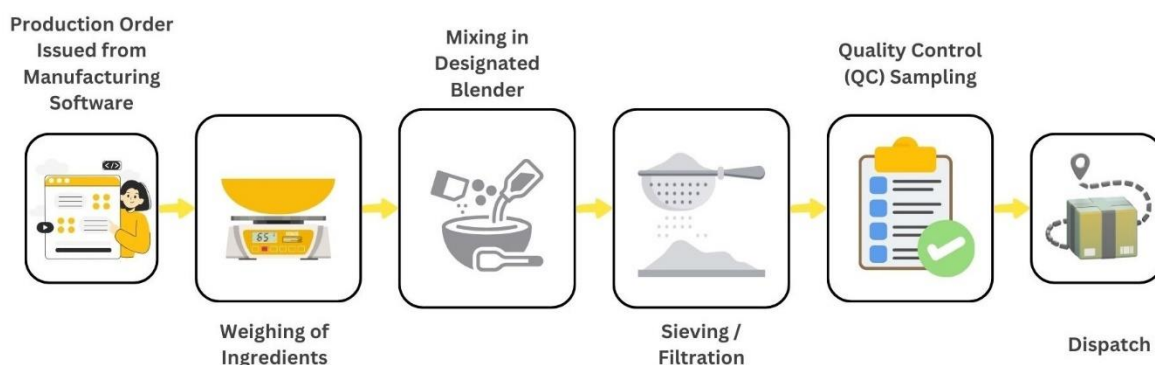
### 5. Dispatch

After Quality check approval, the material is packed in requisite packaging. The material description, including batch number, lot number, date of manufacturing, expiry and quantity, is recorded on the packaging. An invoice, Eway/ Shipping Bill, and challan are prepared, and an entry is made for stock out in the records. Weighment will be done, and an entry will be made in the gate outward records while the material is loaded into the vehicle.

## PRODUCT CREATION AND MANUFACTURING PROCESS OF DRY FLAVOURS:

The Creation of new products drives our flavour business and product development is a key element of our business. Our Manufacturing process for liquid, dry mixed flavours and spray dried flavours are as under:

### MANUFACTURING OF DRY MIXED PLATED POWDER FLAVOURS & SEASONINGS



#### 1. Production Order Issued from Manufacturing Software:

A production order is generated and issued through the manufacturing software system. This order includes details such as batch size, and specific instructions for the production of the liquid, dry, mixed, plated powder flavours or seasonings.

#### 2. Weighing of Ingredients:

All raw materials, including liquid Flavours, powder raw materials, and base materials, are accurately weighed according to the formula specified in the production order.

### 3. Mixing in Designated Blender:

The Weighed ingredients are transferred to the designated blender. The blending parameters are set according to the standard operating procedure for the specific product.

### 4. Sieving/Filtration:

The mixed powder undergoes sieving or filtration to achieve the desired particle size and remove any lumps or foreign particles.

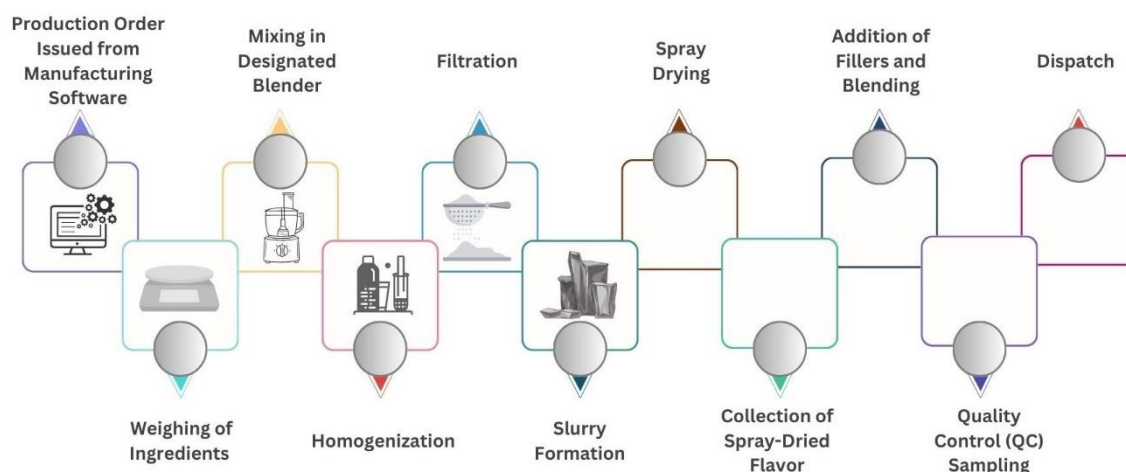
### 5. Quality Control (QC) Sampling:

After process is complete, samples are collected from the sieved/filtered powder for quality control testing.

### 6. Dispatch

After QC approval, the material is packed in requisite packaging. The material description, including batch number, lot number, date of manufacturing, expiry and quantity, is recorded on the packaging. An invoice, Eway/ Shipping Bill, and challan are prepared, and an entry is made for stock out in the records.

## MANUFACTURING OF SPRAY DRIED FLAVOURS



### 1. Production Order Issued from Manufacturing Software:

A production order is issued from the manufacturing software, detailing the quantity, recipe, and specific requirements for the spray-dried flavour. This order triggers the process and initiates material requisition.

### 2. Weighing of Ingredients:

All raw materials, including liquid flavours, powder raw materials, and base materials, are accurately weighed according to the formula specified in the production order.

### 3. Mixing in Designated Blender:

The Weighed ingredients are transferred to the designated blender. The blending parameters are set according to the standard operating procedure for the specific product.

### 4. Homogenization:

The mixed ingredients are then passed through a homogenizer. This step ensures that the mixture achieves a consistent particle size distribution, improving the efficiency of the drying process and the quality of the final product.

## 5. Filtration:

After homogenization, the mixture is filtered to remove any large particles or impurities. This step ensures that only fine particles enter the next stage, preventing blockages and ensuring a smooth drying process.

## 6. Slurry Formation:

The filtered mixture is transferred to a mixing tank where it is thoroughly stirred to form a uniform slurry. The slurry must have the correct viscosity and consistency for optimal spray drying.

## 7. Spray Drying:

The slurry is pumped into the spray dryer, where it is atomized into fine droplets by a high-pressure nozzle or a rotary atomizer. The droplets are exposed to a stream of hot air inside the spray dryer, causing the water content to evaporate rapidly. The dry particles form and fall to the bottom of the drying chamber, where they are collected.

## 8. Collection of Spray-Dried Flavour:

The spray-dried flavour particles are collected from the dryer. The collected product is in a powdered form, with a consistent particle size and moisture content as per the product specifications.

## 9. Addition of Fillers and Blending:

Fillers or carriers (such as maltodextrin) are added to the dried flavour to achieve the desired bulk and flow properties. The spray-dried flavour and fillers are blended in a secondary blender to ensure a homogeneous final product.

## 10. Quality Control (QC) Sampling:

After process is complete, samples are collected from the sieved/filtered powder for quality control testing.

## 11. Dispatch:

After Quality check approval, the material is packed in requisite packaging. The material description, including batch number, lot number, date of manufacturing, expiry and quantity, is recorded on the packaging. An invoice, Eway/ Shipping Bill, and challan are prepared, and an entry is made for stock out in the records.

## MANUFACTURING FACILITY

Details of our manufacturing facility for Fragrance and Flavours is as follows:

Sr no.	Particulars	Capabilities	Total Land Area (Sq. Mtr)	Ownership Status	Duration of Lease
1.	F-89-4-2 Okhla Industrial Area, Phase-1, New Delhi, Delhi, Okhla Industrial Area Phase-I, South Delhi, New Delhi, India, 110020	Machining	898.55 Sq. Mtr	Lease Hold	Upto 31 <sup>st</sup> March, 2025, and further extended upto 9 years w.e.f 1 <sup>st</sup> April, 2025





**PLANT AND MACHINERIES**

List of equipment/machines used at our manufacturing facility is as under:

Sr no.	Details of Machinery	Use of Machine	Qty	Owned/Leased
1.	CLUSTER	Production	1	Owned
2.	CDL	Production	1	Owned
3.	HCS D	Production	1	Owned
4.	MDS	Production	4	Owned
5.	CDL VESSEL 1	Production	99	Owned
6.	CLUSTER VESSEL	Production	2	Owned
7.	HCS D VESSEL	Production	12	Owned
8.	BLENDED VESSEL	Production	11	Owned
9.	STORAGE TANK	Production	162	Owned



10.	Melting Machine	Production	2	Owned
11.	Semi Electric Stacker	Material Handling Equipment	2	Owned
12.	FLASH POINT APPRATUS	QC	1	Owned
13.	GCMS-(2) ULTRA	QC	1	Owned
14.	GC System Duel- 7920B	QC	1	Owned
15.	GCMS+HS	QC	1	Owned
16.	GC System - 8860 GC	QC	1	Owned
17.	GCMS	QC	1	Owned
18.	REFRACTIVE INDEX	QC	1	Owned
19.	SPECIFIC GRAVITY (DENSITY METER)	QC	1	Owned
20.	MELTING POINT	QC	1	Owned
21.	POLARIMETER APPRATUS	QC	1	Owned
22.	GCMS-3 (2020NX)	QC	1	Owned
23.	Weighing Scale	Production	7	Owned
24.	Spray dried Powder Machine	Production	2	Owned

## OUR MANUFACTURING FACILITY, CAPACITY AND CAPACITY UTILIZATION

### Installed Capacity and Capacity Utilization\*

The following table set forth the annual installed capacity of the Manufacturing Facility for the past three fiscals:

Facility	Product	For the Period Ended on 30 <sup>th</sup> September, 2024			Fiscal 2024			Fiscal 2023			Fiscal 2022		
		Installed Capacity (In Kg)	Production Capacity (In Kg)	Capacity Utilization (%)	Installed Capacity (In Kg)	Production Capacity (In Kg)	Capacity Utilization (%)	Installed Capacity (In Kg)	Production Capacity (In Kg)	Capacity Utilization (%)	Installed Capacity (In Kg)	Production Capacity (In Kg)	Capacity Utilization (%)
F-89-4-2 Okhla Industrial Area, Phase -1, New Delhi, Delhi, Okhla Industrial Area Phase -1, South Delhi, New	Fragrance and Flavours	380,000	376,385	99.05%	760,000	665,688	87.59%	760,000	571,580	75.21%	760,000	537,524	70.73%

Delhi, India, 11002 0														
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\* As certified by M/s Goyal N Associates, Chartered Engineer & Approved Valuer Chartered Engineer by their certificate dated 12<sup>th</sup> December 2024.

## UTILITIES AND INFRASTRUCTURE FACILITIES

### Infrastructure Facilities:

Our Registered office, Corporate office & Manufacturing facility are well equipped for our business operations to function smoothly.

#### **Power:**

We have arrangements for regular uninterrupted power supply at the Manufacturing unit, we have availed power connections from BSES Rajdhani Power LTD for manufacturing unit premises with a sanctioned load of 269 KVA and another power connection for registered office premises with a sanctioned load of 34 KVA.

#### **Water:**

Water is mainly required for the cleaning process, fire safety, drinking and sanitation purposes. Our company consumes water from water tanks for our manufacturing unit, corporate office and for registered office.

## LOGISTICS

<b>Raw Materials</b>	Raw Materials are transported to the manufacturing facility through suppliers' proprietary vehicles or third-party transport agencies
<b>Finished Products</b>	To deliver finished products to customers, Sacherome uses third party transport agencies

## PROCUREMENT OF RAW MATERIALS

Hundreds of Aromatic Chemicals, Natural Essentials oil, Oleoresins, Resinoids are used in the manufacturing of fragrances and flavours, which are procured direct from the source or through companies from India from outside India.

## END USE OF PRODUCTS

Products manufactured by Sacherome are used by large food and non-food FMCG companies who are in the business of manufacturing of Home care, Fabric Care, Cosmetics, Foods and Beverages, Home care, Personal Care & Wash, Hair Care, Pet Care, Health & Hygiene, Oral Care, Air Care, Bakery, Beverages, Dairy Confectionery, Seasonings, and many other products.

## COMPETITION

Our main competition is with few Indian and foreign fragrances and flavours companies

## INVENTORY MANAGEMENT

Our Company has a manufacturing facility situated at F-89-4-2 Okhla Industrial Area, Phase-1, New Delhi, Delhi, Okhla Industrial Area Phase-I, South Delhi, New Delhi, India, 110020 where we manufacturing, and storage of both raw materials and finished products has done. We produce our products based on the orders or forecast received from customers.

## COLLABORATION/JOINT VENTURES

Except as disclosed in the Draft Red Herring Prospectus our company do not enter onto any collaboration/ joint venture agreement.

## EXPORT AND EXPORTS OBLIGATION

Our Company does not have any export obligation as on date.

## HUMAN RESOURCE

As on the date of 30<sup>th</sup> September, 2024 we have 153 employees on roll. Department wise bifurcation of the on-roll employees is provided below:

Sr no.	Name of Department	No. of Employees
1.	HR & Admin	19
2.	Finance & Accounts	10
3.	IT and Maintenance	4
4.	Dispatch	2
5.	Marketing	4
6.	Packing	15
7.	Production	25
8.	Quality Assurance	7
9.	R&D Flavours	17
10.	R&D Fragrance	34
11.	Sales	12
12.	Sourcing	4
	<b>Total</b>	<b>153</b>

We had 23 contractual employees as on 30<sup>th</sup> September, 2024.

## INSURANCE


Sr no.	Insurer Company	Description of Services	Policy No.	Expiry Date	Insured Amount (In Rs.)
1.	The New India Assurance Co. Ltd	Burglary Insurance	32030246230100000334	26 <sup>th</sup> December, 2024	1,50,00,000
2.	The New India Assurance Co. Ltd	New India Bharat Laghu Udyam Suraksha Policy	32030211234300000022	21 <sup>st</sup> January, 2025	6,62,06,030
3.	National Insurance	Burglary Insurance	360400592410000013	9 <sup>th</sup> April, 2025	12,76,42,353
4.	National Insurance	National Bharat Sookshma Udayam Suraksha	360400112410000009	9 <sup>th</sup> April, 2025	4,25,00,000
5.	National Insurance	National Bharat Sookshma Udayam Suraksha	360400112410000010	9 <sup>th</sup> April, 2025	2,50,00,000
6.	National Insurance	National Bharat Sookshma Udayam Suraksha	360400112410000014	9 <sup>th</sup> April, 2025	31,94,24,146
7.	National Insurance	Standard Fire loss of Profits	360400112410000016	9 <sup>th</sup> April, 2025	20,06,33,369
8.	The New India Assurance Co. Ltd	New India Bharat Laghu Udyam Suraksha Policy	32030211238000000124	26 <sup>th</sup> December, 2024	2,00,00,000
9.	HDFC ERGO General Insurance Company Limited	Private Car Comprehensive Policy	2302206147755900000	23 <sup>rd</sup> February, 2025	37,80,000
10.	National Insurance	Motor Private Car	360400312410000745	21 <sup>st</sup> November, 2025	1,80,000

11.	National Insurance	Motor Two Wheeler	360400312410000656	12 <sup>th</sup> November, 2025	36,000
12.	National Insurance	Motor Two Wheeler	360400312310000963	27 <sup>th</sup> December, 2024	68,000
13.	ICICI Lombard General Insurance Company Limited	Private Car Package Policy	3001/239898862/02/000	17 <sup>th</sup> February, 2025	20,19,600
14.	Tata AIG General Insurance Company Limited	Private Car Package Policy	62026960320000	25 <sup>th</sup> March, 2025	36,45,000
15.	TATA AIG General Insurance Company Ltd	Two Wheeler Policy	360400312410000721	14 <sup>th</sup> November, 2025	74,000
16.	Reliance General Insurance	Two Wheeler Policy	360400312410000715	9 <sup>th</sup> November, 2025	76,000
17.	Reliance General Insurance	Two Wheeler Policy	360400312410000716	19 <sup>th</sup> November, 2025	76000
18.	National Insurance	Two Wheeler Policy	360400312410000394	28 <sup>th</sup> August, 2025	55,800
19.	National Insurance	Motor Goods Carrying Vehicle	360400312410000605	10 <sup>th</sup> October, 2025	5,00,000
20.	National Insurance	Two Wheeler Policy	360400312410000393	22 <sup>nd</sup> August, 2025	15,750
21.	National Insurance	Motor Goods Carrying Vehicle	360400312410000410	16 <sup>th</sup> August, 2025	1,80,000
22.	National Insurance	Private Car	360400312410000197	22 <sup>nd</sup> June, 2025	3,73,500
23.	Tata AIG General Insurance Company Limited	Private Car	62031806280000	2 <sup>nd</sup> August, 2025	8,02,000
24.	IFFCO-TOKIO GENERAL INSURANCE CO.LTD	Private Car	N0188307	12 <sup>th</sup> August, 2025	1,09,200
25.	IFFCO-TOKIO GENERAL INSURANCE CO.LTD	Private Car	MZ544327	20 <sup>th</sup> June, 2025	5,08,905
26.	Tata AIG General Insurance Company Limited	Private Car	62034690140000	26 <sup>th</sup> September, 2025	63,45,000
27.	HDFC ERGO General Insurance Company Limited	Private Car	2302206662393400000	2 <sup>nd</sup> August, 2025	21,60,983
28.	Tata AIG General Insurance Company Limited	Private Car	62006230320200	26 <sup>th</sup> September, 2025	4,53,600
29.	Tata AIG General Insurance Company Limited	Private Car	62006231670200	28 <sup>th</sup> September, 2025	9,88,200
30.	National Insurance	Private Car	360400312410001336	25 <sup>th</sup> August, 2025	9,04,500
31.	National Insurance	Motor Two Wheeler	360400312410000104	26 <sup>th</sup> June, 2025	21,800
32.	National Insurance	Motor Two Wheeler	360400312410000556	28 <sup>th</sup> September, 2025	71,000
33.	Tata AIG General Insurance Company Limited	Private Car	62030818160000	9 <sup>th</sup> July, 2025	13,17,555
34.	National Insurance	Motor Goods Carrying Vehicle	360300312410000848	5 <sup>th</sup> July, 2025	5,40,000






35.	HDFC ERGO General Insurance Company Limited	Private Car	202406030017019	6 <sup>th</sup> June, 2025	1,02,60,000
36.	Tata AIG General Insurance Company Limited	Private Car	62032918740000	18 <sup>th</sup> August, 2025	1,25,40,000

## INTELLECTUAL PROPERTY RIGHTS

As on the date of this Draft Red Herring Prospectus, our company has registered the following trademark with the Registrar of Trademarks under the Trademarks Act, 1999.

Sr no.	Trademark	Registration No.	Class	Date of Registration
1.		2395795	3	13 <sup>th</sup> September, 2012

Our Company has made application for following trademark with the Registrar of Trademarks under the Trademarks Act, 1999

Date of Application	Particulars of the Mark	Application No.	Class of Registration
September 06, 2024		6611913	01
September 06, 2024		6611914	03
September 06, 2024		6611915	30
September 06, 2024		6611916	34
September 06, 2024		6611917	35

The Details of Domain names registered in the name of the Company:

Sr no.	Domain Name and ID	Sponsoring Registrar and ID	Status	Registration Expiry Date
1.	sacheerome.com	GoDaddy SHA-2	Registered	10 <sup>th</sup> October, 2025

## PROPERTY

The details of the Material Immovable properties taken on lease/rent basis are given below:

Sr no.	Name of Lessor	Name of Lessee	Address of the Property	Area	Consideration Fees (Amount in Rs.)	Tenure/Term	Usage
1.	Yamuna Expressway Industrial Development Authority	M/s Sacheerome Limited	1459b, Sector-32, Yeida, Gautam Buddha Nagar, Up-203209	21,250 sq.mtr	31,37,294 p.a.	90 years from 13 <sup>th</sup> December, 2021	Proposed Manufacturing Unit
2.	Vaishali F&F LLP	M/s Sacheerome Limited	F-89-4-2 Okhla Industrial Area, Phase-1, New Delhi, Delhi, Okhla Industrial Area Phase-I, South Delhi, New Delhi, India, 110020	898.55 sq.mtr	18,00,000 pm	Upto 31 <sup>st</sup> March, 2025, and further extended upto 9 years w.e.f 1 <sup>st</sup> April, 2025	Manufacturing Unit and Corporate Office

The details of material property owned by the Company:

Sr no.	Details of Property	Usage
1.	Y-4 Okhla Industrial Areaph-II, New Delhi, Delhi, India, 110020	Registered Office
2.	1007, 10th Floor, K.P.Aurum Building, MarolMaroshi Road, Marol, Andheri East, Mumbai, Maharashtra-400059	Branch Office

## KEY INDUSTRIAL REGULATIONS AND POLICIES

*In carrying on our business as described in the section titled “Our Business” on page 89, our Company is regulated by the following legislations in India. The following description is a summary of the relevant regulations and policies as prescribed by the Government of India and other regulatory bodies that are applicable to our business. The information detailed in this chapter has been obtained from the various legislations, including rules and regulations promulgated by the regulatory bodies and the bye laws of the local authorities that are available in the public domain. The regulations and policies set out below may not be exhaustive and are only intended to provide general information to the investors and are neither designed nor intended to be a substitute for professional legal advice. For details of Government Approvals obtained by the Company in compliance with these regulations, see “Government and Other Statutory Approvals” on page 167..*

Our business is governed by various central and state legislations that regulate the substantive and procedural aspects of our Company’s businesses. Our Company is required to obtain and regularly renew certain licenses/ registrations and/or permissions required statutorily under the provisions of various Central and State Government regulations, rules, bye-laws, acts and policies.

Given below is a brief description of the certain relevant legislations that are currently applicable to the business carried on by our Company:

### A. Industry Related Laws

#### *Food Safety and Standards (Food Products Standards and Food Additives) Regulations, 2011;*

This regulation has come into force on or after 5th August, 2011. The Regulations 2.1.7(2) provides that frozen confection, medium fat frozen confection and low fat frozen confection give a product conforming to the requirements as prescribed under regulation 2.1.7 (3) of these regulations on addition of prescribed amount of water. The moisture content of the product shall not be more than 4.0 percent. It may contain food additives permitted in this regulation including Appendix A. It shall conform to the microbiological requirements prescribed in Appendix B. Regulation 2.1.7(3) provides that Frozen Dessert/ Frozen Confections is the product obtained by freezing a pasteurised mix prepared with milk fat and / or edible vegetable oils and fat having a melting point of not more than 37.0 degree C in combination and milk protein alone or in combination / or vegetable protein products singly or in combination with the addition of nutritive sweetening agents e.g. sugar, dextrose, fructose, liquid glucose, dried liquid glucose, maltodextrin, high maltose corn syrup, honey, fruit and fruit products, eggs and egg products coffee, cocoa, chocolate, condiments, spices, ginger, and nuts. The said product may also contain bakery products such as cake or cookies as a separate layer/or coating, it may be frozen hard or frozen to a soft consistency. It shall have pleasant taste and flavour free from off flavour and rancidity and may contain food additives permitted in Appendix A. It shall conform to the microbiological requirements prescribed in Appendix B

#### *The Food Safety and Standards Act, 2006 (“FSS Act”)*

The FSS Act consolidates laws relating to food and establishes the Food Safety and Standards Authority of India (“FSSAI”), lays down science-based standards for food articles and regulates their manufacture, storage, distribution, sale and import, to ensure availability of safe and wholesome food for human consumption. The standards prescribed by the FSSAI also include specifications for food activities, flavourings, processing aids and material in contact with food, ingredients, contaminants, pesticide residue, biological hazards and labels. The FSS Act also sets out, among other things, the requirements for licensing and registration of food businesses, general principles of food safety and responsibilities of a food business operator and liability of manufacturers and sellers. The FSS Act also lays out procedure for adjudication by the Food Safety Appellate Tribunal. Further, the Food Safety and Standards Rules, 2011 (“FSS Rules”) lay down detailed standards for various food products, which include, among others, specifications for ingredients, limit of quantities of contaminants, tolerance limits of pesticide drugs residue, biological hazards and labels. For enforcement under the FSS Act, the ‘commissioner of food safety’, ‘food safety officer’, and ‘food analyst’ have been granted detailed powers of seizure, sampling, taking extracts, and analysis under the FSS Rules. The FSSAI has also framed, among others, the following food safety and standards regulations in relation to various food products and additives:

- Food Safety and Standards (Licensing and Registration of Food Businesses) Regulations, 2011;
- Food Safety and Standards (Prohibition and Restriction on Sales) Regulations, 2011;
- Food Safety and Standards (Contaminants, Toxins and Residues) Regulations, 2011;
- Food Safety and Standards (Approval for Non-Specified Food and Food Ingredients) Regulations, 2017;
- Food Safety and Standards (Organic Food) Regulation, 2017;
- Food Safety and Standards (Alcoholic Beverages) Regulations, 2018;
- Food Safety and Standards (Packaging) Regulations, 2018;



- Food Safety and Standards (Labelling and Display) Regulations, 2020; and
- Food Safety and Standards (Vegan Foods) Regulations, 2022.

#### ***Drugs and Cosmetics Act, 1940***

The Act states that the drugs and cosmetics comply with the standards as prescribed under the Act. The Act provides that Every person, not being the manufacturer of a drug or cosmetic or his agent for the distribution thereof, shall, if so required, disclose to the Inspector the name, address and other particulars of the person from whom he acquired the drug and cosmetic. The Act empowers Central Government to make rules. The rules are i) specify the drugs or classes of drugs or cosmetics or classes of cosmetics for the import of which a licence is required, and prescribe the form and conditions of such licences, the authority empowered to issue the same, ii) require the date of manufacture and the date of expiry of potency to be clearly and truly stated on the label or container of any specified imported drug or class of such drug, and prohibit the import of the said drug or class of drug after the expiry of a specified period from the date of manufacture; iii) regulate the submission by importers, and the securing, of samples of drugs or cosmetics for examination, test or analysis by the Central Drugs Laboratory, and prescribe the fees, if any, payable for such examination, test or analysis; iv) regulate the mode of labelling drugs or cosmetics imported for sale in packages, and prescribe the matters which shall or shall not be included in such labels; v) require that the accepted scientific name of any specified drug shall be displayed in the prescribed manner on the label or wrapper of any imported, patent or proprietary medicine containing such drug.

#### ***Legal Metrology Act, 2009 (“Legal Metrology Act”)***

The Legal Metrology Act came into effect on April 1, 2011 and has replaced the Standards of Weights and Measures Act, 1976 and the Standards of Weights and Measures (Enforcement) Act, 1985. The Legal Metrology Act was enacted with the objectives 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 connected therewith or incidental thereto. The Legal Metrology Act provides that no person shall manufacture, repair or sell, or offer, expose or possess for repair or sale, any weight or measure unless he holds a licence issued by the controller. The Legal Metrology Act contains provisions for verification of prescribed weight or measure by Government approved test centre. Qualifications are prescribed for legal metrology officers appointed by the Central Government or State Government. It also provides for exemption regulations of weight or measure norms for goods manufactured exclusively for export. Fee is levied under the Legal Metrology Act for various services. A director may be nominated by a company who is responsible for complying with the provisions of the enactment. There is penalty for offences and provision for compounding of offences under the Legal Metrology Act. Further, it provides for appeal against the decision of various authorities and empowers the Central Government to make rules for enforcing the provisions of the enactment.

#### ***Consumer Protection Act, 2019 (the "Consumer Protection Act") and rules made thereunder***

The Consumer Protection Act was designed and enacted to provide simpler and quicker access to redress consumer grievances. It seeks, amongst other things, to promote and protect the interests of consumers against deficiencies and defects in goods or services and secure the rights of a consumer against unfair trade practices, which may be practiced by manufacturers, service providers and traders. The definition of "consumer" under the Consumer Protection Act includes persons engaged in offline or online transactions through electronic means or by tele-shopping or direct-selling or multi-level marketing. It provides for the establishment of consumer disputes redressal forums and commissions for the purposes of redressal of consumer grievances. In addition to awarding compensation and/or passing corrective orders, the forums and commissions under the Consumer Protection Act, in cases of misleading and false advertisements, are empowered to impose imprisonment for a term which may extend to two years and fine which may extend to ten lakhs.

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

The Factories Act was enacted to protect the welfare of workers in a factory by regulating employment conditions, working conditions, the working environment, and other welfare requirements of specific industries. The Factories Act lays out guidelines and safety measures for using machinery, and with its strict compliance, it also provides owners with instructions. When factory workers were taken advantage of and exploited by paying them low wages, the Factories Act was passed.

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

The ID Act provides for statutory mechanism of settlement of all industrial disputes, a term which primarily refers to a dispute or difference between employers and workmen concerning employment or the terms of employment or with the

conditions of labour of any person. The Industrial Dispute (Central) Rules, 1957 inter-alia specify procedural guidelines for lock-outs, closures, layoffs and retrenchment.

### ***Industrial Employment (Standing Orders) Act, 1946***

In order to strengthen the bargaining powers of the workers this act is enacted, it requires the employers to formally define the working conditions to the employee. As per this act, an employer is required to submit five copies of standing orders required by him for adoption of his industrial establishment. An employer failing to submit the draft standing orders as required by this act shall be liable to pay fine as per section 13 of this act.

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

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

## **B. Laws Relating to Employment**

The various labour and employment related legislation that may apply to our operations, from the perspective of protecting the workers' rights and specifying registration, reporting and other compliances, and the requirements that may apply to us as an employer, would include, among others, the following: (i) Contract Labour (Regulation and Abolition) Act, 1970; (ii) Relevant state specific shops and commercial establishment legislations; (iii) Employees' Provident Funds and Miscellaneous Provisions Act, 1952; (iv) Employees' State Insurance Act, 1948; (v) Minimum Wages Act, 1948; (vi) Payment of Bonus Act, 1965; (vii) Payment of Gratuity Act, 1972; (viii) Payment of Wages Act, 1936; (ix) Maternity Benefit Act, 1961; (x) Apprenticeship Act, 1961; (xi) Equal Remuneration Act, 1976; (xii) Employees' Compensation Act, 1923; and (xiii) Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 In order to rationalize and reform labour laws in India, the Government has enacted the following codes, which will be brought into force on a date to be notified by the Central Government.

### **Code on Wages, 2019**

The Code on Wages regulates and amalgamates wage and bonus payments and subsumes four existing laws namely –the Payment of Wages Act, 1936, the Minimum Wages Act, 1948, the Payment of Bonus Act, 1965 and the Equal Remuneration Act, 1976. It regulates, inter alia, the minimum wages payable to employees, the manner of payment and calculation of wages and the payment of bonus to employee. The Central Government has notified certain provisions of the Code on Wages, mainly in relation to the constitution of the central advisory board.

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

The Code on Social Security amends and consolidates laws relating to social security, and subsumes various social security related legislations, *inter alia* including the Employee's State Insurance Act, 1948, the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, the Maternity Benefit Act, 1961, Building and Other Construction Worker's Welfare Cess Act, 1996 and the Payment of Gratuity Act, 1972. It governs the constitution and functioning of social security organisations such as the Employee's Provident Fund Organisation and the Employee's State Insurance Corporation, regulates the payment of gratuity, the provision of maternity benefits and compensation in the event of accidents that employees may suffer, among others.

### **The 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.

## **C. Environmental Laws**

### **The Environment (Protection) Act, 1986 (the "EPA")**

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

#### **The Environmental Impact Assessment Notification, 2006 (the “Notification”)**

As per the Notification, any construction of new projects or activities or the expansion or modernization of existing projects or activities as listed in the Schedule attached to the notification entailing capacity addition with change in process and technology can be undertaken only after the prior environmental clearance from the Central government or as the case may be, by the State Level Environment Impact Assessment Authority, duly constituted by the Central government under the provisions of the Environment (Protection) Act, 1986, in accordance with the procedure specified in the notification. The environmental clearance process for new projects comprises of four stages viz. screening, scoping, public consultation and appraisal. However, in 2016, MoEF issued a notification for integrating standard and objectively monitorable environmental conditions with building permissions for buildings of different sizes with rigorous monitoring mechanism for implementation of environmental concerns and obligations in building projects. This is in line with the objective of the Central government to streamline the permissions for buildings and construction sector so that affordable housing can be provided to weaker sections in urban area under the scheme ‘Housing for All by 2022’ and is proposing to remove the requirement of seeking a separate environment clearance from the MoEF for individual buildings having a total build up area between 5,000 square metre and 150,000 square metre, apart from adhering to the relevant bye-laws of the concerned State authorities.

#### **The Water (Prevention and Control of Pollution) Act, 1974 (the “Water Act”) and Air (Prevention and Control of Pollution) Act, 1981 (“Air Act”)**

The Water Act prohibits the use of any stream or well for the disposal of polluting matter, in violation of the standards set out by the concerned PCB. The Water Act also provides that the consent of the concerned PCB must be obtained prior to opening of any new outlets or discharges, which are likely to discharge sewage or effluent. Air (Prevention and Control of Pollution) Act, 1981 (the “Air Act”) The Air Act requires that any industry or institution emitting smoke or gases must apply in a prescribed form and obtain consent from the state PCB prior to commencing any activity. The state PCB is required to grant, or refuse, consent within four months of receipt of the application. The consent may contain conditions relating to specifications of pollution control equipment to be installed.

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

The Hazardous Waste Rules define the term ‘hazardous waste’ to include any waste which by reason of physical, chemical, biological, reactive, toxic, flammable, explosive or corrosive characteristics cause danger or is likely to cause danger to health or environment, whether alone or in contact with other wastes or substances including waste specified in the schedules to the Hazardous Waste Rules. In terms of the Hazardous Waste Rules, occupiers, being persons who have control over the affairs of a factory or premises or any person in possession of hazardous or other waste, have been, inter alia, made responsible for safe and environmentally sound management of hazardous and other wastes generated in their establishments and are required to obtain license/ authorization from the respective State PCB for handling, generation, collection, storage, packaging, transportation, usage, treatment, processing, recycling, recovery, pre-processing, co-processing, utilization, selling, transferring or disposing hazardous or other waste.

#### **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 made 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.

#### **D. Intellectual Property Laws**

##### ***The Trademarks Act, 1999 (“Trademarks Act”)***

Under the Trademarks Act, a trademark is a mark capable of being represented graphically and which is capable of distinguishing the goods or services of one person from those of others used in relation to goods and services to indicate a connection in the course of trade between the goods and some person having the right as proprietor to use the mark. Section 18 of the Trademarks Act requires that any person claiming to be the proprietor of a trademark used or proposed to be used by him, must apply for registration in writing to the registrar of trademarks. The right to use the mark can be exercised either by the registered proprietor or a registered user. The present term of registration of a trademark is 10 (ten) years, which may be renewed for similar periods on payment of a prescribed renewals.

#### **E. Foreign Investment Regulations**

The foreign investment in India is governed, among others, by the Foreign Exchange Management Act, 1999, the Foreign Exchange Management (Non-debt Instruments) Rules, 2019 (“FEMA Rules”) and the consolidated FDI policy (effective from October 15, 2020) issued by the Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India (earlier known as the Department of Industrial Policy and Promotion (“FDI Policy”), each as amended. Further, the Reserve Bank of India has enacted the Foreign Exchange Management (Mode of Payment and Reporting of Non-Debt Instruments) Regulations, 2019 on October 17, 2019 which regulates mode of payment and remittance of sale proceeds, among others. The FDI Policy and the FEMA Rules prescribe inter alia the method of calculation of total foreign investment (i.e. direct foreign investment and indirect foreign investment) in an Indian company.

##### ***Foreign Trade (Development and Regulation) Act, 1992 (“FTDRA”), the Foreign Trade (Regulation) Rules, 1993 (“FTRR”) and the Foreign Trade Policy 2015-2020 (“Foreign Trade Policy”)***

The FTDRA provides for the development and regulation of foreign trade by facilitating imports into, and augmenting exports from, India. The FTDRA empowers the Central Government to formulate and amend the foreign trade policy. The FTDRA prohibits any person from making an import or export except under an Importer-exporter Code Number (“IEC”) granted by the director general or any other authorized person in accordance with the specified procedure. The IEC may be suspended or cancelled if the person who has been granted such IEC contravenes, amongst others, any of the provisions of the FTDRA, or any rules or orders made thereunder, or the foreign policy or any other law pertaining to central excise or customs or foreign exchange. The FTDRA also prescribes the imposition of penalties on any person violating its provisions. The FTRR prescribes the procedure to make an application for grant of a license to import or export goods in accordance with the foreign trade policy, the conditions of such license, and the grounds for refusal of a license. The FTDRA empowers the Central Government to, from time to time, formulate and announce the foreign trade policy. The Foreign Trade Policy came into effect in 2017 and requires all importers and exporters to obtain an IEC. Further, pursuant to the policy, the Director General of Foreign Trade may impose prohibitions or restrictions on the import or export of certain goods, for reasons including the protection of public morals, protection of human, animal or plant life or health, and the conservation of national resources. The Foreign Trade Policy also prescribes restrictions on imports or exports in relation to specific countries, organisations, groups, individuals or products. The Foreign Trade Policy also provides for various schemes, including the export promotions capital goods scheme and duty exemption/remission schemes. India’s current Foreign Trade Policy (2015-20) (as extended until September 30, 2022 and thereafter, extended till March 31, 2023) envisages helping exporters leverage benefits of GST, closely monitoring export performances, increasing ease of trading across borders, increasing realization from India’s agriculture-based exports and promoting exports from MSMEs and labour-intensive sectors.

##### ***Foreign Exchange Management Act, 1999 (“the FEMA”) and Rules and Regulations thereunder***

Export of goods and services outside India is governed by the provisions of the Foreign Exchange Management Act, 1999, read with the applicable regulations. The Foreign Exchange Management (Export of goods and services) Regulations, 2000 have been superseded by the Foreign Exchange Management (Export of Goods and Services) Regulations, 2015 (“Export of Goods and Services Regulations 2015”) issued by the RBI on January 12, 2016 (last amended on June 23, 2017). The RBI has also issued a Master Circular on Export of Goods and Services. The export is governed by these Regulations which make various provisions such as declaration of exports, procedure of exports as well as exemptions.

## ***FEMA Rules***

The RBI, in exercise of its power under the FEMA, has notified the Foreign Exchange Management (Mode of Payment and Reporting of Non-Debt Instruments) Regulations, 2019 by Notification No. FEMA. 395/2019-RB dated October 17, 2019 (“**FEMA Rules**”) to prohibit, restrict, or regulate transfer by or issue security to a person resident outside India. As laid down by the FEMA Rules, no prior consents and approvals are required from the RBI for Foreign Direct Investment (“**FDI**”) under the “automatic route” within the specified sectoral caps. In respect of all industries not specified as FDI under the automatic route, and in respect of investment in excess of the specified sectoral limits under the automatic route, approval may be required from the RBI. At present, the FDI Policy does not prescribe any cap on the foreign investments in the sector in which the Company operates. Therefore, foreign investment up to 100% is permitted in the Company under the automatic route.

## **F. Taxation Laws**

### ***Income Tax Act, 1961***

Income Tax Act, 1961 is applicable to every domestic or foreign company whose income is taxable under the provisions of this Act or rules made under it depending upon its “Residential Status” and “Type of Income” involved. Under section 139(1) every Company is required to file its income tax return for every previous year by October 31 of the assessment year. Other compliances like those relating to tax deduction at source, fringe benefit tax, advance tax, and minimum alternative tax and the like are also required to be complied with by every company.

### ***Goods and Service Tax (GST)***

Goods and Services Tax (GST) is levied on supply of goods or services or both jointly by the Central and State Governments. GST provides for imposition of tax on the supply of goods or services and will be levied by Centre on intra-state supply of goods or services and by the States including Union territories with legislature/ Union Territories without legislature respectively. A destination-based consumption tax GST would be a dual GST with the center and states simultaneously levying tax with a common base. The GST law is enforced by various acts viz. Central Goods and Services Act, 2017 (CGST), State Goods and Services Tax Act, 2017 (SGST), Union Territory Goods and Services Tax Act, 2017 (UTGST), Integrated Goods and Services Tax Act, 2017 (IGST) and Goods and Services Tax (Compensation to States) Act, 2017 and various rules made thereunder.

### ***Customs Act, 1962 (“Customs Act”)***

The Customs Act, as amended, regulates import of goods into and export of goods from India by providing for levy and collection of customs duties on goods in accordance with the Customs Tariff Act, 1975. Any company intending to import or export goods is first required to get registered under the Customs Act and obtain an Importer Exporter Code under FTDR. Customs duties are administrated by Central Board of Indirect Tax and Customs under the Ministry of Finance, GoI.

### ***Professional Tax***

Professional tax is a state level tax which is imposed on income earned by way of profession, trade, calling or employment. At present, professional tax is imposed only in Karnataka, Bihar, West Bengal, Andhra Pradesh, Telangana, Maharashtra, Tamil Nadu, Gujarat, Assam, Kerala, Meghalaya, Odisha, Tripura, Madhya Pradesh, and Sikkim.

## **G. Other Applicable Laws**

### ***The Micro, Small and Medium Enterprises Development Act, 2006 (“MSMED Act”)***

The MSMED Act, was enacted to promote and enhance the competitiveness of Micro, Small and Medium Enterprise (“**MSME**”). A National Board shall be appointed and established by the Central Government for MSME enterprise with its head office at Delhi in the case of the enterprises engaged in the manufacture or production of goods pertaining to any industry mentioned in first schedule to Industries (Development and Regulation) Act, 1951. The Government, in the Ministry of Micro, Small and Medium Enterprises has issued a notification dated June 1, 2020 revising definition and criterion and the same came into effect from July 1, 2020. The notification revised the definitions as “Micro enterprise”, where the investment in plant and machinery or equipment does not exceed one crore rupees and turnover does not exceed five crore rupees; “Small enterprise”, where the investment in plant and machinery or equipment does not exceed ten crore rupees and turnover does not exceed fifty crore rupees; “Medium enterprise”, where the investment in plant and machinery or equipment does not exceed five crore and turnover does not exceed two hundred and fifty crore rupees.

### ***Municipality Laws***

State governments are empowered to endow municipalities with such powers and authority as may be necessary to enable them to perform functions in relation to permitting the carrying on of trade and operations. Accordingly, State governments have enacted laws authorizing municipalities to regulate use of premises, including regulations for issuance of a trade license to operate, along with prescribing penalties for non-compliance.

### ***Shops and Establishments Legislations***

Under the provisions of local shops and establishments legislations applicable in different states, commercial establishments are required to be registered. Such legislations regulate the working and employment conditions of workers employed in shops and 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.

### ***Fire Prevention Laws***

State governments have enacted laws that provide for fire prevention and life safety. Such laws may be applicable to our offices and Training Centers and include provisions in relation to providing fire safety and life saving measures by occupiers of buildings, obtaining certification in relation to compliance with fire prevention and life safety measures and impose penalties for non-compliance.

### ***The Companies Act, 2013***

The Act deals with laws relating to companies and certain other associations. The Companies Act primarily regulates the formation, financing, functioning and winding up of companies. The Act prescribes regulatory mechanism regarding all relevant aspects including organizational, financial and managerial aspects of companies. Regulation of the financial and management aspects constitutes the main focus of the Act. In the functioning of the corporate sector, although freedom of companies is important, protection of the investors and shareholders, on whose funds they flourish, is equally important. The Companies Act plays the balancing role between the set of competing factors, namely, management autonomy and investor protection.

### ***Competition Act, 2002***

The Competition Act, 2002 came into effect on June 1, 2011, and has been enacted to “prohibit anti- competitive agreements, abuse of dominant positions by enterprises” and regulates “combinations” in India. The Competition Act also established the Competition Commission of India (the “CCI”) as the authority mandated to implement the Competition Act. The Act prohibits Combinations which are likely to cause an appreciable adverse effect on competition in a relevant market in India. The CCI may enquire into all combinations, even if taking place outside India, or between parties outside India, if such combination is likely to have an appreciable adverse effect on competition in India.

### ***The Insolvency and Bankruptcy Code, 2016 (the “Code”)***

The Insolvency and Bankruptcy Code, 2016 cover Insolvency of companies, Limited Liability partnerships (LLPs), unlimited liability partnerships, and individuals. The IBC 2016 has laid down a collective mechanism for resolution of insolvencies in the country by maintaining a delicate balance for all stakeholders to preserve the economic value of the process in a time bound manner. The code empowers any creditor of a Corporate Debtor (CD), irrespective of it being a Financial Creditor (FC) or Operational Creditor (OC) or secured or unsecured creditor, or the Corporate Debtor itself, to make an application before the Adjudicating Authority (AA) to initiate Corporate Insolvency Resolution Process (CIRP) against a Corporate Debtor, at their discretion, in the event of there being a default by the Corporate Debtor in payment of their dues for an amount as specified from time to time. On initiation of the Said CIRP, a resolution to be sought for the company within a time bound time period of 180 days

### ***Other Laws***

In addition to the above, our Company is required to comply with the provisions of the Prevention of Corruption Act, 1988, Rent Control Act, Information technology act and other applicable laws and regulations imposed by the Central and State Governments and other authorities for its day-to-day operations.

## **HISTORY AND CERTAIN CORPORATE MATTERS**

Our Company was originally incorporated as “Sachee Fragrances Limited” under the provisions of Companies Act, 1956 with Registrar of Companies, Delhi & Haryana and received a certificate of incorporation from the Registrar of Companies, Delhi & Haryana on June 19, 1992. Later, the name of the company changed from “Sachee Fragrances Limited” to “Sachee Cosmetics Limited” vide Extra Ordinary General Meeting dated December 26, 1994 and fresh certificate of Incorporation issued by Registrar of Companies Delhi & Haryana on February 13, 1995. Later the name of the company changed from “Sachee Cosmetics Limited to Sachee Aromatics Limited” vide Extra Ordinary General Meeting dated March 19, 1997 and fresh certificate of incorporation issued by Registrar of Companies Delhi & Haryana on April 3, 1997. Further the company has converted from “Sachee Aromatics Limited” to “Sachee Aromatics Private Limited” vide Extra Ordinary General Meeting dated February 24, 2012 and fresh certificate of incorporation issued by Registrar of Companies Delhi & Haryana on March 14, 2012. Further the name of the company changed from “Sachee Aromatics Private Limited” to “Sacheerome Private Limited” vide Extra Ordinary General Meeting dated April 04, 2012 and fresh certificate of Incorporation issued by the Registrar of Companies Delhi & Haryana on April 17, 2012. Further the name of the company changed from “Sacheerome Private Limited” to “Sacheerome Limited” vide Extra Ordinary General Meeting dated May 01, 2024 and fresh certificate of Incorporation issued by Registrar of Companies Delhi & Haryana on August 8<sup>th</sup>, 2024. The corporate identification number of our Company is U74899DL1992PLC049258.

### **Change in registered office of our Company**

There has been no change in the Registered office of the company since incorporation.

### **Main Objects of our Company**

The main objects of our Company are as follows:

- A. To manufacture, produce, refine, process, formulate, buy, sell, export, import or otherwise deal in all types of heavy and light chemicals, chemical elements and compounds, industrial perfumes of all kinds, essential oils, aromatic chemicals including, without limiting the generality of the forgoing, Laboratory, Scientific chemicals of any used or capable of being used in the pharmaceutical, textile industry, agricultural chemicals, fertilizers, Petrochemicals, industrial chemicals or any mixtures, derivatives resinoids and compounds thereof. To carry on business as manufacturers of and dealers in all kinds of proprietary products, hair, skin, nail and other beauty preparations, deodorants, aerosol and pump spray products, petroleum and mineral oil products, cotton swabs, family planning appliances, hair dyes, pigments, varnishes, essential oils, detergents, insecticides, oil, oleaginous, vaporaceous, saponaceous, substances, beauty specialties, preparations aids and accessories of every description whether medicated, antiseptic or not unguents, ingredients or accessories thereof and other materials or things capable of being used in connection with such manner, factor or business.
- B. To buy, sale and carry on business as manufactures or, and dealers in, all kinds of raw and finished cosmetics, perfumes and essences, dentifrices, lotions, extracts, greases, creams, salves, ointments, pomades, powders, unguents, eau de cologne, toiletries and operations, cleansing compounds on any business in all types of cosmetics including face powder, face cream, hair dyes, shaving soaps, cream toothpaste and powder, toothpicks, brushes, all type of soap powder, detergents and toilet requisites, aggarbatties soap, methylated and rectified spirits, Aerosoles/sprays, deodorants, all kinds of perfumery and other compound preparations etc.
- C. To carry on business as manufactures, of and dealers in all types of packing materials, containers, receptacles, boxes, cartons, case drums, cages, bins, jars, cardboard boxes, carboys, tubes, crates, packing cases, cans, bottles, vials and fittings therefore, of every kind and to manufacture and deal in paper, plastic, bakelite, celluloid, glass wood, plywood, hardboard, strawboard and boards of all other description and any other material whether chemically treated or not used to manufacture of any of the aforesaid articles.

The main objects as contained in the MoA enable our Company to carry on the business presently being carried out and the activities proposed to be undertaken pursuant to the objects of this Issue.

### **Amendments to the Memorandum of Association**

The following amendments have been made to the Memorandum of Association of our Company in the last ten (10) years:



Date of shareholder's resolution	Nature of amendments
December 21, 1992	Clause V of the MoA was amended to reflect the increase in the authorised share capital of our Company from ₹ 50,00,000 divided into 5,00,000 Equity Shares of ₹ 10 each to ₹ 5,00,00,000 divided into 50,00,000 Equity Shares of ₹ 10 each
November 29, 1993	Clause V of the MoA was amended to reflect the increase in the authorised share capital of our Company from ₹ 5,00,00,000 divided into 50,00,000 Equity Shares of ₹ 10 each to ₹ 5,50,00,000 divided into 55,00,000 Equity Shares of ₹ 10 each
December 26, 1994	Clause I of the MoA was amended to change the name of the Company from 'Sachee Fragrances Limited' to 'Sachee Cosmetics Limited'.
March 19, 1997	Clause I of the MoA was amended to change the name of the Company from 'Sachee Cosmetics Limited' to 'Sachee Aromatics Limited'.
February 24, 2012	Clause I of the MoA was amended to change the name of the Company from 'Sachee Aromatics Limited' to 'Sachee Aromatics Private Limited'
April 04, 2012	Clause I of the MoA was amended to change the name of the Company from 'Sachee Aromatics Private Limited' to 'Sacheerome Private Limited'.
March 14, 2024	Clause V of the MoA was amended to reflect the increase in the authorised share capital of our Company from ₹ 5,50,00,000 divided into 55,00,000 Equity Shares of ₹ 10 each to ₹ 25,00,00,000 divided into 2,50,00,000 Equity Shares of ₹ 10 each
May 01, 2024	Clause I of the MoA was amended to change the name of the Company from 'Sacheerome Private Limited' to 'Sacheerome Limited'.

### Corporate profile of our Company

For details regarding the description of our Company's activities, services, products, market, growth, technology, managerial competence, standing with reference to prominent competitors, launch of key products or services, entry in new geographies or exit from existing markets, major suppliers, distributors and customers, segment, marketing and competition, please refer to the chapters titled "Our Business", "Our Management" and "Management's Discussion and Analysis of Financial Position and Results of Operations" on pages 89, 112 and 148 respectively, of this Draft Red Herring Prospectus.

### Major Events and Milestones

The table below sets forth some of the key events, milestones in our history since its incorporation.

Year	Events
2005	Achieved global Expansion into Middle East (UAE) and African Markets
2011	Launched Flavour division with a team of trained flavourists
2015	Achieved global Expansion into the north American markets
2020	Allotment of Land in YEIDA for the purpose of establishment of new manufacturing unit
2023	Construction of new factory unit in YEIDA started

### Awards and Accreditations

The table below sets forth some of the key awards received by our Company in its history since its incorporation.

Year	Events
2016	SME India 100 Awards

### Time and Cost Overrun

Our Company has not experienced any significant time and cost overrun in setting up projects.

#### **Defaults or Rescheduling of Borrowings with Financial Institutions/ Banks**

As of date of this Draft Red Herring Prospectus, there are no defaults or rescheduling of borrowings from financial institutions or banks or conversion of loans into equity in relation to our Company.

#### **Details regarding material acquisition or disinvestments of business / undertakings, mergers, amalgamation**

Except as disclosed in this Draft Red Herring Prospectus our Company has not made any business acquisition, merger and amalgamation or disinvestment of business since incorporation.

#### **Revaluation of assets**

Our Company has neither revalued its assets nor has issued any Equity Shares (including bonus shares) by capitalizing any revaluation reserves in the last ten years.

#### **Holding Company**

As on the date of this Draft Red Herring Prospectus, our Company does not have a holding company.

#### **Subsidiaries of our Company**

As on the date of this Draft Red Herring Prospectus, our Company does not have any subsidiaries.

#### **Associate or Joint ventures of our Company**

As on the date of this Draft Red Herring Prospectus, our Company does not have any joint ventures or associate companies.

#### **Strategic and Financial Partners**

As on date of this Draft Red Herring Prospectus our Company does not have any strategic and financial partners.

#### **Shareholders and Other Agreements**

There are no shareholders and other material agreements, apart from those entered into in the ordinary course of business carried on or intended to be carried on by us.

#### **Agreements with key managerial personnel or a Director or Promoters or any other employee of the Company**

There are no agreements entered into except in the ordinary course of business by a Key Managerial Personnel or Director or Promoters or any other employee of our 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 our Company.

#### **Guarantees given by Promoters offering its shares in the Offer for Sale**

This is a fresh issue of Equity Shares and our Promoters are not offering their shares in this Issue.

#### **Material Agreements**

That there are no other agreements/ arrangements and clauses / covenants which are material and which needs to be disclosed or non-disclosure of which may have bearing on the investment decision, other than the ones which have already disclosed in the offer document.

## OUR MANAGEMENT

### Our Board of Directors

In terms of Companies Act and other rules & regulations frame thereunder and the Articles of Association require that our board shall comprise of not less than Three Directors and not more than Fifteen Directors, provide that our shareholders may appoint more than Fifteen Directors after passing a Special Resolution in General Meeting.

As on the date of filling of this Draft Red Herring Prospectus, our company currently has Six (6) Directors on our Board, which includes One (01) Chairman and Managing Director, One (1) Whole-time Directors, One (01) Executive Director, One (1) Non-Executive Director and Two (02) Independent Directors.

Mr. Manoj Arora	-	Chairman and Managing Director
Mrs. Alka Arora	-	Non-Executive Director
Mr. Dhruv Arora	-	Whole time Director
Ms. Indu Agrawal	-	Executive Director
Mr. Sunil Suri	-	Independent Director
Mr. Sanjay Roye	-	Independent Director

The following table Set forth below, are details regarding our Board as on the date of this Draft Red Herring Prospectus:

Mr. Manoj Arora	
<b>DIN</b>	01811530
<b>Date of Birth</b>	7 <sup>th</sup> August, 1959
<b>Age</b>	65
<b>Designation</b>	Chairman and Managing Director
<b>Status</b>	Executive
<b>Qualification</b>	Higher Secondary and B.Sc dropout
<b>No. of Year of Experience</b>	He has 40 years of experience in the field of Fragrance and Flavours
<b>Address</b>	F 57A, Radhey Mohan Drive Chattarpur, Gadai Pur, South Delhi, Delhi-110030
<b>Occupation</b>	Business
<b>Nationality</b>	Indian
<b>Date of Appointment</b>	Director since incorporation
<b>Term of Appointment and date of expiration of current term of office</b>	Five years w.e.f 1 <sup>st</sup> May, 2022 and liable to Retire by Rotation
<b>Other Directorships</b>	<p><b>Indian Companies</b></p> <ul style="list-style-type: none"> <li>• Sachee Holdings Private Limited</li> <li>• Velox Infraprojects Private Limited</li> <li>• Quick Infraprojects Private Limited</li> <li>• Sacheerome Advance Technologies Private Limited</li> <li>• Quartz Impex Private Limited</li> </ul> <p><b>Foreign Companies</b></p> <ul style="list-style-type: none"> <li>• Nil</li> </ul> <p><b>Limited Liability Partnership</b></p> <ul style="list-style-type: none"> <li>• Vaishali F&amp;F LLP</li> </ul>

Mrs. Alka Arora	
<b>DIN</b>	01819475
<b>Date of Birth</b>	11 <sup>th</sup> May, 1964
<b>Age</b>	60
<b>Designation</b>	Non - Executive Director

<b>Status</b>	Non - Executive
<b>Qualification</b>	She holds the degree of Bachelor of Commerce from Punjab University
<b>No. of Year of Experience</b>	She has more than 26 years of experience in the field of fragrance and flavours
<b>Address</b>	F 57A, Radhey Mohan Drive Chattarpur, Gadai Pur, South Delhi, Delhi-110030
<b>Occupation</b>	Business
<b>Nationality</b>	Indian
<b>Date of Appointment</b>	1 <sup>st</sup> July, 1997
<b>Term of Appointment</b>	liable to Retire by Rotation
<b>Other Directorships</b>	<p><b>Indian Companies</b></p> <ul style="list-style-type: none"> <li>• Velox Infraprojects Private Limited</li> <li>• Quick Infraprojects Private Limited</li> <li>• Sachee Holdings Private Limited</li> <li>• Divcare PC&amp;H Private Limited</li> </ul> <p><b>Foreign Companies</b></p> <ul style="list-style-type: none"> <li>• Nil</li> </ul> <p><b>Limited s Partnership</b></p> <ul style="list-style-type: none"> <li>• Vaishali F&amp;F LLP</li> </ul>

<b>Mr. Dhruv Arora</b>	
<b>DIN</b>	03166931
<b>Date of Birth</b>	2 <sup>nd</sup> October, 1988
<b>Age</b>	36
<b>Designation</b>	Whole time Director
<b>Status</b>	Executive
<b>Qualification</b>	Bachelor of Science Chemistry with Business and Management from The University of Manchester and Management Programme for Family Business from Indian School of Business.
<b>No. of Year of Experience</b>	He has 14 years of experience in fragrance and Flavours Industry
<b>Address</b>	F 57A, Radhey Mohan Drive, Chattarpur, Gadaipur, South Delhi, Delhi-110030
<b>Occupation</b>	Business
<b>Nationality</b>	Indian
<b>Date of Appointment</b>	31 <sup>st</sup> July, 2010
<b>Term of Appointment and date of expiration of current term of office</b>	Currently, he has been appointed for a period of five years w.e.f 1 <sup>st</sup> May, 2022 and liable to Retire by Rotation
<b>Other Directorships</b>	<p><b>Indian Companies</b></p> <ul style="list-style-type: none"> <li>• Velox Infraprojects Private Limited</li> <li>• Quick Infraprojects Private Limited</li> <li>• Quartz Impex Private Limited</li> <li>• Sachee Holdings Private Limited</li> <li>• Sacheerome Advance Technologies Private Limited</li> </ul> <p><b>Foreign Companies</b></p> <ul style="list-style-type: none"> <li>• Nil</li> </ul> <p><b>Limited s Partnership</b></p> <ul style="list-style-type: none"> <li>• Vaishali F&amp;F LLP</li> </ul>

**Mrs. Indu Agrawal**

<b>DIN</b>	05154418
<b>Date of Birth</b>	22 <sup>nd</sup> August, 1973
<b>Age</b>	51
<b>Designation</b>	Executive Director
<b>Status</b>	Executive
<b>Qualification</b>	She holds degree of B.Sc. from Meerut University
<b>No. of Year of Experience</b>	She has above 26 years of experience in Pharma and fragrance and flavours Industry
<b>Address</b>	H-195, Nehrunagar, Ghaziabad, Uttarpradesh- 201001
<b>Occupation</b>	Service
<b>Nationality</b>	Indian
<b>Date of Appointment</b>	22 <sup>nd</sup> November, 2011
<b>Term of Appointment and date of expiration of current term of office</b>	Liabile to retire by rotation
<b>Other Directorships</b>	<p><b>Indian Companies</b></p> <ul style="list-style-type: none"> <li>• Nil</li> </ul> <p><b>Foreign Companies</b></p> <ul style="list-style-type: none"> <li>• Nil</li> </ul> <p><b>Limited s Partnership</b></p> <ul style="list-style-type: none"> <li>• Nil</li> </ul>

<b>Mr. Sunil Suri</b>	
<b>DIN</b>	10736965
<b>Date of Birth</b>	23 <sup>rd</sup> August, 1962
<b>Age</b>	62
<b>Designation</b>	Independent Director
<b>Status</b>	Independent Director
<b>Qualification</b>	He holds degree of Master of Science (Agriculture) from The Haryana Agricultural University, CAIIB from Indian Institute of Banking & Finance and Management Education Programme from Union Bank School of Management
<b>No. of Year of Experience</b>	He has 34 years of experience in Banking Industry
<b>Address</b>	H-81/1, Shivaji Park, West Delhi, Delhi – 110026
<b>Occupation</b>	Service
<b>Nationality</b>	Indian
<b>Date of Appointment</b>	22 <sup>nd</sup> August 2024
<b>Term of Appointment and date of expiration of current term of office</b>	Appointed as Independent Director For a term of 5 (Five) Consecutive years
<b>Other Directorships</b>	<p><b>Indian Companies</b></p> <ul style="list-style-type: none"> <li>• Nil</li> </ul> <p><b>Foreign Companies</b></p> <ul style="list-style-type: none"> <li>• Nil</li> </ul> <p><b>Limited s Partnership</b></p> <ul style="list-style-type: none"> <li>• Nil</li> </ul>

<b>Mr. Sanjay Roye</b>	
<b>DIN</b>	10746841
<b>Date of Birth</b>	23 <sup>rd</sup> May, 1966
<b>Age</b>	58
<b>Designation</b>	Independent Director
<b>Status</b>	Independent Director

<b>Qualification</b>	He holds the degree of Bachelor of Science from Jawaharlal Nehru University, New Delhi, a Master of Science in Defence and Strategic Studies from Madras University and a Master of Business Administration from the ICFAI University, Tripura.
<b>No. of Year of Experience</b>	he served 37 years in the Indian Navy and retired in the rank of Rear Admiral.
<b>Address</b>	Villa 2, 23 Acres, Residential Complex, Behind Mount St. Mary School, Delhi Cantt, South West Delhi - 110010
<b>Occupation</b>	Service
<b>Nationality</b>	Indian
<b>Date of Appointment</b>	22 <sup>nd</sup> August, 2024
<b>Term of Appointment and date of expiration of current term of office</b>	Appointed as Independent For a term of 5 (Five) Consecutive years.
<b>Other Directorships</b>	<p><b>Indian Companies</b></p> <ul style="list-style-type: none"> <li>• Nil</li> </ul> <p><b>Foreign Companies</b></p> <ul style="list-style-type: none"> <li>• Nil</li> </ul> <p><b>Limited s Partnership</b></p> <ul style="list-style-type: none"> <li>• Nil</li> </ul>

## BRIEF BIOGRAPHIES OF OUR DIRECTORS

**Mr. Manoj Arora**, aged 65 years, is the Chairman, Managing Director and Promoter of our Company. He has completed his higher secondary and B.Sc dropout from Kirori Mal College, Delhi. He has 40 years of experience in the field of fragrance industry. In June 2022, Manoj Arora was invited to speak on "The Past, Present & Future of India's Fragrance Industry-Decoding it's DNA" at the prestigious forum of World Perfumery Congress in Miami, USA. He was a keynote speaker at 'World Aroma Ingredients Congress & Expo 2024' on 'Aroma Ingredients – Shaping the Consumer Preferences', held in Chennai. Further, he has been associated with "Radhey Mohan Drive Country Homes Residents Welfare Association" as President since August, 2021. Along with that, he has been associated with "Vishva Hindu Parishad" as Central Treasurer since December, 2022 and Act as a Chairman of board of trustee of Vanvasi Raksha Parivar Foundation since August, 2016. He heads R&D and QC oversee research and development, General Management, day to day affairs and strategic decision making in our company.

**Mrs. Alka Arora** aged 60 years is the Promoter and Non-Executive Director of our company. She holds degree of Bachelor of Commerce from Panjab University. She has more than 26 years of experience in the field of this fragrance and flavours industry. She is involved in the Production & Logistics of the company.

**Mr. Dhruv Arora** aged 36 years is the Promoter and Whole time Director of our Company. He possesses the degree of Bachelor of Science Chemistry with Business and Management from The University of Manchester. He has 14 years of experience of experience in fragrance and flavours Industry. He is involved in the Business Development of the company.

**Mrs. Indu Agrawal** aged 51 years is the Executive Director of the company. She holds degree of B.Sc. from Meerut University. She has above 26 years of experience in the field of pharma industry and fragrance and flavours industry. She heads Research and Development and Quality functions of the Company.

**Mr. Sunil Suri** aged 62 years is the Independent Director of the company. He holds the degree of Master of Science (Agriculture) from The Haryana Agricultural University, CAIIB from Indian Institute of Banking & Finance and Management Education Programme from Union Bank School of Management. Prior to joining our company, he was associated with Union Bank for 34 years.

**Mr. Sanjay Roye**, aged 58 years is an Independent Director of the Company. He holds the degree of Bachelor of Science from Jawaharlal Nehru University, New Delhi, a Master of Science in Defence and Strategic Studies from Madras University and a Master of Business Administration from the ICFAI University, Tripura. Prior to joining our Board, he served 37 years in the Indian Navy and retired in the rank of Rear Admiral.

### As on the date of the Draft Red Herring Prospectus

- A. None of the above-mentioned Directors are on the RBI List of willful defaulters or Fraudulent Borrowers.
- B. Neither Promoters nor persons forming part of our Promoter Group, our directors or persons in control of our Company or our Company are debarred from accessing the capital market by SEBI.
- C. None of the Promoters, Directors or persons in control of our Company, has been or is involved as a promoter, director or

person in control of any other company, which is debarred from accessing the capital market under any order or directions made by SEBI or any other regulatory authority.

- D. None of our Directors are/were director of any company whose shares were delisted from any stock exchange(s) up to the date of filing of this Draft Red Herring Prospectus.
- E. None of Promoters or Directors of our Company are a fugitive economic offender.
- F. None of our Directors are/were director of any company whose shares were suspended from trading by stock exchange(s) or under any order or directions issued by the stock exchange(s)/ SEBI/ other regulatory authority in the last five years.
- G. In respect of the track record of the directors, there have been no criminal cases filed or investigations being undertaken with regard to alleged commission of any offence by any of our directors and none of our directors have been charge-sheeted with serious crimes like murder, rape, forgery, economic offence.

#### RELATIONSHIP BETWEEN OUR DIRECTORS

Name of Director	Designation	Relation
Mr. Manoj Arora	Managing Director	Spouse of Mrs. Alka Arora and father of Mr. Dhruv Arora
Mrs. Alka Arora	Non-Executive Director	Spouse of Mr. Manoj Arora and Mother of Mr. Dhruv Arora
Mr. Dhruv Arora	Whole time Director	Son of Mr. Manoj Arora and Mrs. Alka Arora

#### ARRANGEMENTS AND UNDERSTANDING WITH MAJOR SHAREHOLDERS

None of our Key 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.

#### PAYMENT OR BENEFIT TO OFFICERS OF OUR COMPANY

Except as stated otherwise in this Draft Red Herring 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.

#### SERVICE CONTRACTS

Other than the statutory benefits that the KMPs are entitled to, upon their retirement, Directors and the Key Managerial Personnel of our Company have not entered into any service contracts pursuant to which they are entitled to any benefits upon termination of employment or retirement.

#### 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. Our Company has, pursuant to an Extra-ordinary General Meeting held on 22<sup>nd</sup> August, 2024, resolved that in accordance with the provisions of the Companies Act, 2013, our Board is authorised to borrow, from time to time, such sum or sums of moneys as the Board which together with the moneys already borrowed by our Company (apart from temporary loans obtained or to be obtained from the Company's bankers in the ordinary course of business), may exceed at any time the aggregate of the paid – up capital of our Company and its free reserves, that is to say, reserves not set apart for any specific purpose, provided that the total amount of money/moneys borrowed by the Board of Directors and outstanding at one time shall not exceed ₹ 100 cr. (Rupees One Hundred Crore Only).

#### TERMS OF APPOINTMENT AND REMUNERATION OF OUR MANAGING DIRECTOR AND WHOLE-TIME DIRECTORS

Name	Mr. Manoj Arora	Mr. Dhruv Arora
Designation	Chairman and Managing Director	Whole time Director
Date of Appointment/ Change in Designation	1 <sup>st</sup> May, 2022	1 <sup>st</sup> May, 2022
Period	Currently he holds office for the period of 5 (Five) years w.e.f 1 <sup>st</sup> May, 2022, liable to retire by rotation	Currently he holds office for the period of 5 (Five) years w.e.f 1 <sup>st</sup> May, 2022, liable to retire by rotation
Salary	Rs. 90,00,000 /-	Rs.30,00,000 /-
Bonus	NIL	NIL
Perquisite/Benefits	NIL	NIL
Commission	NIL	NIL
Compensation/remuneration paid during the FY 2023-24	Rs. 90,00,000/-	Rs. 30,00,000/-



## Remuneration details of our Directors

### (i) Remuneration of our Executive Directors

The aggregate value of the remuneration paid to the Executive Directors in Fiscal 2024 and Fiscal 2023 are as follows:

S. No.	Name of the Director	Remuneration (Amount in ₹)	
		Fiscal 2024	Fiscal 2023
1.	Indu Agrawal	Rs. 20,67,412/-	Rs. 18,82,913/-

### (ii) Remuneration of our Non - Executive Directors

The aggregate value of the remuneration paid to the Non-Executive Directors in Fiscal 2024 and Fiscal 2023 are as follows:

S. No.	Name of the Director	Remuneration (Amount in ₹)	
		Fiscal 2024	Fiscal 2023
1.	Alka Arora*	Rs. 60,00,000/-	Rs. 60,00,000/-

\* Alka Arora is appointed as non-executive director from 22.08.2024, before that she was a Whole-Time director, therefore remuneration paid for FY 2024, 2023 in the capacity as Whole-time director.

### (iii) Sitting fee details of our Independent Directors

There were no Independent Director in Fiscal 2023. Further for Fiscal 2024 Our Board of Directors in their meeting held on August 22, 2024 have fixed ₹ 25,000/- for attending per board meeting and ₹ 20,000/- for attending per committee meeting as sitting fee for Independent Director for attending meetings of the Board of Directors.

## PAYMENT OR BENEFIT TO DIRECTORS OF OUR COMPANY

Except as disclosed in this Draft Red Herring Prospectus, no amount or benefit has been paid or given within the two preceding years or is intended to be paid or given to any of the Executive Directors except the normal remuneration for services rendered as a Director of our Company. Additionally, there is no contingent or deferred compensation payable to any of our Directors.

## REMUNERATION PAID TO OUR DIRECTORS BY OUR SUBSIDIARY

As on date of this Draft Red Herring Prospectus, our Company does not have a subsidiary.

## LOANS TO DIRECTORS

There are no loans that have been availed by the Directors from our Company that are outstanding as on the date of this Draft Red Herring Prospectus.

## SHAREHOLDING OF DIRECTORS IN OUR COMPANY

Except as stated below, none of our directors holds any Equity Shares of our Company as on the date of filing of this Draft Red Herring Prospectus:

Sr. No.	Name of the Director	Pre-Issue		Post – Issue	
		Number of Equity Shares	% of Pre-Issue Equity Share Capital	Number of Equity Shares	% of Post-Issue Equity Share Capital
1.	Mr. Manoj Arora	1,14,49,810	70.11%	[•]	[•]
2.	Mrs. Alka Arora	15,77,550	9.66%	[•]	[•]
3.	Mr. Dhruv Arora	33,04,240	20.23%	[•]	[•]
<b>Total</b>		<b>1,63,31,600</b>	<b>100%</b>	[•]	[•]

## SHAREHOLDING OF DIRECTORS IN OUR SUBSIDIARIES

As on date of this Draft Red Herring Prospectus, our Company does not have a subsidiary.

## INTEREST OF OUR DIRECTORS

Our Executive Directors may be deemed to be interested to the extent of remuneration paid to them for services rendered as a Director of our Company and reimbursement of expenses, if any, payable to them. For details of remuneration paid to our see “*Terms of appointment and remuneration of our Executive Directors*” above.

Mr. Manoj Arora, Mrs. Alka Arora and Mr. Dhruv Arora are the Promoters of our Company and may be deemed to be interested in the promotion of our Company to the extent they have promoted our Company. Except as stated above, our Directors have no interest in the promotion of our Company other than in the ordinary course of business. Our Directors may also be regarded as interested to the extent of Equity Shares held by them in our Company, if any, details of which have been disclosed above under the heading “*Shareholding of Directors in our Company*”. All of our Directors may also be deemed to be interested to the extent of any dividend payable to them and other distributions in respect of the Equity Shares.

Our Directors may also be interested to the extent of Equity Shares, if any, held by them or held by the entities in which they are associated as promoters, directors, partners, proprietors or trustees or karta or coparceners or held by their relatives or that may be subscribed by or allotted to the companies, firms, ventures, trusts in which they are interested as promoters, directors, partners, proprietors, members or trustees, pursuant to this Issue. Except as disclosed in “*Financial Information*” and “*Our Promoters and Promoter Group*” beginning on Page Nos. 141 and 129, respectively of this Draft Red Herring Prospectus, our Directors are not interested in any other company, entity or firm.

Our Promoters, have extended personal guarantees in favour of certain banks with respect to the loan facilities availed by our Company from them. For further details, please refer to the chapter titled — “*Financial Indebtedness*” on page 147 of this Draft Red Herring Prospectus.

Further, our Directors are not interested in the properties of our Company.

Except as stated in “*Restated Financial Information – Note no. – 2 Significant Accounting Policies and Explanatory Notes to the Restated Financial Statements*” beginning on Page No. 141 of this Draft Red Herring Prospectus, our Directors do not have any other interest in the business of our Company.

#### **INTEREST AS TO PROPERTY**

Except as disclosed in this Draft Red Herring Prospectus, our Directors do not have any interest in any property acquired or proposed to be acquired by our Company or of our Company.

#### **BONUS OR PROFIT SHARING PLAN FOR OUR DIRECTORS**

None of our Directors are a party to any bonus or profit-sharing plan.

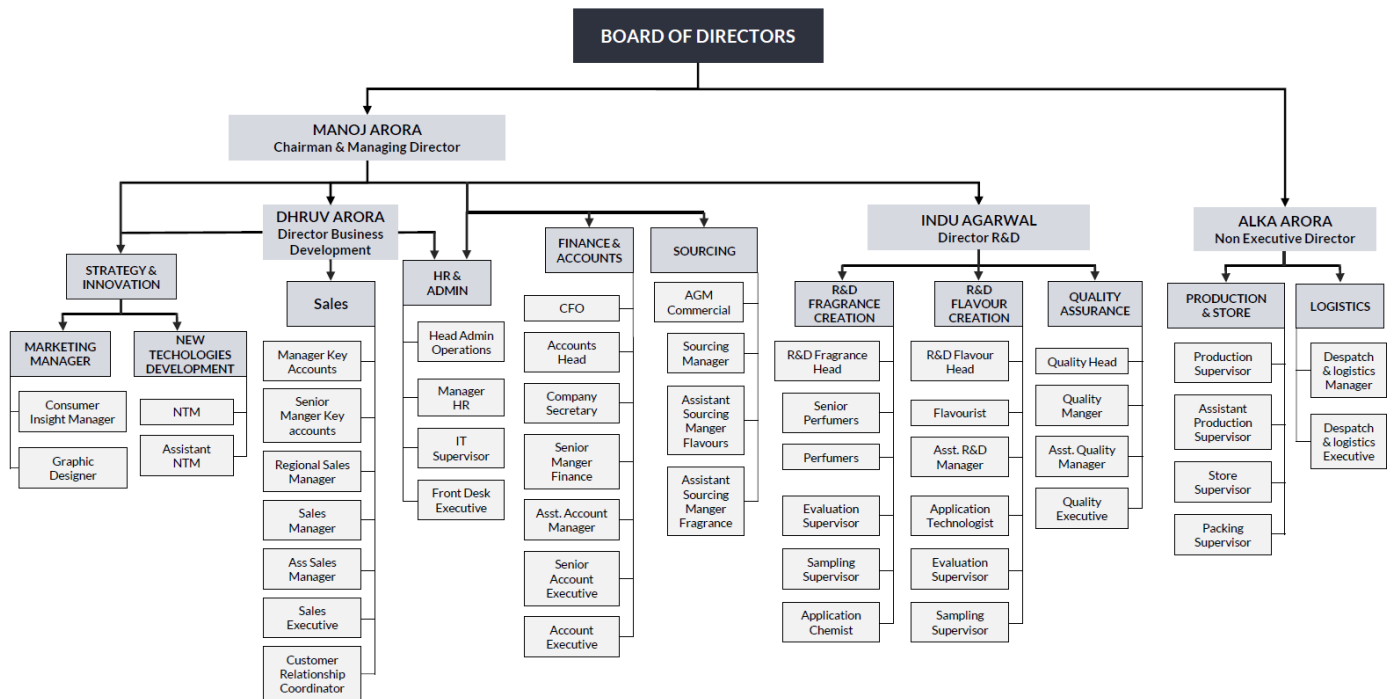
#### **CHANGES IN OUR BOARD DURING THE LAST THREE YEARS**

Except as disclosed below, there have been no changes in our Board during the last three years.

<b>Name of Director</b>	<b>Date of Appointment/Change in Designation</b>	<b>Date of Cessation</b>	<b>Reasons for Change/ Appointment</b>
Mr. Manoj Arora	01-05-2022	-	Reappointed as Managing Director
Mrs. Alka Arora	01-05-2022	-	Reappointed as Whole time Director
Mr. Dhruv Arora	01-05-2022	-	Reappointed as Whole time Director
Ms. Divya Arora	-	22-08-2024	Resignation due to Pre-Occupancy
Mrs. Alka Arora	22-08-2024	-	Reappointed as Non -Executive Director
Mr. Sunil Suri	22-08-2024	-	Appointed as Additional Director (Independent Director)
Mr. Sanjay Roye	22-08-2024	-	Appointed as Additional Director (Independent Director)
Mr. Sunil Suri	23-09-2024	-	Regularized as Independent Director
Mr. Sanjay Roye	23-09-2024	-	Regularized as Independent Director

#### **Management Organization Structure**

Set forth is the management organization structure of our Company:



## Corporate Governance

In addition to the applicable provisions of the Companies Act, 2013 with respect to the Corporate Governance, provisions of the SEBI Listing Regulations will be applicable to our company immediately upon the listing of Equity Shares on the Stock Exchanges.

As on date of this Draft Red Herring Prospectus, as our Company is coming with an offer in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, the requirements specified in regulations 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V of SEBI (Listing Obligations and Disclosures Requirement) Regulations, 2015 are not applicable to our Company, although we require to comply with requirement of the Companies Act, 2013 wherever applicable. In spite of certain regulations and schedules of SEBI (Listing Obligations and Disclosures Requirement) Regulations, 2015 is not applicable to our Company, our Company endeavours to comply with the good Corporate Governance and accordingly certain exempted regulations have been compiled by our Company.

Our Company has complied with the corporate governance requirement, particularly in relation to appointment of independent directors including woman director on our Board, constitution of an Audit Committee, Stakeholders Relationship Committee and Nomination and Remuneration Committee. Our Board functions either on its own or through committees constituted thereof, to oversee specific operational areas.

## Committees of our Board

Our Board has constituted following committees in accordance with the requirements of the Companies Act and SEBI Listing Regulations:

- Audit Committee;
- Stakeholders' Relationship Committee; and
- Nomination and Remuneration Committee

Details of each of these committees are as follows:

### a. Audit Committee

Our Audit Committee was constituted on 22<sup>nd</sup> August, 2024 with the following members forming a part of the said Committee:

Sr. No.	Name of Member	Nature of Directorship	Designation
1.	Mr. Sunil Suri	Non-Executive Independent Director	Chairperson
2.	Mr. Sanjay Roye	Non-Executive Independent Director	Member

Sr. No.	Name of Member	Nature of Directorship	Designation
3.	Mr. Manoj Arora	Chairman and Managing Director	Member

The Audit Committee is in compliance with Section 177 of the Companies Act 2013 and Regulation 18 of the SEBI Listing Regulations. The Company Secretary shall act as the secretary of the Audit Committee.

The scope, functions and the terms of reference of our Audit Committee, is in accordance with Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI Listing Regulations which are as follows:

#### ***Powers of Audit Committee***

The Audit Committee shall have the following powers:

- 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 the Audit Committee***

The role of the audit committee shall include the following:

1. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the company;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
  - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause I of sub-section 3 of section 134 of the Companies Act, 2013;
  - b. Changes, if any, in accounting policies and practices and reasons for the same;
  - c. Major accounting entries involving estimates based on the exercise of judgment by management;
  - d. Significant adjustments made in the financial statements arising out of audit findings;
  - e. Compliance with listing and other legal requirements relating to financial statements;
  - f. Disclosure of any related party transactions; and
  - g. Qualifications in the draft audit report.
5. Reviewing, with the management, the quarterly financial statements before submission to the Board for approval;
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
7. Monitoring the end use of funds raised through public offers and related matters;
8. Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
9. Approval of any subsequent modification of transactions of the company with related parties;

***Explanation:*** The term "related party transactions" shall have the same meaning as provided in Clause 2 (zc) of the SEBI Listing Regulations and/or the Accounting Standards.
10. Scrutiny of inter-corporate loans and investments;
11. Valuation of undertakings or assets of the company, wherever it is necessary;
12. Evaluation of internal financial controls and risk management systems;
13. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;

14. 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;
15. Discussion with internal auditors of any significant findings and follow up there on;
16. 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;
17. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
18. Looking into the reasons for substantial defaults in the payment to depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
19. Reviewing the functioning of the whistle blower mechanism;
20. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
21. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee; and
22. Reviewing the utilization of loans and/or advances from/investments by the holding company in the subsidiary exceeding rupees hundred crores or 100% of the asset size of the subsidiary, whichever is lower including existing loans / advances/ investments, as may be applicable.
23. 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;
- Statement of significant related party transactions (as defined by the audit committee), submitted by management;
- Management letters / letters of internal control weaknesses issued by the statutory auditors;
- Internal audit reports relating to internal control weaknesses; and
- 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) of the SEBI Listing Regulations.
  - b. Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7) the SEBI Listing Regulations.

As required under the SEBI Listing Regulations, the Audit Committee shall meet at least four times a year with maximum interval of four months between two meetings and the quorum for each meeting of the Audit Committee shall be two members or one third of the members, whichever is greater, provided that there should be a minimum of two independent directors present.

#### ***b. Stakeholders' Relationship Committee***

Our Stakeholder' Relationship Committee was constituted on 22<sup>nd</sup> August, 2024. The members of the said Committee are as follows:

<b>Sr. No.</b>	<b>Name of Member</b>	<b>Nature of Directorship</b>	<b>Designation</b>
1.	Ms. Alka Arora	Non Executive Director	Chairperson
2.	Mr. Manoj Arora	Chairman and Managing Director	Member
3.	Mr. Dhruv Arora	Whole time Director	Member

The Stakeholders' Relationship Committee is in compliance with Section 178 of the Companies Act 2013 and Regulation 20 of the SEBI Listing Regulations. The Company Secretary shall act as the secretary of the Stakeholders' Relationship Committee.

The scope and function of the Stakeholders' Relationship Committee is in accordance with Section 178 of the Companies Act, 2013 and the SEBI Listing Regulations and the terms of reference, powers and scope of the Stakeholders' Relationship Committee of our Company include:

1. Resolving the grievances of the security holders of the Company including complaints related to transfer/transmission of shares, non-receipts of annual reports, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings, etc.;

2. Review of measures taken for effective exercise of voting rights of by shareholders;
3. Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar and Share Transfer Agent;
4. Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipts of dividend warrants/ annual reports/ statutory notices by the shareholders of the Company; and
5. Carrying out any other function as prescribed under the SEBI Listing Regulations as and when amended from time to time.

As required under the SEBI Listing Regulations, the Stakeholders Relationship Committee shall meet at least once a year, and the chairperson of the committee shall be present at the annual general meetings to answer queries of the security holders. The quorum of the meeting shall be either two members or one third of the members of the committee whichever is greater.

**c. Nomination and Remuneration Committee**

Our Nomination and Remuneration Committee was constituted on 22<sup>nd</sup> August, 2024 with the following members:

Sr. No.	Name of Member	Nature of Directorship	Designation
1.	Mr. Sanjay Roye	Non-Executive Independent Director	Chairperson
2.	Mr. Sunil Suri	Non-Executive Independent Director	Member
3.	Ms. Alka Arora	Non-Executive Director	Member

The Nomination and Remuneration Committee is in compliance with Section 178 of the Companies Act 2013 and Regulation 19 of the SEBI Listing Regulations. The Company Secretary shall act as the secretary of the Nomination and Remuneration Committee.

The scope and function of the Nomination and Remuneration Committee is in accordance with Section 178 of the Companies Act, 2013 and SEBI Listing Regulations and the terms of reference, powers and role of our Nomination and Remuneration Committee are as follows:

1. formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;
2. 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:
  - a) use the services of an external agencies, if required;
  - b) consider candidates from a wide range of backgrounds, having due regard to diversity; and
  - c) consider the time commitments of the candidates.
3. formulation of criteria for evaluation of performance of independent directors and the board of directors;
4. devising a policy on diversity of board of directors;
5. identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal;
6. whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;
7. recommend to the board, all remuneration, in whatever form, payable to senior management;
8. framing suitable policies and systems to ensure that there is no violation, by an employee of any applicable laws in India or overseas, including:
  - the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 or the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 to the extent each is applicable; or
  - the Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 2003;
9. evaluating the performance of the independent directors and on the basis of their performance evaluation recommending the Board of Directors and the members of the Company to extend or continue the term of appointment of the independent director; and



10. performing such other activities as may be delegated by the Board of Directors and/or are statutorily prescribed under any law to be attended to by the Nomination and Remuneration Committee.

As required under the SEBI Listing Regulations, the Nomination and Remuneration Committee shall meet at least once a year, and the chairperson of the committee shall be present at the annual general meetings to answer queries of the shareholders. The quorum for each meeting of the said committee shall be either two members or one-third of the members of the committee whichever is greater, including at least one independent director in presence.

#### OUR KEY MANAGERIAL PERSONNEL

In addition to our Managing Director and Whole Time Director, whose details have been provided under paragraph above titled 'Brief Profile of our Directors', set forth below are the details of our Key Managerial Personnel and Senior Management as on the date of filing of this Draft Red Herring Prospectus:

Name, Designation and Date of Joining		Qualification	Remuneration Paid in FY 2023-2024 (In Rs.)
Name	Aarti Kashyap	She holds the degree of Chartered Accountant from The Institute of Chartered Accountants of India	Rs. 27,549/-
Designation	Chief Financial Officer		
Date of Appointment	18 <sup>th</sup> March, 2024		
Overall Experience	She has 1.5 years of experience in the field of accounting and finance		
Name, Designation and Date of Joining		Qualification	Remuneration Paid in FY 2023-2024* (In Rs.)
Name	Ms. Harpreet Kaur	She holds the degree of Company Secretary from The Institute of Company Secretaries of India	Nil
Designation	Company Secretary and Compliance Officer		
Date of Appointment	1 <sup>st</sup> May, 2024		
Overall Experience	She has more than three years of experience in the field of Secretarial and Corporate Compliance		

\* Company Secretary appointed w.e.f 1<sup>st</sup> May, 2024 hence no remuneration was paid in the year 2023-24

#### OUR SENIOR MANAGEMENT PERSONNEL

Details of our Senior management personnel as of the date of this Draft Red Herring Prospectus are set forth below:

Name, Designation and Date of Joining		Qualification	Remuneration Paid in FY 2023-2024 (In Rs.)
Name	Narendra Sahu	He holds the degree of Master of Science from Bhupendra Narayana Mandal Vishvidhalaya, Lalu Nagar, Madhepura.	Rs. 10,77,896/-
Designation	Account Manager		
Date of Appointment	1 <sup>st</sup> September, 1999		
Overall Experience	He has above 24 years of experience in Accounting field.		
Name, Designation and Date of Joining		Qualification	Remuneration Paid in FY 2023-2024 (In Rs.)
Name	Divya Arora	She holds degree of Master of Arts from the University of the Arts London.	Rs. 21,88,000/-
Designation	Vice President - Strategy		
Date of Appointment	22.08.2024		
Overall Experience	She has 18 years of experience in fragrance and Flavours industry.		
Name, Designation and Date of Joining		Qualification	Remuneration Paid in FY 2023-2024 (In Rs.)
Name	Gurbani Bhatia	She holds the degree of Bachelor of Commerce from University of Delhi.	Rs.12,00,000/-
Designation	Vice President - Innovation		
Date of Appointment	1 <sup>st</sup> September, 2019		
Overall Experience	She has above 9 Years of Experience in Management and Accounts.		
Name, Designation and Date of Joining		Qualification	Remuneration Paid in FY 2023-2024 (In Rs.)
Name	Mustafa Rahmat Khan	He holds the degree of Master of Business Administration from Sikkim Manipal University	Rs.13,98,129/-
Designation	Senior Manager of Sale		
Date of Appointment	1 <sup>st</sup> December, 2006		



Name, Designation and Date of Joining		Qualification	Remuneration Paid in FY 2023-2024 (In Rs.)
<b>Overall Experience</b>	He has above 17 years of experience in Sales field		
Name, Designation and Date of Joining		Qualification	Remuneration Paid in FY 2023-2024 (In Rs.)
<b>Name</b>	Nitya Tandon	She holds the degree of Master of Business Administration from Sikkim Manipal University.	Rs. 11,50,702/-
<b>Designation</b>	Senior Management in HR & Admin		
<b>Date of Appointment</b>	1 <sup>st</sup> March, 2011		
<b>Overall Experience</b>	She has over 13 years of experience in HR field.		
Name, Designation and Date of Joining		Qualification	Remuneration Paid in FY 2023-2024 (In Rs.)
<b>Name</b>	Shweta Varshney	She holds the degree of Bachelors in Microbiology (Science) and Master's in Microbiology (Science).	Rs. 6,66,226/-
<b>Designation</b>	Quality Control Manager		
<b>Date of Appointment</b>	9 <sup>th</sup> December, 2013		
<b>Overall Experience</b>	She has over 12 years of experience in Quality Control field.		
Name, Designation and Date of Joining		Qualification	Remuneration Paid in FY 2023-2024 (In Rs.)
<b>Name</b>	Lakshmi Dhawan	She holds the degree of Bachelor in Science from University of Kerala	Rs.12,61,455/-
<b>Designation</b>	Senior Perfumer		
<b>Date of Appointment</b>	4 <sup>th</sup> April, 2014		
<b>Overall Experience</b>	She has over 10 Years of experience in Fragrance Field.		
Name, Designation and Date of Joining		Qualification	Remuneration Paid in FY 2023-2024 (In Rs.)
<b>Name</b>	Ajay Saxena	He holds the degree of Bachelors in Commerce from Varanasey Sanskrit Vishmabidyalaya.	Rs. 9,65,187/-
<b>Designation</b>	Head Accountant		
<b>Date of Appointment</b>	01.04.2015		
<b>Overall Experience</b>	He has over 12 years of experience in Accounting field.		
Name, Designation and Date of Joining		Qualification	Remuneration Paid in FY 2023-2024 (In Rs.)
<b>Name</b>	Sant Kumar Sharma	He holds the degree of Bachelors of Technology.	Rs. 4,44,311/-
<b>Designation</b>	Purchase Manager		
<b>Date of Appointment</b>	14 <sup>th</sup> December, 2020		
<b>Overall Experience</b>	He has over 8 years of experience in Administration .		
Name, Designation and Date of Joining		Qualification	Remuneration Paid in FY 2023-2024 (In Rs.)
<b>Name</b>	Prahallad Kumar Patel	He holds the Bachelor's degree from Rajendra Agricultural University, Bihar. Further, had a certificate of Food Technology Course from Central Food Technological Research Institute, Mysore.	Rs. 14,99,238/-
<b>Designation</b>	Senior Flavourist		
<b>Date of Appointment</b>	1 <sup>st</sup> December 2008		
<b>Overall Experience</b>	He has over 16 years of experience in Flavour Industry.		
Name, Designation and Date of Joining		Qualification	Remuneration Paid in FY 2023-2024 (In Rs.)
<b>Name</b>	Ashok Kumar Yadav	He holds the Degree of Bachelor of Arts Honours from Vinoba Bhave University, Hazaribag.	Rs. 4,33,858/-
<b>Designation</b>	Dispatch Manager		
<b>Date of Appointment</b>	1 <sup>st</sup> June, 2016		
<b>Overall Experience</b>	He has over 8 Years of experience in Administration		

All our Key Managerial Personnel and Senior Management are permanent employees of our Company.

## **RELATIONSHIP OF KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT WITH OUR DIRECTORS, PROMOTERS AND / OR OTHER KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT**

Except as disclosed under the heading “*Relationship between our Directors*” herein above, none of the key managerial personnel and senior management are related to each other or to our Promoters or to any of our Directors.

## **SHAREHOLDING OF THE KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT**

Except as disclosed in “*Shareholding of our Directors*” none of our KMPs holds any Equity Shares of our Company as on the date of filing of this Draft Red Herring Prospectus.

## **BONUS OR PROFIT-SHARING PLAN FOR OUR KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT**

None of our Key Managerial Personnel and Senior Management is a party to any profit-sharing plan and Bonus.

## **PAYMENT OR BENEFIT TO KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT OF OUR COMPANY**

Except as disclosed in this Draft Red Herring Prospectus, no amount or benefit has been paid or given within two preceding years or is intended to be paid or given to any of the Key Managerial Personnel and Senior Management except the normal remuneration for services rendered by them. Additionally, there is no contingent or deferred compensation payable to any of our Key Managerial Personnel and Senior Management.

## **INTEREST OF KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT**

Except as disclosed in this Draft Red Herring Prospectus, none of our Key Managerial Personnel’s and Senior Managements have any interest in our Company other than to the extent of the remuneration, equity shares held by them 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.

Further, there is no arrangement or understanding with the major shareholders, customers, suppliers or others, pursuant to which any of our Key Managerial Personnel and Senior Management have been appointed.

## **CHANGES IN KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT IN THE LAST THREE YEARS**

Set forth below, are the changes in our Key Managerial Personnel and Senior Management in the last three years immediately preceding the date of filing of this Draft Red Herring Prospectus:

<b>Name</b>	<b>Designation</b>	<b>Date of Appointment/ change</b>	<b>Reason</b>
Mr. Manoj Arora	Managing Director	1 <sup>st</sup> May, 2022	Reappointed as Managing Director
Mrs. Alka Arora	Whole time Director	1 <sup>st</sup> May, 2022	Reappointed as Whole time Director
Mr. Dhruv Arora	Whole time Director	1 <sup>st</sup> May, 2022	Reappointed as Whole time Director
Ms. Aarti Kashyap	Chief Financial Officer	18 <sup>th</sup> March, 2024	Appointed as Chief Financial Officer
Ms. Harpreet Kaur	Company Secretary	1 <sup>st</sup> May, 2024	Appointed as Company Secretary
Mrs. Alka Arora	Non- Executive Director	22 <sup>nd</sup> August, 2024	Change in Designation from Whole time director to Non- Executive Director

The attrition of the key management personnel and Senior Management is as per the industry standards.

## **EMPLOYEES’ STOCK OPTION PLAN**

As on date of this Draft Red Herring Prospectus, our Company does not have any employee stock option plan or purchase schemes for our employees.


## **LOANS TAKEN BY DIRECTORS / KEY MANAGEMENT PERSONNEL AND SENIOR MANAGEMENT**


Our Company has granted loans to the Directors and Senior Management as on the date of this Draft Red Herring Prospectus. For further details, please refer to the chapter titled — “*Financial Indebtedness*” on page 147 of this Draft Red Herring Prospectus.

## OUR PROMOTER AND PROMOTER GROUP


As on the date of this Draft Red Herring Prospectus, our Promoters holds, 1,63,31,600 Equity Shares, constituting 99.99% of our pre-issued, subscribed and paid-up equity share capital of our Company. For details of the build-up of our Promoters' shareholding in our Company, see "Capital Structure" on page 43 of this Draft Red Herring Prospectus.

### Details of our Promoters

	<b>Mr. Manoj Arora</b>
	<p><b>Mr. Manoj Arora</b>, aged 65 years, is the Chairman, Managing Director and Promoter of our Company. He has completed his higher secondary and B.Sc dropout from Kirori Mal College, Delhi. He has 40 years of experience in the field of fragrance industry. He was invited as a keynote speaker at the prestigious forum of World Perfumery Congress 2022 in Miami, USA. He also took stage at World Aroma Ingredients Congress &amp; Expo 2024 held at Chennai. Further, he has been associated with "Radhey Mohan Drive Country Homes Residents Welfare Association" as President since August, 2021. Along with that, he has been associated with "Vishva Hindu Parishad" as Central Treasurer since December, 2022 and acts as a Chairman of board of trustee of Vanvasi Raksha Parivar Foundation since August, 2016.</p>
<b>Date of Birth</b>	7 <sup>th</sup> August, 1959
<b>Age</b>	65 years
<b>PAN</b>	ADQPA1319K
<b>Educational Qualification</b>	Higher Secondary and B.Sc dropout
<b>Address</b>	F 57A, Radhey Mohan Drive Chattarpur, Gadai Pur, South Delhi, Delhi-110030
<b>Directorship held</b>	<ul style="list-style-type: none"> <li>• Sachee Holdings Private Limited</li> <li>• Velox Infraprojects Private Limited</li> <li>• Quick Infraprojects Private Limited</li> <li>• Sacheerome Advance Technologies Private Limited</li> <li>• Quartz Impex Private Limited</li> </ul>
<b>Other Ventures</b>	Vaishali F&F LLP

	<b>Mrs. Alka Arora</b>
	<p><b>Mrs. Alka Arora</b> aged 60 years is the Promoter and Whole time Director of our company. She holds degree of Bachelor of Commerce from Panjab University. She has more than 26 years of experience in the field of this fragrance and flavours industry. She is involved in the Production &amp; Logistics of the company.</p>
<b>Date of Birth</b>	11 <sup>th</sup> May, 1964
<b>Age</b>	60 Years

<b>PAN</b>	AGXPA8163H
<b>Educational Qualification</b>	She holds the degree of Bachelor of Commerce from Punjab University
<b>Address</b>	F 57A, Radhey Mohan Drive Chattarpur, Gadai Pur, South Delhi, Delhi-110030
<b>Directorship held</b>	Velox Infraprojects Private Limited Quick Infraprojects Private Limited Sachee Holdings Private Limited Divcare PC&H Private Limited
<b>Other Ventures</b>	Vaishali F&F LLP

	<b>Mr. Dhruv Arora</b>
	<b>Mr. Dhruv Arora</b> aged 36 years is the Whole time Director of our Company. He possess the degree of Bachelor of Science Chemistry with Business and Management from The University of Manchester and Management Programme for Family Business from Indian School. He has 14 years of experience of experience in fragrance and flavours Industry. He is involved in the Business Development of the company.
<b>Date of Birth</b>	2 <sup>nd</sup> October, 1988
<b>Age</b>	36 Years
<b>PAN</b>	AIVPA5525D
<b>Educational Qualification</b>	Bachelor of Science Chemistry with Business and Management from The University of Manchester
<b>Address</b>	F 57A, Radhey Mohan Drive, Chattarpur, Gadai Pur, South Delhi, Delhi-110030
<b>Directorship held</b>	Velox Infraprojects Private Limited Quick Infraprojects Private Limited Quartz Impex Private Limited Sachee Holdings Private Limited Sacheerome Advance Technologies Private Limited
<b>Other Ventures</b>	Vaishali F&F LLP

#### **OTHER UNDERTAKINGS AND CONFIRMATIONS**

Our Company undertakes that the details of Permanent Account Number, Bank Account Number(s), Aadhar Card Number, Driving License Number and Passport Number of the Promoters will be submitted at the time of submission of this DRHP with NSE for listing of the securities of our Company on EMERGE Platform of NSE.

Our Promoters and the members of our Promoter Group have confirmed that they have not been identified as wilful defaulter or a fraudulent borrower by the RBI or any other governmental authority. No violations of securities laws have been committed by our Promoters or members of our Promoter Group in the past or are currently pending against them.

None of (i) our Promoters and members of our Promoter Group or persons in control of or on the boards of bodies corporate forming part of our Group (ii) the Companies with which any of our Promoters are or were associated as a promoters, director or person in control, are debarred or prohibited from accessing the capital markets or restrained from buying, selling, or dealing in securities

under any order or directions passed for any reasons by the SEBI or any other authority or refused listing of any of the securities issued by any such entity by any stock exchange in India or abroad.

#### **CHANGE IN CONTROL OF OUR COMPANY**

Mr. Manoj Arora is the original promoter of our Company and the control of our Company has not been acquired during five years immediately preceding this Draft Red Herring Prospectus.

#### **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 to the chapter titled “*Our Management*” beginning on page 112 of this Draft Red Herring Prospectus.

#### **INTEREST OF OUR PROMOTERS AND COMMON PURSUITS**

##### ***Interest in promotion of our Company***

Our Promoters are interested in our Company to the extent that they have promoted our Company and to the extent of their shareholding in our Company and the dividends payable, if any, and any other distributions in respect of their shareholding in our Company or the shareholding of their relatives in our Company. For details of the shareholding and directorships of our Promoters in our Company, please refer to the chapter titled “*Capital Structure*”, “*Our Management*” and “*Related Party Transactions*” beginning on page 43, 112 and 141, respectively of this Draft Red Herring Prospectus.

##### ***Interest of Promoters in our Company other than as a Promoters***

Our Promoters Mr. Manoj Arora, Mrs. Alka Arora and Mr. Dhruv Arora are the Managing Director, Non -Executive Director and Whole-time Director respectively, of our Company therefore, may deemed to be considered interested to the extent of any remuneration which shall be payable to him in such capacity. Except as stated in this section and the section titled “*Our Management*” and “*Related Party Transactions*” on pages 112 and 141, respectively, our Promoters do not have any interest in our Company other than as a Promoters.

Except as stated in this section and the section titled “*Restated Financial Statements*” on page 141 of this DRHP, our Promoters does not have any interest in our Company other than as a Promoters.

##### ***Interest in the properties of our Company***

Except as disclosed in the section titled “*Our Business*”, “*Financial Information*” and the chapter titled “*Related Party Transaction*” on pages 89 and 141 our Promoters are not interested in the properties acquired by our Company in the three years preceding the date of filing of this with SEBI or proposed to be acquired by our Company, or in any transaction by our Company for the acquisition of land, construction of building or supply of machinery.

#### **OTHER INTEREST AND DISCLOSURES**

Except as stated in this section and the section titled “*Our Management*”, “*Related Party Transactions*” under the chapter title “*Financial Information*” on pages 112 and 141, respectively, our Promoters do not have any interest in our Company other than as a Promoter.

Our Promoters are not interested in any transaction in acquisition of land or property, construction of building and supply of machinery, or any other contract, agreement or arrangement entered into by the Company and no payments have been made or are proposed to be made in respect of these contracts, agreements or arrangements.

#### **PAYMENT OR BENEFITS TO OUR PROMOTERS AND PROMOTER GROUP DURING THE LAST TWO YEARS**

Except as stated in this chapter and the benefits mentioned in the related party transactions as per AS-18 there has been no payment of any amount of benefits to our Promoters or the members of our Promoter Group during the last two years from the date of this nor is there any intention to pay or give any benefit to our Promoters or Promoter group as on the date of this. For further details, please refer to the chapter titled “*Related Party Transactions*” on page 141 of this Draft Red Herring Prospectus.

#### **LITIGATIONS INVOLVING OUR PROMOTERS**

There are no litigations filed by or against our Promoters except as Specified in the “*Outstanding Litigation & Material Developments*” on Page no. 163.

#### **GUARANTEES**

Our Promoters have given personal guarantee to third parties. For further details, please refer to the chapter titled “*Restated Financial Statements*” on page 141 of this Draft Red Herring Prospectus.

## DETAILS OF COMPANIES / FIRMS FROM WHICH OUR PROMOTERS HAVE DISASSOCIATED IN THE LAST THREE YEARS

Except following our Promoters have not disassociated themselves from any company/firm during the three years preceding this.

Sr no.	Name of Promoter	Name of Company	Date of Cessation
1.	Mr. Manoj Arora	Divcare PC&H Private Limited	22 <sup>nd</sup> August, 2024
2.	Mr. Dhruv Arora	Divcare PC&H Private Limited	20 <sup>th</sup> August, 2024

## OUR PROMOTER GROUP

In addition to our Promoters, the following individuals and entities form part of our Promoter Group in terms of Regulation 2(1) (pp) of the SEBI (ICDR) Regulations:

### D. Natural persons who are part of our Individual Promoter Group:

Name of the Promoters	Name of the member of Promoter Group	Relationship with the Promoter
<b>Manoj Arora</b>	Late Amrit Rai Arora	Father
	Late Satya Rani Arora	Mother
	Alka Arora	Spouse
	Late Rama Seth	Sister
	Late Uma Rani Kumar	Sister
	Veena Gulati	Sister
	Renu Manektala	Sister
	Late Rakesh Arora	Brother
	Lalit Kumar Arora	Brother
	Dhruv Arora	Son
	Divya Aroa	Daughter
	Late Chaman Lal Virmani	Spouse's father
	Sudesh Virmani	Spouse's mother
	NA	Spouse's Sister
Ajay Virmani	Spouse's Brother	
Sanjay Virmani	Spouse's Brother	
<b>Alka Arora</b>	Late Chaman Lal Virmani	Father
	Sudesh Virmani	Mother
	Manoj Arora	Spouse
	NA	Sister
	Ajay Virmani	Brother
	Sanjay Virmani	Brother
	Dhruv Arora	Son
	Divya Arora	Daughter
	Late Amrit Rai Arora	Spouse's father
	Late Satya Rani Arora	Spouse's mother
	Late Rama Seth	Spouse's sister
	Late Uma Rani Kumar	Spouse's sister
	Veena Gulati	Spouse's sister
	Renu Manektala	Spouse's sister
Late Rakesh Arora	Spouse's Brother	
Lalit Kumar Arora	Spouse's Brother	
<b>Dhruv Arora</b>	Manoj Arora	Father
	Alka Arora	Mother
	Gurbani Bhatia	Spouse



Name of the Promoters	Name of the member of Promoter Group	Relationship with the Promoter
	Divya Arora	Sister
	NA	Brother
	NA	Son
	Mirayah Arora	Daughter
	Nirmal Jit Singh Bhatia	Spouse's father
	Late Satnam Kaur Bhatia	Spouse's mother
	NA	Spouse's Sister
	Sunny Bhatia	Spouse's Brother

**E. Companies related to our Promoter Company: Not Applicable as our Promoter is not Company.**

Nature of Relationship	Name of Entities
Subsidiary or holding company of Promoter Company.	Not Applicable
Any Body corporate in which Promoter (Body Corporate) holds 20% or more of the equity share capital or which holds 20% or more of the equity share capital of the Promoter (Body Corporate).	Not Applicable

**F. Companies, Proprietary concerns, HUF's related to our Promoter**

Nature of Relationship	Name of Entities
Any Body Corporate in which twenty percent or more of the equity share capital is held by Promoter or an immediate relative of the Promoter or a firm or HUF in which Promoter or any one or more of his immediate relatives are a member.	<ul style="list-style-type: none"> <li>• Vaishali F&amp;F LLP</li> <li>• Sachee Holdings Pvt.Ltd</li> <li>• Divcare PC&amp;H Pvt.Ltd</li> <li>• Quick Infraprojects Pvt.Ltd</li> <li>• Sacheerome Advance Technologies Pvt.Ltd</li> <li>• Velox Infraprojects Pvt.Ltd</li> <li>• Quartz Impex Pvt.Ltd</li> <li>• Classic Aromatics Private Limited</li> <li>• Sunlord Infotech Private Limited</li> <li>• Alpha Alternatives Msar LLP</li> <li>• Spectrum Textiles Private Ltd</li> <li>• Alkali Manufacturers Association of India</li> <li>• Academy Of Music And Performing Arts Private Limited</li> <li>• Nuske E-Retail (Opc) Private Limited</li> <li>• Inward Outward Wellness LLP</li> </ul>
Any Body corporate in which Body Corporate as provided above holds twenty percent or more of the equity share capital.	Not Applicable
Any Hindu Undivided Family or Firm in which the aggregate shareholding of the Promoter and his immediate relatives is equal to or more than twenty percent.	Not Applicable

**OTHER CONFIRMATIONS**

None of our Promoters and members of the Promoter Group have been declared as wilful defaulters or as a fraudulent borrower by the RBI or any other governmental authority and there are no violations of securities laws committed by them in the past or are currently pending against them.

Our Promoters have not been declared as a Fugitive Economic Offender under Section 12 of the Fugitive Economic Offenders Act, 2018.

None of our Promoters or Promoter Group entities have been debarred or prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority. Our Promoters and members of the Promoter Group are not and have never been promoters, directors or person in control of any other company, which is debarred or prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority.



There is no litigation or legal action pending or taken by any ministry, department of the Government or statutory authority during the last 5 (five) years preceding the date of the Issue against our Promoters.

## OUR GROUP COMPANY

In terms of the SEBI ICDR Regulations, pursuant to a resolution of our Board dated August 22, 2024 and the applicable accounting standards (Accounting Standard 18 and Indian Accounting Standard 24), for the purpose of identification of “group companies” in relation to the disclosure in Offer Documents, our company has considered the companies with which there have been related party transactions in the last three years, as disclosed in the section titled “Financial Information” on page 141 of this Draft Red Herring Prospectus.

Accordingly, pursuant to the said resolution passed by our Board of Directors and the materiality policy adopted, for determining our Group Companies, Further, companies which are no longer associated with our company have not been disclosed as Group Companies. The following company has been identified and considered as the Group Company of our Company.

1. M/s. Divcare PC&H Private Limited
2. M/s. Sachee Holdings Private Limited
3. M/s. Sacheerome Advance Technologies Private Limited

### Details of our Group Company

#### 1. DIVCARE PC&H PRIVATE LIMITED

##### *Corporate Information and Nature of Business:*

Divcare PC&H Private Limited (CIN: U36900DL2017PTC319402) was incorporated on 19<sup>th</sup> June 2017 as a Private Limited Company. The Company has its registered office located at Y-4 Okhla Industrial Areaph-II, New Delhi, Delhi, India, 110020.

The Company carries out the business as per the object of the Company as detailed in its MOA is:

1. To manufacture, produce, process, grow, cultivate, buy, sell, import, export or otherwise deal in and marketing of all kinds of Consumer goods including but not restricted to Food Products, Beverages, Soft Drinks, Confectionery products, Medicinal formulations, Ayurvedic & Unani formulations, Cosmetics, Toiletries, Personal care, Health Care, Hygiene, Home Care, Sanitary, Beauty care, Human & other living being care, Casual medicines, Therapeutic products, Soaps, Detergents, Household products, Home Care, Health Products, Aromatic Products, Fragrances, Flavours, Antiseptic, Anti-bacterial, Hair-care, Skin-care, Grooming aids, Digestive aids, House-hold remedies, First-aid medicines, Whitening agents, Food preservatives, Food additives, and other allied goods.
2. To buy, sell, manufacture, to carry on liaison work, act as, agents, importers, exporters, distributors, stockists and represent manufacturers, producers, importers & exporters of food and other Health & Personal Care Products, together with various allied items to market in India or abroad for both Indian & foreign companies, firms, merchantseither individually or in association with any other person or persons.
3. To acquire, develop, process and deal in scientific know how and process of manufacturing food and other health & personal & home care products.
4. To take up turnkey projects or enter into collaboration agreements in India or abroad for setting up similar industries to manufacture or to deal in food and other health & personal & home care products.
5. To manufacture, fabricate, install, buy sell, import, export and otherwise deal in all machineries & equipments necessary for manufacturing food and health & personal & home care products.

##### *Litigation:*

Our Group company is not party to any litigation which may have material impact on our company as on the date of this Draft Red Herring Prospectus.

##### *Board of Directors of the Company*

Name of Director	DIN	Designation
Divya Arora	01848270	Director
Alka Arora	01819475	Director

### List of Shareholders of the Company as on March 31, 2024

No.	Names of Shareholders	No. of Shares held	Percentage (%)
1	Mr. Manoj Arora	3,00,000	60%
2	Mr. Dhruv Arora	1,00,000	20%
3	Ms. Divya Arora	1,00,000	20%
<b>Total</b>		<b>5,00,000</b>	<b>100%</b>

### Financial Summary of the company

Particulars	Amount (in Thousands except Earnings per share and diluted earnings per share) (As on 31 <sup>st</sup> March, 2024)	Amount (in Thousands except Earnings per share and diluted earnings per share) (As on 31 <sup>st</sup> March, 2023)	Amount (in Thousands except Earnings per share and diluted earnings per share) (As on 31 <sup>st</sup> March, 2022)
Reserves	(19740.00)	(12935)	(5021)
Sales	16,932	19415	3889
Profit after Tax	(6805)	(7914)	(3452)
Earnings Per Share	(13.61)	(15.83)	(6.90)
Diluted Earnings Per Share	(13.61)	(15.83)	(6.90)
Net Worth	(14,740)	(7,935)	(21)

## 2. SACHEE HOLDINGS PRIVATE LIMITED

### Corporate Information and Nature of Business:

Sachee Holdings Private Limited, was incorporated on 26th August 1992 under the laws of Companies Act, 1956 as private company. The Company has its registered office at Y-4 Okhla Industrial Areaph-II, New Delhi, Delhi, India, 110020. The Company carries out its operations in India.

The Company carries out the business as per the object of the Company as detailed in its MOA is:

1. To carry on the business of an Investment Company and for that purpose to Invest in, acquire, underwrite, subscribe for, hold shares, bonds, stocks, securities debentures, debenture stocks issued or guaranteed by any Company constituted and carrying on business in India or elsewhere any Government, state, dominions, sovereign, Central or Provincial commissioners, Port, Trust, public body or authority, municipal, local or otherwise whether in India or elsewhere.
2. To invest money (not amounting to banking business) on personal security or on the security, of leasehold and freehold land shares, securities, stock, merchandise and other property and assets and generally to lend and advance money to such persons, firms, or Companies and upon such terms and subjects to such conditions as may seem expedient.
3. To purchase for investment or resale and to deal in land, house and other property of any tenure and any interest therein, and to create, sell and deal in freehold and leasehold groud rents.
4. To carry on and transact every kind of guarantee and indemnity business and to undertake obligations of every kind and description and also to undertake trusts of all kinds.

### Litigation:

Our Group company is not party to any litigation which may have material impact on our company as on the date of this Draft Red Herring Prospectus.

### Board of Directors of the Company

Name of Director	DIN	Designation
Dhruv Arora	03166931	Director
Manoj Arora	01811530	Director
Alka Arora	01819475	Director

*List of Shareholders of the Company as on March 31, 2024*

Sr. No.	Names of Shareholders	No. of Shares held	Percentage (%)
1	Manoj Arora	5,90,300	60.47%
2	Alka Arora	2,00,300	20.52%
3	Dhruv Arora	1,85,600	19.01%
	<b>Total</b>	<b>9,76,200</b>	<b>100.00%</b>

*Financial Summary of the company*

Particulars	Amount (in Thousands except Earnings per share and diluted earnings per share) (As on 31 <sup>st</sup> March, 2024)	Amount (in Thousands except Earnings per share and diluted earnings per share) (As on 31 <sup>st</sup> March, 2023)	Amount (in Thousands except Earnings per share and diluted earnings per share) (As on 31 <sup>st</sup> March, 2022)
Reserves	30,557	29874	30923
Sales	1633	-	-
Profit after Tax	683	(1049)	(1451)
Earnings Per Share	0.70	(1.07)	(1.49)
Diluted Earnings Per Share	0.70	(1.07)	(1.49)
Net Worth	40,319	39636	40685

### 3. SACHEEROME ADVANCE TECHNOLOGIES PRIVATE LIMITED

*Corporate Information and Nature of Business:*

Sacheerome Advance Technologies Private Limited, was incorporated on 23<sup>rd</sup> December 2010 under the laws of Companies Act, 1956 as private company. The Company has its registered office at Y-4 Okhla Industrial Areaph-II, New Delhi, Delhi, India, 110020. The Company carries out its operations in India.

The Company carries out the business as per the object of the Company as detailed in its MOA is:

1. To carry on the business, profession and vocation in all kinds of technologies including but not restricted to Assistive Technology. Banking Technology, Biotechnology, Cleanroom Technology, Consumer Electronics Technology, Cyberinfrastructure, Cybernetics, Digital Technology, Domestic implements, Drilling Technology, Educational Technology, Electronics, Emerging Technologies, Energy Technology, Environmental Technology, Equipment, Explosives, Film and Video Technology, Financial Technology, Food Technology, Gas Turbine Technology, Geographical Technology, Home automation, Industrial Technology, Information Technology, Inventions, Lubrication, Machinery, Media Technology, Medical Technology, Microtechnology, Military Technology, Mining Techniques, Missile Technology, Music Technology, Nanotechnology. Primitive Technology, Radio technology, Rail Technology, Scientific equipment, Sound Technology, Space Technology, Sports Technology, Telecommunications, Television Technology. Tools, Transport, Travel Technology. Vehicle Technology and Waste treatment technology.
2. To undertake or to carry on the business of managing, owning, controlling, erecting, commissioning, operating, running, leasing or transferring to third person/s, Power plants and Plants based on conventional or non-conventional energy sources, Solar Energy Plants, Wind energy Plants, Mechanical, Electrical, Hydel, Civil Engineering works and similar projects. To conceive, plan, survey, design, study and evaluate all steps, process, techniques and methods for setting up of all types of Infrastructure Projects, facilities or works, and to build, construct, install, erect, undertake, lay down, commission, establish, own, operate, manage, control, and administer, transfer, all Infrastructure Projects, facilities or works including Industrial/ Agricultural Parks, Gardens, Roads, Bridges, Fly-overs, Highways, Roadways, structures and facilities, Rail-roads, Railway Stations, Platforms, Railway Yards, Rail Tracks including gauge conversions thereof, Railway Electrification, Tram-ways, Buildings, Wells, Water-Courses, Dams, Canals, Reservoirs, Urban and Rural Water Supply System, Sewerage and Underground drainage systems, Airstrips, Airports, Seaports, Berths, Jetties, Quays, Docks and Marine structures of all types, Rapid Transport and Telecommunication Systems of all types, Transportation Systems, Irrigation Projects, Water-Ways, Water Supply Schemes including distribution systems, Chemical Plants, Fertilizer Plants, Distillery Plants, LPG and

all types of Petroleum Products, Handling and Storage Plants and Terminals, Handling Equipments of various types, Pumping Stations, Light Rail Transport systems for cities, Mass Housing Projects, Industrial Plants of all types, Industrial and Technology parks and civil projects. Environmental based projects and Equipments, Gas pipeline projects and other pipeline projects, Oil Exploration projects, On-shore/off shore projects, Airport facilities, Electronics Hardware Technology Park Complexes, Schools, Colleges, and other educational or vocational Institutions, Public halls, Museums, Libraries, Garages, Hospitals, Health Centers, Community Centers, Hotels. Holiday Homes and/or Beach Resorts and to render all services in connection thereto as planners, Designers, Consultants, Constructors, Builders. Developers, Architects, Engineers. Storage Services, Erectors, Installers, Commissioning Agents. Management Consultants.

3. To act and to carry on the business as Manufactures, Suppliers, Dealers, Representatives, Stockists, Dealers, Assigners of patents & Trade Marks, Franchisers, Distributors of all types of plants, Machinery, Equipments, Tools, Raw-materials, Intermediaries and other related products and consumables in connection with the aforesaid activities, Industries and Projects.
4. To enter into any contract, Agreements, Memorandum of understanding, Joint Ventures, Arrangements or such other mode of Contracts with Government of India, State Governments, Foreign Governments, Municipal/Local Authorities, Bodies Corporate, Persons or such other Authorities whether in India or elsewhere as the Company may deem fit on the basis of Build-Own-Lease-Transfer (BOLT) Built-Own-Operate-Transfer (BOOT) Built-Own-Operate (BOO) or such other methods for the purposes of carrying out the objects of the Company.
5. To enter into, manage, undertake, carry on and engaged in the business of Real Estate Development, Land Development, Area Estate and Site Development and to carry on the Business as Planners, Builders, Real Estate Developers, Architects and Civil Engineers, Contractors, Real Estate Brokers, Agents, Brick Makers, and to build/construct own. operate, maintain, manage, control and administer, Earth Works, farmhouses, Parks, Gardens, Row-houses, Duplex Apartments, Commercial, Residential or Industrial building Complexes, Retail Stores, Shopping Centers, Market Yards and deal in, manage and carry on all types of businesses and profession related to land dealings, buildings, farms. estates, properties, areas and sites and to act and undertake and carry on business as stockists, manufacturers, representatives, suppliers, dealers, agents, distributors, marketeers, importers and exporters of all types of building and construction machineries, equipments, materials and related products. To own, acquire, purchase, possess, hold and deal in agriculture land, farms, plots, fields, sites, estates, gardens, groves and al description of vacant or non-vacant lands with or without trees, minerals and other substances whatsoever, with or without building, hereditaments and apartments thereto and to plant, ground, processes and produce agricultural crops, agricultural products or produce, trees, plants, fruits and fowers of any kind thereon and to carry on the business as growers, agriculturists, agricultural researchers, horticulturists sericulturists and florists.

#### **Litigation:**

Our Group company is not party to any litigation which may have material impact on our company as on the date of this Draft Red Herring Prospectus.

#### **Board of Directors of the Company**

<b>Name of Director</b>	<b>DIN</b>	<b>Designation</b>
Tarun Sikka	00204353	Director
Manoj Arora	01811530	Director
Dhruv Arora	03166931	Director

#### **List of Shareholders of the Company as on March 31, 2024**

<b>Sr. No.</b>	<b>Names of Shareholders</b>	<b>No. of Shares held</b>	<b>Percentage (%)</b>
1	Manoj Arora	4,25,000	42.5%
2	Dhruv Arora	2,25,000	22.5%
3	Divya Arora	1,50,000	15.00%
4	Tarun Sikka	75,000	7.5%
5	Neha Manektala	75,000	7.5%
6	Sunil Jain	50,000	5.00%
	<b>Total</b>	<b>10,00,000</b>	<b>100.00%</b>

*Financial Summary of the company*

<b>Particulars</b>	<b>Amount (in Thousands except Earnings per share and diluted earnings per share) (As on 31<sup>st</sup> March, 2024)</b>	<b>Amount (in Thousands except Earnings per share and diluted earnings per share) (As on 31<sup>st</sup> March, 2023)</b>	<b>Amount (in Thousands except Earnings per share and diluted earnings per share) (As on 31<sup>st</sup> March, 2022)</b>
Reserves	(61,774)	(69,565)	(20,603)
Sales	-	-	-
Profit after Tax	7790	(48,961)	(3909)
Earnings Per Share	0.78	(4.90)	(0.39)
Diluted Earnings Per Share	0.78	(4.90)	(0.39)
Net Worth	38,226	30,435	79,397

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## **DIVIDEND POLICY**

Under the Companies Act, an Indian company pays dividends upon a recommendation by its Board of Directors and approval by a majority of the shareholders, who have the right to decrease but not to increase the amount of dividend recommended by the Board of Directors, under the Companies Act, dividends may be paid out of profits of a company in the year in which the dividend is declared or out of the undistributed profits or reserves of the previous years or out of both.

Any dividends to be declared shall be recommended by the Board of Directors depending upon the financial condition, results of operations, capital requirements and surplus, contractual obligations and restrictions, the terms of the credit facilities and other financing arrangements of our Company at the time a dividend is considered, and other relevant factors and approved by the Equity Shareholders at their discretion

Dividends are payable within 30 days of approval by the Equity Shareholders at the Annual General Meeting of our Company. When dividends are declared, all the Equity Shareholders whose names appear in the register of members of our Company as on the record date are entitled to be paid the dividend declared by our Company.

Any Equity Shareholder who ceases to be an Equity Shareholder prior to the record date, or who becomes an Equity Shareholder after the record date, will not be entitled to the dividend declared by our Company.

We have not declared dividend in any Financial Year.

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**SECTION VI: FINANCIAL INFORMATION**

**RESTATED FINANCIAL STATEMENTS**

<b>S. No.</b>	<b>Details</b>	<b>Page Number</b>
1.	Restated Financial Information	F1 – F41

*(The remainder of this page is intentionally left blank)*

## OTHER FINANCIAL INFORMATION

The accounting ratios required under Clause 11 of Part A of Schedule VI of the SEBI ICDR Regulations are given below:

S.no	Particulars	As at and for half year ended September 30, 2023	As at and for year ended March 31, 2024	As at and for year ended March 31, 2023	As at and for year ended March 31, 2022
1	Restated Basic Earnings Per Share (Refer Table 1 below)	4.31	6.50	3.67	2.79
2	Restated Diluted Earnings Per Share (Refer Table 2 below)	4.31	6.50	3.67	2.79
3	Return on Net worth (Refer Table 3 below)	13.29%	23.10%	16.96%	15.51%
4	Net Value of Assets per Equity Share (Refer Table 4 below)	32.45	28.14	21.64	17.97
5	EBITDA (Refer Table 5 below)	1,03,148	1,64,537	1,03,567	89,685

**Table 1: Statement showing calculation of Restated Basic Earnings Per Share**

Period	For the Half year ended September 30, 2024	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
I) Net profit after tax (A) (Rs in thousands)	70,447	1,06,155	59,941	45,497
Weighted average number of Equity shares outstanding during the year (B)	1,63,32,000	1,63,32,000	1,63,32,000	1,63,32,000
Restated Basic Earnings Per Share (A/B) *1000	4.31	6.50	3.67	2.79

- i) **Annualization of EPS:** EPS has not been annualised for the half year ended September 30, 2024
- ii) **For Adjusted Average number of equity shares:** Since the Bonus issue is an issue without consideration, the issue is treated as if it had occurred prior to the beginning of the year 2021, the earliest period reported.
- iii) The above figures (other than calculated figures) are based on Restated financial Information for the half year ended September 30, 2024 and for the years ended March 31, 2024, March 31, 2023 and March 31, 2022.
- iv) Basic and diluted earnings/ (loss) per equity share: Basic and diluted earnings/ (loss) per equity share are computed in accordance with Accounting Standard 20 issued by Institute of Chartered Accountants of India.

**Table 2: Statement showing calculation of Restated Diluted Earnings Per Share**

Period	For the Half year ended September 30, 2024	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
I) Net profit after tax(A) (Rs in thousands)	70,447	1,06,155	59,941	45,497
Weighted average number of equity shares for Diluted earnings per share (B)	1,63,32,000	1,63,32,000	1,63,32,000	1,63,32,000
Restated Diluted Earnings Per Share (A/B) *1000	4.31	6.50	3.67	2.79

- i) **Annualization of EPS:** EPS has not been annualised for the half year ended September 30, 2024.
- ii) **For Adjusted Average number of equity shares:** Since the Bonus issue is an issue without consideration, the issue is treated as if it had occurred prior to the beginning of the year 2021, the earliest period reported.
- iii) The above figures (other than calculated figures) are based on Restated financial Information for the half year ended September 30, 2024 and for the years ended March 31, 2024, March 31, 2023 and March 31, 2022.
- v) Basic and diluted earnings/ (loss) per equity share: Basic and diluted earnings/ (loss) per equity share are computed in accordance with Accounting Standard 20 issued by Institute of Chartered Accountants of India.

**Table 3: Statement showing calculation of Restated Return on Net worth***(Rs in thousands)*

Period	For the Half year ended September 30, 2024	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
I) Net profit after tax	70,447	1,06,155	59,941	45,497
II) Net worth#	5,29,955	4,59,508	3,53,353	2,93,412
RONW (I/II) (In%)	<b>13.29%</b>	<b>23.10%</b>	<b>16.96%</b>	<b>15.51%</b>

- i) Annualization of RONW: RONW (In %) has not been annualised for the half year ended September 30, 2024.
- ii) The above figures (other than calculated figures) are based on Restated Financial Information for the half year ended September 30, 2024 and for the years ended March 31, 2024, March 31, 2023 and March 31, 2022.
- iii) Return on net worth (%) = Net profit after tax as restated/ net worth as calculated, as at year end Statement showing calculation of Restated net worth of the Company

**# Statement showing calculation of Restated Net worth***(Rs in thousands)*

Period	For the Half year ended September 30, 2024	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
I) Share Capital	1,63,320	1,63,320	40,830	40,830
II) Reserve and Surplus	3,66,635	2,96,188	3,12,523	2,52,582
Net Worth (I+II)	<b>5,29,955</b>	<b>4,59,508</b>	<b>3,53,353</b>	<b>2,93,412</b>

- i) The above figures (other than calculated figures) are based on Restated Financial Information for the half year ended September 30, 2024 and for the years ended March 31, 2024, March 31, 2023 and March 31, 2022
- ii) As per section 2(1)(hh) of the Securities and Exchange board of India (Issue of Capital and disclosure requirement) Regulations, 2018, "Net Worth" 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 profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the audited balance sheet, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation. Accordingly for the purposes of the above, "net worth" is calculated as explained above.

**Table 4: Statement showing calculation of Restated Net Asset Value per Equity Share**

*(Rs in thousands)*

Period	For the Half year ended September 31, 2024	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
I) Net worth	5,29,955	4,59,508	3,53,353	2,93,412
II) Weighted Average Number of equity share* (in Nos.)	1,63,32,000	1,63,32,000	1,63,32,000	1,63,32,000
NAV in ₹ (I/II)	32.45	28.14	21.64	17.97

- i) The above figures (other than calculated figures) are based on Restated Financial Information for the half year ended September 30, 2024 and for the years ended March 31, 2024, March 31, 2023 and March 31, 2022
- ii) Weighted Average Number of Equity shares are calculated considering the actual date of issue of shares \ bonus issue during the respective years.
- iii) For Adjusted Average number of equity shares: Since the Bonus issue is an issue without consideration, the issue is treated as if it had occurred prior to the beginning of the year 2021, the earliest period reported.
- iv) As per section 2(1)(hh) of the Securities and Exchange board of India (Issue of Capital and disclosure requirement) Regulations, 2018, "Net Worth" 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 profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the audited balance sheet, but does not include reserves created

out of revaluation of assets, write-back of depreciation and amalgamation. Accordingly for the purposes of the above, “net worth” is calculated as explained above.

**Table 5:** Statement showing the calculation of Earnings before interest, depreciation, tax and amortization (“EBIDTA”) as on September 30, 2024, March 31, 2024, March 31, 2023 and March 31, 2022 as per Restated Financial Information

(₹ in thousands)

Description	Half Year ended September 30	Financial Year ended March 31		
	2024	2024	2023	2022
Revenue from Operation	5,04,550	8,50,953	7,04,919	6,38,779
Other income	3,276	13,025	4,362	4,847
<b>Total Income (i)</b>	<b>5,07,826</b>	<b>8,63,978</b>	<b>7,09,281</b>	<b>6,43,626</b>
<b>Operating Expenses</b>				
Cost of Material Consumed	2,85,658	5,03,476	4,17,976	3,88,955
Changes in inventories of Finished Goods and Stock in Progress	12,245	12,276	(2,716)	3,519
Employee Benefit Expenses	54,078	97,888	93,089	86,057
Other expenses	52,697	85,801	97,365	75,410
<b>Total Expenses (ii)</b>	<b>4,04,678</b>	<b>6,99,441</b>	<b>6,05,714</b>	<b>5,53,941</b>
Restated Earnings before interest, depreciation, tax and amortization (“EBIDTA”) (iii) = (i)-(ii)	1,03,148	1,64,537	1,03,567	89,685

Notes:

I. The above figures (other than calculated figures) are based on Restated financial Information of the Company for the half year ended September 30, 2024 and for the years ended March 31, 2024, March 31, 2023 and March 31, 2022.

2. For the purpose of above computation, " Earnings before interest, depreciation, tax and amortization (“EBIDTA”)” is computed by deducting employee benefits expense, cost of material consumed, Changes in inventories of Finished Goods and Stock in Progress, Finance Cost (Other than Debt) and other expenses from Revenue from Operations and other income.

## CAPITALISATION STATEMENT

The following table sets forth our capitalisation as at September 30, 2024, on the basis of our Restated Financial Statements:

*(Rs. In thousands)*

Particulars	Pre Issue	Post Issue*
<b>Borrowings</b>		
Short Term Borrowings (A)	16,856	[●]
Long Term Borrowings (B)	-	[●]
<b>Total Borrowings (C)</b>	16,856	[●]
<b>Shareholder's Fund (Equity)</b>		
Share Capital	1,63,320	[●]
Reserve & Surplus	3,66,635	[●]
Total Shareholder's Fund (D)	<b>5,29,955</b>	[●]
<b>Long-Term Borrowings / Equity (B/D)</b>	-	[●]
<b>Total Borrowings/Equity (C/D)</b>	0.03	[●]

\*To be finalized on determination of the Issue Price and updated in the Prospectus prior to filing with the RoC.

## FINANCIAL INDEBTEDNESS

Our Company avails loans and facilities in the ordinary course of its business for meeting our working capital, capital expenditure and other business requirements. For details of the borrowing powers of our Board, please see “*Our Management – Borrowing Powers*” on page 115.

Our Company has obtained the necessary consents required under the relevant financing documentation for undertaking activities in relation to the Issue, including dilution of the current shareholding of our Promoters and members of the promoter group, expansion of business of our Company, effecting changes in our capital structure and shareholding pattern.

The aggregate outstanding borrowings (including fund based and non-fund-based borrowings) of our Company as on September 30, 2024, as certified by our Peer review Auditor, are as follows:

		<i>(in ₹ thousands)</i>	
Category of Borrowing	Sanctioned amount	Principal Amount as of September 30, 2024	Outstanding
<b>Secured Loans</b>			
(i) Working capital facilities	1,00,000		13,506
<b>Total Secured Loans (A)</b>	<b>1,00,000</b>		<b>13,506</b>
<b>Unsecured Loans</b>			
(i) Loan from Directors	3,350		3,350
<b>Total Unsecured Loans (B)</b>	<b>3,350</b>		<b>3,350</b>
<b>Grand Total (A + B)</b>	<b>1,03,350</b>		<b>16,856</b>

### Details of Secured Borrowings

*(Rs. In Thousands)*

Name of Lender	Nature of the Facility	Amount Sanctioned	Amount Outstanding as on September 30, 2024	Conditions
Kotak Mahindra Bank	Overdraft facility	1,00,000	13,506	Rate of Interest: 9.15% (Consisting of applicable REPO Rate and spread @ 2.65% p.a) Security: As per Note 1

#### Note 1

- 1) Exclusive charge on the borrowers present and future stocks of raw materials, stock in progress, stores, semi-finished and finished goods, tools, book debts, outstanding monies, receivables, claims, due and owing.
- 2) Exclusive charge on all the present and future plant and machinery including furniture, fixtures and all other movable accessories of the borrower (except those which are exclusively funded by other term lenders).
- 3) Exclusive charge over immovable property situated at 89/4/2 Block F Okhla Industrial Area Phase - 1 owned by Vaishali F&F LLP and corporate guarantee of Vaishali F&F LLP
- 4) Exclusive charge over immovable property situated at 1459 B, Sector-32, Yamuna Expressway Industrial Development Authority, Uttar Pradesh.
- 5) Personal Guarantees of Mr. Manoj Arora, Ms. Alka Arora and Mr. Dhruv Arora



## MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

You should read the following discussion and analysis of financial condition and results of operations together with our financial statements included in this Draft Red Herring Prospectus. The following discussion relates to our Company and is based on our restated financial statements. Our financial statements have been prepared in accordance with Indian GAAP, the accounting standards and other applicable provisions of the Companies Act.

Note: Statement in the Management Discussion and Analysis Report describing our objectives, outlook, estimates, expectations or prediction may be "Forward looking statement" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to our operations include, among others, economic conditions affecting demand/supply and price conditions in domestic and overseas market in which we operate, changes in Government Regulations, Tax Laws and other Statutes and incidental factors.

### BUSINESS OVERVIEW

Our Company was originally incorporated as "Sachee Fragrances Limited" under the provisions of Companies Act, 1956 with Registrar of Companies, Delhi & Haryana and received a certificate of incorporation from the Registrar of Companies, Delhi & Haryana on June 19, 1992. Later, the name of the company changed from "Sachee Fragrances Limited" to "Sachee Cosmetics Limited" vide Extra Ordinary General Meeting dated December 26, 1994 and fresh certificate of Incorporation issued by Registrar of Companies Delhi & Haryana on February 13, 1995. Later the name of the company changed from "Sachee Cosmetics Limited" to "Sachee Aromatics Limited" vide Extra Ordinary General Meeting dated March 19, 1997 and fresh certificate of incorporation issued by Registrar of Companies Delhi & Haryana on April 3, 1997. Further the company has converted from "Sachee Aromatics Limited" to "Sachee Aromatics Private Limited" vide Extra Ordinary General Meeting dated February 24, 2012 and fresh certificate of incorporation issued by Registrar of Companies Delhi & Haryana on March 14, 2012. Further the name of the company changed from "Sachee Aromatics Private Limited" to "Sacheerome Private Limited" vide Extra Ordinary General Meeting dated April 04, 2012 and fresh certificate of Incorporation issued by the Registrar of Companies Delhi & Haryana on April 17, 2012. Further the name of the company changed from "Sacheerome Private Limited" to "Sacheerome Limited" vide Extra Ordinary General Meeting dated May 01, 2024 and fresh certificate of Incorporation issued by Registrar of Companies Delhi & Haryana on August 8th, 2024. The corporate identification number of our Company is U74899DL1992PLC049258.

We have consistently grown in terms of our revenues over the past years. In the past years our revenues from operation were Rs.6,38,779 Thousands in F.Y. 2021-22, Rs.7,04,919 Thousands in F.Y.2022-23, Rs.8,50,953 Thousands in the FY 2023-24, and Rs.5,04,550 Thousands for the period ended September 30, 2024. Our Net Profit after tax for the above-mentioned periods are Rs. 45,497 Thousands, Rs.59,941 Thousands, Rs.1,06,155 Thousands and Rs.70,447 Thousands respectively.

#### Factors contributing to the growth of our Revenue:

1. For FY 2021-22 the following were the factors that contributed to growth of our revenue:

- **Organic Growth in Existing Product Lines:**

Our revenue from operations saw substantial expansion, increasing from ₹ 5,89,078Thousands in FY 2020-21 to ₹ 6,38,779 Thousands in FY 2021-22. Reflecting a growth of 8.43%. This growth was primarily attributed to the a 2% rise in sales volume to our existing customers.

2. For FY 2022-23 the following were the factors that contributed to growth of our revenue:

- **Significant Surge in Revenue from Operations:**

Our revenue from operations surged from ₹ 638779 Thousands in FY 2021-22 to ₹704,919 Thousands in FY 2022-23, reflecting an impressive growth of 10.35%. This substantial increase was primarily attributed to a 7% rise in sales volume to our existing customers, along with a 7% of the total sales volume for FY 2023 coming from new customers.

3. For FY 2023-24 the following were the factors that contributed to growth of our revenue:

- **Significant Surge in Revenue from Operations:**

Our revenue from operations experienced a positive trajectory, escalating from ₹ 704,919 Thousands in FY 2022-23 to ₹850,953 Thousands in FY 2023-24, marking a substantial growth of 20.72% %. This noteworthy increase was primarily due to strategic expansions in our business operations, including a 3% increase in sales volume to existing customers and 16% of total sales volume for FY 2024 attributable to new customers.

## FINANCIAL KPIs OF THE COMPANY:

(Rs. In thousands)

Key Performance Indicator	For the half year ended September 30, 2024 5,04,550	For the year ended March 31, 2024		
		8,50,953	7,04,919	6,38,779
Revenue from Operations				
Growth in Revenue from Operations (%)	(40.71)%	20.72%	10.35%	8.44%
Total Income	5,07,826	8,63,978	7,09,281	6,43,626
EBITDA	1,03,148	1,64,537	1,03,567	89,685
EBITDA Margin (%)	20.31%	19.04%	14.60%	13.93%
Net Profit for the Year/Period	70,447	1,06,155	59,941	45,497
PAT Margin (%)	13.96%	12.47%	8.50%	7.12%
Return on Net Worth (%)	13.29%	23.10%	16.96%	15.51%
Return on Capital Employed (in times)	0.17	0.31	0.25	0.19
Debt-Equity Ratio	0.03	0.03	-	0.28

\* EBITDA margin is calculated as EBITDA as a percentage of total income and PAT Margin (%) is calculated as Profit for the year/period as a percentage of Revenue from Operations.

## FACTORS AFFECTING OUR RESULT OF OPERATIONS

Except as otherwise stated in this Draft Red Herring Prospectus and the Risk Factors given in the Draft Red Herring Prospectus, the following important factors could cause actual results to differ materially from the expectations include, among others:

### Regulatory Framework

We have obtained all regulatory permissions which are necessary to run our business, Further, some of the approvals are granted for fixed periods of time and need renewals, which are obtained in the course of business, however, there may be change in statutory regulations at any time which cannot be predicted by us. There can be no assurance that the change in regulations will not impact our operations in the future.

### Ability of Management

Our success depends on the continued services and performance of the members of our management team and other key employees. Competition for senior management in the industry is intense, and we may not be able to retain our existing senior management or attract and retain new senior management in the future. The loss of any member of our senior management or other key personnel may adversely affect our business, results of operations and financial condition.

### Market & Economic conditions

India is one of the largest economies and is growing at a rapid pace. But in this globalised economy, all the businesses face an uncertain level of volatility from unexpected global events which ranges from global pandemics to wars, to weather changes to supply chain disruption, which may change the economic dynamics and the purchasing capability of the end customers. At the time of market slowdown, the demand falls which has adverse impact on our business.

## **Competition**

We operate in a competitive atmosphere. Our competition varies by market, geographic areas and type of products. Our Company may face stiff competition from domestic as well as global market as the dynamic changes. Some of our competitors may have greater resources than those available to us. While service quality, technical ability, performance records, etc. are key factors in client decisions among competitors, however, price & quality are the deciding factor in most cases. Further, this industry is fragmented with many small and medium sized companies and entities, which manufactures some of these products at various levels, which may adversely affect our business operation and financial condition. Further, there are no entry barriers in this industry and any expansion in capacity of existing market players would further intensify competition. Moreover, as we seek to diversify into new geographical areas, new territories, new emerging markets, we may face competition from competitors that have a pan-India presence and also from competitors that have a strong presence in regional markets. The markets in which we compete and intend to compete are undergoing, and are expected to continue to undergo, rapid and significant change. We expect competition to intensify as technological advances and consolidations continue. These competitive factors may force us to reduce rates, and to pursue new market opportunities. Increased competition could result in reduced demand for our products, increased expenses, reduced margins and loss of market share. Failure to compete successfully against current or future competitors could harm our business, operating cash flows and financial condition.

## **Significant Developments after September 30<sup>th</sup>, 2024 that may affect our Future Results of Operations**

The Directors confirm that there have been no other events or circumstances since the date of the last financial statements as disclosed in the Draft Red Herring Prospectus which materially or adversely affect or is likely to affect the business or profitability of our Company or the value of our assets, or our ability to pay liabilities within next twelve months.

## **SIGNIFICANT ACCOUNTING POLICY**

The Restated financial information of the Company comprise the Restated Statement of Assets and Liabilities as at September 30, 2024, March 31, 2024, March 31, 2023 and March 31, 2022, the Restated Statement of Profit & Loss account and the Restated Statement of Cash Flows for years ended September 30, 2024, March 31, 2024, March 31, 2023, and March 31, 2022, and significant accounting policies and other explanatory information to the Restated financial information, has been specifically prepared by the management for inclusion in the document to be filed by the Company with the Securities and Exchange Board of India ("SEBI") and National Stock Exchange of India Limited, where the Equity Shares are proposed to be listed (the "Stock Exchanges") in connection with the proposed Initial Public Offer ("IPO") of equity shares of the Company (referred to as the "Issue"), in accordance with the requirements of:

- a. Section 26 of Part I of Chapter III of the Companies Act 2013 (the "Act") and
- b. Relevant provisions of The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("the SEBI ICDR Regulations") issued by the Securities and Exchange Board of India ("SEBI") on September 11, 2018 as amended from time to time in pursuance of the Securities and Exchange Board of India Act, 1992.
- c. The Guidance Note on Report in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India.

### **a) Basis of preparation of restated financial information:**

The restated financial information of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013 i.e. as notified under the Companies (Accounting Standards) Rules, 2021 and the relevant provisions of the Companies Act, 2013 ("the 2013 Act"). The restated financial information have been prepared on accrual basis under the historical cost convention. The accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

### **b) Use of estimates:**

The preparation of restated financial information in conformity with GAAP in India requires the management to make estimates and assumptions to be made that affect the reported amount of assets and liabilities at the date of financial information and the reported amount of revenues and expenses during the reporting period. Difference between the actual result and estimates are recognized in the period in which the results are known/ materialized.

### **c) Property Plant and Equipment:**

Property, Plant and Equipment are accounted for on historical cost basis less accumulated depreciation and impairment loss, if any. Cost includes freight, duties, taxes and other incidental expenses relating to acquisition.

Subsequent expenditures related to an item of fixed asset are added to its book value only if they increase future benefits from the existing asset beyond its previously assessed standard of performance. Leasehold improvements are amortised over the period of lease or 6 year whichever is lower.

**d) Intangible Assets:**

Intangible assets consist of computer software and is stated at cost of acquisition less accumulated depreciation. It is amortised over the period of three years or license period whichever is lower.

**e) Depreciation:**

Depreciation on fixed assets is provided on written down value method over the estimated useful life of the assets, in the manner prescribed in Schedule II of the Companies Act, 2013.

**f) Taxation:**

Tax expense for the year comprising current tax and deferred tax, is included in determining the net profit for the year.

Provision for the current tax is made based on the liability computed in accordance with the tax rules and tax laws.

Deferred tax is recognised for all timing differences arising between taxable income and accounting income based on tax rates and tax laws enacted or substantially enacted at the balance sheet date.

Deferred tax assets are recognised and carried forward to the extent it is reasonably certain that future taxable profit will be available against which such deferred tax assets can be realized. Deferred tax assets are reviewed at each balance sheet date to re-assess realization there of.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis. Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off assets against liabilities representing current tax and where the deferred tax assets and the deferred tax liabilities relate to taxes on income levied by the same governing taxation laws.

**g) Provisions and Contingent liabilities:**

A provision is recognized when there is a present obligation as a result of a past event, it is probable that an outflow of resources will be required to settle the obligation and in respect of which reliable estimate can be made. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosures is made.

**h) Impairment:**

At each Balance Sheet date, the Company assesses whether there is any indication that assets may be impaired. If any such indication exists, the Company estimates the recoverable amount. If the carrying amount of the assets exceeds its recoverable amount, an impairment loss is recognised in the accounts to the extent the carrying amount exceeds the recoverable amount.

**i) Borrowing Cost:**

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes a substantial period of time to get ready for its intended use. All other borrowing costs are charged to revenue.

**j) Revenue Recognition:**

Sales Revenue from sale of product is recognised on transfer of the significant risks and rewards of ownership of the goods to the buyer and it is reasonable to expect ultimate collection. Sales revenue are inclusive of excise duty and net of sales tax and trade

discount. Export sales are recognised on the date of the Company ships the exported goods as evidenced by their Bill of Lading/ Air-way Bill.

**k) Cash and Cash Equivalents:**

Cash and cash equivalents include cash in hand, demand deposits with banks and other short-term highly liquid investments with original maturities of three months or less.

**l) Inventories:**

Items of inventories are measured at lower of cost or net realizable value after providing for obsolescence, if any. Cost of inventories comprises of cost of purchase and other costs incurred in bringing them to their respective present location and condition. Cost is determined on FIFO basis.

**m) Earning per Share:**

In determining basic earnings per share, the company considers the net profit attributable to equity shareholders. The number of shares used in computing basic earning per share is the weighted average number of shares outstanding during the period. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholder and weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

**n) Foreign Currency Transactions:**

Transactions in foreign currencies are recorded at the exchange rate prevailing on the date of the transaction. Monetary items denominated in foreign currency and outstanding at the balance sheet date are translated at the exchange rate prevailing on the balance sheet date. Exchange difference on translation of monetary assets and liabilities and realised gain and losses on foreign currency transactions are recognised in the profit and loss account.

**o) Retirement Benefits:**

**Short Term Employee Benefits**

All employee benefits payable wholly within twelve months of rendering service are classified as short-term employee benefits. Benefits such as salaries, allowances, short-term compensated absences and the expected cost of other benefits is recognised in the period in which the employee renders the related service.

**p) Post Employment Benefits:**

**Defined Contribution plans**

Contributions paid/ payable to defined contribution plans comprising of provident fund and pension fund are charged on accrual basis. The Company makes monthly contributions and has no further obligations under the plan beyond its contributions.

**Defined benefit plans**

Gratuity is a post employment benefit and is in the nature of a defined benefit plan. The defined benefit/obligation is calculated at or near the balance sheet date by an independent actuary using the projected unit credit method.

The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plan, is based on market yields on Government securities as at the balance sheet date.

Actuarial gains and losses are recognised immediately in the profit and loss account. Gains or losses on the curtailment or settlement of any defined benefit plan are recognised when the curtailment or settlement occurs.

**q) Other long term benefits:**

The defined benefit obligation in the form of leave encashment has been estimated and charged to the profit and loss account based on actuarial valuation, carried out as at the Balance sheet date.

**r) Finance Lease:**

Lease in terms of which the company assumes substantially all the risks and rewards of ownership are classified as finance lease. Subsequent to the initial recognition, the assets are accounted for in accordance with the accounting policy applicable to that asset. Assets taken on lease are capitalized at fair value or net present value of the minimum lease payments, whichever is lower. Depreciation on the assets taken on lease is charged at the rate applicable to similar type of fixed assets as per the Accounting Policy.

**s) Operating Lease:**

Lease of assets under which significant risks and rewards of ownership are effectively retained by the lessor are classified as operating leases. Lease payments under an operating lease are recognized as expenses in the Statement of Profit and Loss.

## RESULTS OF OUR OPERATIONS

(Amount ₹ in Thousands)

Particulars	For the period ended September 30, 2024	% of Total**	For the year ended March 31, 2024	% of Total**	For the year ended March 31, 2023	% of Total**	For the year ended March 31, 2022	% of Total**
<b>INCOME</b>								
Revenue from Operations (Gross)	5,04,550	99.35%	8,50,953	98.49%	7,04,919	99.39%	6,38,779	99.25%
Other Income	3,276	0.65%	13,025	1.51%	4,362	0.61%	4,847	0.75%
<b>Total Revenue (A)</b>	<b>5,07,826</b>	<b>100.00%</b>	<b>8,63,978</b>	<b>100.00%</b>	<b>7,09,281</b>	<b>100.00%</b>	<b>6,43,626</b>	<b>100.00%</b>
<b>EXPENDITURE</b>								
Cost of Material Consumed	2,85,658	56.25%	5,03,476	58.27%	4,17,976	58.93%	3,88,955	60.43%
Changes in inventories of Work-in-progress & stock-in-trade	12,245	2.41%	12,276	1.42%	(2,716)	(0.38%)	3,519	0.55%
Employee Benefit Expenses	54,078	10.65%	97,888	11.33%	93,089	13.12%	86,057	13.37%
Finance Costs	328	0.06%	2,632	0.30%	4,899	0.69%	8,365	1.30%
Depreciation and Amortization expense	7,787	1.53%	16,550	1.92%	15,307	2.16%	18,902	2.94%
Other expenses	52,697	10.38%	85,801	9.93%	97,365	13.73%	75,410	11.72%
<b>Total Expenses (B)</b>	<b>4,12,793</b>	<b>81.29%</b>	<b>7,18,623</b>	<b>83.18%</b>	<b>6,25,920</b>	<b>88.25%</b>	<b>5,81,208</b>	<b>90.30%</b>
<b>Profit/(Loss) before Tax</b>	<b>95,033</b>	<b>18.71%</b>	<b>1,45,355</b>	<b>16.82%</b>	<b>83,361</b>	<b>11.75%</b>	<b>62,418</b>	<b>9.70%</b>
Tax Expense/ (benefit)								
(a) Current Tax Expense	25,914	5.10%	38,902	4.50%	24,290	3.42%	17,994	2.80%
(C) Deferred Tax	(1,328)	(0.26%)	298	0.03%	(870)	(0.12%)	(1,073)	(0.17%)
<b>Net tax expense / (benefit)</b>	<b>24,586</b>	<b>4.84%</b>	<b>39,200</b>	<b>4.54%</b>	<b>23,420</b>	<b>3.30%</b>	<b>16,921</b>	<b>2.63%</b>
<b>Profit/(Loss) for the Period</b>	<b>70,447</b>	<b>13.87%</b>	<b>1,06,155</b>	<b>12.29%</b>	<b>59,941</b>	<b>8.45%</b>	<b>45,497</b>	<b>7.07%</b>

\*\*Total refers to Total Revenue



## Components of our Profit and Loss Account

### Income

Our total income comprises of revenue from operations and other income.

### Revenue from Operations

Our revenue from operation as a percentage of our total income was 99.35, 98.49%, 99.39% and 99.25% for the period ended September 30, 2024 and Financial Years ended March 31, 2024, March 31, 2023 and March 31, 2022 respectively.

(₹ In Thousands)

Particulars	For the half year ended 30th September 2024	For the year ended 31st March 2024	For the year ended 31st March 2023	For the year ended 31st March 2022
<b>Sale of products</b>				
<b>Indigenous sales</b>				
Manufactured goods	4,61,878	8,06,686	6,77,151	6,02,895
<b>Export sales</b>				
Manufactured goods	41,761	42,575	26,307	35,077
<b>Total (A)</b>	<b>5,03,639</b>	<b>8,49,261</b>	<b>7,03,458</b>	<b>6,37,972</b>
<b>Other operating revenue</b>				
Scrap Sales	911	1,692	1,461	807
<b>Total (B)</b>	<b>911</b>	<b>1,692</b>	<b>1,461</b>	<b>807</b>
<b>Grand Total (A + B)</b>	<b>5,04,550</b>	<b>8,50,953</b>	<b>7,04,919</b>	<b>6,38,779</b>

### Other Income

Our Other Income primarily consists of Interest Income, Net Foreign Exchange Gain, Other non-operating income, etc.

(₹ In Thousands)

Particulars	For the half year ended 30th September 2024	For the year ended 31st March 2024	For the year ended 31st March 2023	For the year ended 31st March 2022
Rental Income	1,914	3,827	3,619	3,328
Interest income on other deposits and advances	723	1,445	35	13
Gain on sale of assets (net)	-	318	-	455
Misc. Income	156	335	319	270
Foreign Exchange Fluctuation (net)	483	345	332	222
Liabilities no longer required written back	-	6,755	57	559
<b>Total</b>	<b>3,276</b>	<b>13,025</b>	<b>4,362</b>	<b>4,847</b>

### Expenditure

Our total expenditure primarily consists of Cost of Materials Consumed, Changes in Inventories of Stock in trade, Employee benefit expenses, Finance costs, Depreciation & Amortization Expenses and Other Expenses.

### Employee Benefit Expenses

Our employee benefits expense comprises of Salaries & Wages, Employer's Contribution to Provident fund and ESI, Provision for Gratuity, Staff Welfare.

### Finance costs

Our Finance cost expenses comprises of Bank Charges and Interest on Borrowings, Interest on delayed payment of taxes, Interest on Income tax.

### Other Expenses

Other expenses primarily include Rent charges, Travelling & Conveyance expenses, Security charges, Business promotion expenses, Electricity and Generator Expense and Commission on sales.

(₹ In Thousands)

Particulars	For the half year ended 30th September 2024	For the year ended 31st March 2024	For the year ended 31st March 2023	For the year ended 31st March 2022
Rent charges	10,923	21,770	21,753	21,789
Travelling & Conveyance expenses	6,869	9,018	12,715	4,442
Security charges	3,777	8,460	7,882	6,096
Business promotion expenses	6,589	7,863	16,466	1,258
Electricity and Generator Expense	4,709	7,258	6,608	5,523
Repairs				
- building	18	666	1,127	1,412
- machinery	850	895	985	955
- others	2,397	4,877	4,005	2,910
Vehicle running & maintenance	2,324	3,928	4,261	4,407
Office Maintenance	1,252	2,566	2,285	1,789
Legal, professional & consultancy charges	764	1,972	3,647	4,647
Communication expenses	1,375	2,395	2,429	2,447
Donation & Corporate Social Responsibility	110	2,310	1,247	851
Rates and taxes	891	2,174	716	970
Printing & stationery expenses	453	1,774	1,633	1,534
Miscellaneous expenses	479	850	967	971
Insurance charges	318	1,599	1,732	2,373
R & D expenses	943	1,540	1,257	2,349
Freight Outward	28	1,162	234	592
Director's Sitting fees	50	-	-	-
Membership & subscription fees	90	593	1,536	1,530
Payment to Auditors				
As auditor:				
- Statutory audit fee	-	481	479	585
- tax audit fee	-	50	50	45
- IPO Expenses	675	25	25	25
- reimbursement of expenses	59	-	-	70
Commission on sales	3,231	435	1,820	3,579
Festival expenses	2	399	380	721
Balance written off	840	356	222	1,274
Provision for doubtful debts	2,278	-	-	-
Bank charges	303	298	240	221
Advertisement & publicity	100	87	660	45
Loss on Sale of Assets	-	-	5	-
<b>Total</b>	<b>52,697</b>	<b>85,801</b>	<b>97,365</b>	<b>75,410</b>

### ***Provision for Tax***

The provision for current taxation is computed in accordance with relevant tax regulation. Deferred tax is recognized on timing differences between the accounting and the taxable income for the year and quantified using the tax rates and laws enacted or subsequently enacted as on balance sheet date. Deferred tax assets are recognized and carried forward to the extent that there is a virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized in future.

### **For the period ended September 30, 2024**

#### **Revenue from Operations**

For the period ended September 30, 2024, Revenue from Operations of our company was ₹ 5,04,550 Thousands.

#### **Other Income**

For the period ended September 30, 2024, Other Income of our company was ₹ 3,276 Thousands.

#### **Total Revenue**

For the period ended September 30, 2024, the total income of our company was ₹ 5,07,826 Thousands.

#### **Expenditure**

##### **Cost of Materials Consumed**

For the year ended September 30, 2024, Cost of Materials Consumed was ₹ 2,85,658 Thousands.

##### **Changes in inventories of finished goods and stock-in-progress**

For the year ended September 30, 2024, Changes in inventories of finished goods and stock-in-progress was ₹ 12,245 Thousands.

##### **Employee Benefit Expenses**

For the period ended September 30, 2024, our Company incurred for employee benefit expenses of ₹ 54,078 Thousands.

##### **Finance Costs**

The finance costs for the period ended September 30, 2024 was ₹ 328 Thousands.

##### **Depreciation & Amortization Expense**

Depreciation & Amortization Expense for the period ended September 30, 2024 was ₹ 7,787 Thousands.

##### **Other Expenses**

For the period ended September 30, 2024, our other expenses were ₹ 52,697 Thousands.

##### **Profit/ (Loss) before Tax**

Our Company had reported a profit before tax for the period ended September 30, 2024 of ₹ 95,033 Thousands.

##### **Profit/ (Loss) after Tax**

Profit after tax for the period ended September 30, 2024 was at ₹ 70,447 Thousands.

### **Fiscal 2024 compared with fiscal 2023**

#### **Revenue from Operations**

The Revenue from Operations of our company for fiscal year 2024 was ₹ 8,50,953 Thousands against ₹ 7,04,919 Thousands for Fiscal year 2023. An increase 20.72% in revenue from operations. This increase was primarily on account of acquisition of new customers and increase in the sale of our products to existing customers.

## **Other Income**

The other income of our company for the fiscal year 2024 was ₹13,025 thousand, compared to ₹4,362 thousand for fiscal year 2023, reflecting an increase of 198.62%. This growth was driven by several factors: an increase in rental income from ₹3,619 thousand in fiscal 2023 to ₹3,827 thousand in fiscal 2024; an increase in interest income from ₹35 thousand in fiscal 2023 to ₹1,445 thousand in fiscal 2024; a gain on the sale of assets amounting to ₹318 thousand in fiscal 2024; an increase in miscellaneous income from ₹319 thousand in fiscal 2023 to ₹335 thousand in fiscal 2024; an increase in foreign exchange gain from ₹332 thousand in fiscal 2023 to ₹345 thousand in fiscal 2024 and an increase in sundry balances written back from ₹57 thousand in fiscal 2023 to ₹6,755 thousand in fiscal 2024.

## **Total Income**

The total income of our company for fiscal period 2024 was ₹ 8,63,978 Thousands against ₹ 7,09,281 Thousands total income for Fiscal period 2023. An increase of 21.81% in total income. This increase was primarily due to increase in revenue from operation from ₹ 7,04,919 Thousands in fiscal 2023 to ₹ 8,50,953 Thousands in fiscal 2023 and an increase in other income from ₹4,362 thousand in fiscal 2023 to ₹13,025 thousand in fiscal 2024.

## **Expenditure**

### **Cost of Materials Consumed**

In Fiscal 2024, the Cost of Materials Consumed amounted to ₹5,03,476 thousand, compared to ₹4,17,976 thousand in Fiscal 2023, The increase was primarily due to the scaling of our business and the higher production of our products.

### **Changes in inventories of Work-in-progress & stock-in-trade**

In Fiscal 2024, Changes in inventories of finished goods and stock-in-progress was ₹ 12,276 Thousands against (₹ 2,716) Thousands expenses in fiscal 2023. This was due to a decrease in closing inventory levels as a result of increased sales volumes.

### **Employee Benefit Expenses**

In Fiscal 2024, our Company incurred for employee benefit expenses ₹ 97,888 Thousands against ₹ 93,089 Thousands expenses in fiscal 2023. An increase of 5.16%. This increase was primarily due to increase in salaries, wages & bonus from ₹ 58,518 thousands to ₹ 67,123 thousands on account of annual increments and increase in our employee strength since fiscal 2023 in the ordinary course of business.

### **Finance Costs**

The finance costs for the Fiscal 2024 was ₹ 2,632 Thousands while it was ₹ 4,899 Thousands for Fiscal 2023. The decrease of 46.27%. This decrease was primarily due to reduction in interest expenses as a result of lower cash credit limit utilization.

### **Other Expenses**

In fiscal 2024, our other expenses were ₹85,801 thousand, compared to ₹97,365 thousand in fiscal 2023, reflecting a decrease of 11.88%. This reduction was primarily due to a decrease in various expense such as Travelling, Business Promotion and Consultancy charges.

### **Profit/ (Loss) before Tax**

Our Company had reported a profit before tax for the Fiscal 2024 of ₹ 1,45,355 Thousands against profit before tax of ₹ 83,361 Thousands in Fiscal 2023, This represents an increase of 74.37%, primarily driven by a 21.81% rise in total income since Fiscal 2023 and a reduction in total expenses as a percentage of total revenue, from 88% in Fiscal 2023 to 83% in Fiscal 2024.

### **Profit/ (Loss) after Tax**

Profit after tax for the Fiscal 2024 was at ₹ 1,06,155 Thousands against profit after tax of ₹ 59,941 Thousands in fiscal 2023, An increase of 77.10%. This was due to reasons described above.

### **Fiscal 2023 compared with fiscal 2022**

## Revenue from Operations

The Revenue from Operations of our company for fiscal year 2023 was ₹ 7,04,919 Thousands against ₹ 6,38,779 Thousands total income for Fiscal year 2022. Reflecting an increase of 10.35% in revenue from operations. This growth was driven by higher sales volume, as well as increased sales realization in Fiscal 2023 due to resilient prices and stronger demand for our products, which helped address the supply-demand gap in our end-use industries.

## Other Income

For the fiscal year 2023, our company reported other income of ₹4,362 thousand, compared to ₹4,847 thousand in fiscal year 2022, reflecting a decline of 10.01%. This decrease was primarily due to the absence of gains from the sale of assets and a reduction in written-back liabilities, which decreased from ₹559 thousand in fiscal 2022 to ₹57 thousand in fiscal 2023. However, this decrease was partially offset by an increase in rental income from ₹3,328 thousand in fiscal 2022 to ₹3,619 thousand in fiscal 2023, an increase in interest income from ₹13 thousand in fiscal 2022 to ₹35 thousand in fiscal 2023, an increase in miscellaneous income from ₹270 thousand in fiscal 2022 to ₹319 thousand in fiscal 2023, and an increase in foreign exchange gains from ₹222 thousand in fiscal 2022 to ₹332 thousand in fiscal 2023.

## Total Income

The total income of our company for the fiscal year 2023 was ₹7,09,281 thousand, compared to ₹6,43,626 thousand in Fiscal Year 2022, reflecting an increase of 10.20%. This growth was primarily driven by an increase in revenue from operations, which grew from ₹6,38,779 thousand to ₹7,04,919 thousand since Fiscal 2022. However, this was partially offset by a decrease in other income, which declined from ₹4,847 thousand to ₹4,362 thousand over the same period.

## Expenditure

### Cost of Materials Consumed

In Fiscal 2023, Cost of Materials Consumed was ₹ 4,17,976 Thousands against 3,88,955 Thousands in fiscal 2022. This was primarily due to the higher purchase of raw materials, largely in line with the overall growth in our business.

### Changes in inventories of Work-in-progress & stock-in-trade

In Fiscal 2023, Changes in inventories of finished goods and stock-in-progress was (₹ 2,716) Thousands against ₹ 3,519 Thousands expenses in fiscal 2022. This was primarily due to increase in Closing Stock form from ₹40,263 thousand in fiscal 2022 to ₹42,979 thousand in fiscal 2023.

### Employee Benefit Expenses

In Fiscal 2023, our Company incurred for employee benefit expenses ₹ 93,089 Thousands against ₹ 86,057 Thousands expenses in fiscal 2022. An increase of 8.17%. This increase was primarily due to increase in salaries, wages & bonus from ₹ 54,563 thousands to ₹ 58,518 thousands on account of annual increments and increase in our employee strength since fiscal 2022 in the ordinary course of business.

### Finance Costs

The finance costs for the Fiscal 2023 was ₹ 4,899 Thousands while it was ₹ 8,365 Thousands for Fiscal 2022. The decrease of 41.44%. This decrease was primarily due to reduction in interest expenses as a result of lower cash credit limit utilization.

### Other Expenses

In fiscal 2023, our other expenses were ₹ 97,365 Thousands and ₹ 75,410 Thousands in fiscal 2022. An increase of 29.11%. This increase was primarily due to increase in various expense categories such as travelling and marketing expenses.

### Profit/ (Loss) before Tax

Our Company had reported a profit before tax for the Fiscal 2023 of ₹ 83,361 Thousands against profit before tax of ₹ 62,418 Thousands in Fiscal 2022. This represents an increase of 33.55%, primarily driven by a 10.20% rise in total income since Fiscal 2022 and a reduction in total expenses as a percentage of total revenue, from 90.30% in Fiscal 2022 to 88.25% in Fiscal 2023.

## Profit/ (Loss) after Tax

Profit after tax for the Fiscal 2023 was at ₹ 59,941 Thousands against profit after tax of ₹ 45,497 Thousands in fiscal 2022, An 31.75% increase. This increase was due to reasons described above.

## Cash Flows

(Amount ₹ in Thousands)

Particulars	For the period ended 30th September, 2024	For the year ended March 31,		
		2024	2023	2022
Net Cash from/(used in) Operating Activities	1,26,505	97,716	1,07,509	93,653
Net Cash from/(used in) Investing Activities	(1,35,500)	(1,03,773)	(20,457)	(36,890)
Net Cash from/(used in) Financing Activities	2,278	13,128	(87,011)	(64,826)

### Cash Flows from Operating Activities

1. For the Period ended September 30, 2024, net cash flow from operating activities was ₹ 1,26,505 Thousands. This comprised of the net profit before tax of ₹ 95,033 Thousands, which was primarily adjusted for Interest expense of ₹ 328 Thousands, Provision for Doubtful debts of ₹ 2,278 Thousands, Interest Income of ₹ 723 Thousands, Sundry balance written off of ₹ 840 Thousands, Exchange differences of ₹ 233 Thousands, Provision for Retirement Benefits of ₹ 3,301 Thousands, Depreciation and Amortisation Expense of ₹ 7,787 Thousands. The resultant operating profit before working capital changes was ₹ 1,08,611 Thousands, which was primarily adjusted for an increase in Short Term Loans and Advances of ₹ 4,721 Thousands, Other Current & Non Current Assets of ₹ 19 Thousands, Other Current & Non Current Liabilities of ₹ 4,953 Thousands, and decrease in Inventories of ₹ 35,413 Thousands, Trade Receivables of ₹ 19,988 Thousands, Long Term Loans and Advances of ₹ 50 Thousands, Trade Payables of ₹ 11,111 Thousands, Short & Long Term Provisions of ₹ 1,273 Thousands.

Cash Generated from/(used in) Operations was ₹ 1,51,891 Thousands which was reduced by direct tax paid for ₹ 25,386 Thousands resulting into net cash flow from operating activities of ₹ 1,26,505 Thousands.

2. In F.Y. 2023-24, net cash flow from operating activities was ₹ 97,716 Thousands. This comprised of the net profit before tax of ₹ 1,45,355 Thousands, which was primarily adjusted for Interest expense of ₹ 2,632 Thousands, Interest Income of ₹ 1,444 Thousands, Sundry balance written off of ₹ 356 Thousands, Exchange differences of ₹ 114 Thousands, Provision for Retirement Benefits of ₹ 4,082 Thousands, Profit on sale of fixed asset of ₹ 318 Thousands, Depreciation and Amortisation Expense of ₹ 16,550 Thousands. The resultant operating profit before working capital changes was ₹ 1,67,099 Thousands, which was primarily adjusted for an increase in Inventories of ₹ 6,777 Thousands, Trade Receivables of ₹ 36,991 Thousands, Short Term Loans and Advances of ₹ 1,602 Thousands, Long Term Loans and Advances of ₹ 1504 Thousands, Other Current & Non Current Assets of ₹ 655 Thousands, Trade Payables of ₹ 19,315 Thousands, Other Current & Non Current Liabilities of ₹ 3 Thousands, and decrease in Short & Long Term Provisions of ₹ 123 Thousands.

Cash Generated from/(used in) Operations was ₹ 1,38,765 Thousands which was reduced by direct tax paid for ₹ 41,049 Thousands resulting into net cash flow from operating activities of ₹ 97,716 Thousands.

3. In F.Y. 2022-23, net cash flow from operating activities was ₹ 1,07,509 Thousands. This comprised of the net profit before tax of ₹ 83,361 Thousands, which was primarily adjusted for Interest expense of ₹ 4,899 Thousands, Interest Income of ₹ 35 Thousands, Sundry balance written off of ₹ 222 Thousands, Exchange differences of ₹ 12 Thousands, Provision for Retirement Benefits of ₹ 3,134 Thousands, Loss on sale of fixed asset of ₹ 5 Thousands, Depreciation and Amortisation Expense of ₹ 15,307 Thousands. The resultant operating profit before working capital changes was ₹ 1,06,881 Thousands, which was primarily adjusted for an increase in Trade Receivables of ₹ 3,479 Thousands, Short Term Loans and Advances of ₹ 1,544 Thousands, Trade Payables of ₹ 7,268 Thousands, Other Current & Non Current Liabilities of ₹ 8,636 Thousands, and decrease in Inventories of ₹ 7,780 Thousands, Long

Term Loans and Advances of ₹ 1,196 Thousands, Other Current & Non Current Assets of ₹ 537 Thousands, Short & Long Term Provisions of ₹ 124 Thousands,

Cash Generated from/(used in) Operations was ₹ 1,27,151 Thousands which was reduced by direct tax paid for ₹ 19,642 Thousands resulting into net cash flow from operating activities of ₹ 1,07,509 Thousands.

4. In F.Y. 2021-22, net cash flow from operating activities was ₹ 93,653 Thousands. This comprised of the net profit before tax of ₹ 62,418 Thousands, which was primarily adjusted for Interest expense of ₹ 8,365 Thousands, Interest Income of ₹ 13 Thousands, Sundry balance written off of ₹ 1,274 Thousands, Exchange differences of ₹ 40 Thousands, Provision for Retirement Benefits of ₹ 2,380 Thousands, Profit on sale of fixed asset of ₹ 455 Thousands, Depreciation and Amortisation Expense of ₹ 18,902 Thousands. The resultant operating profit before working capital changes was ₹ 92,831 Thousands, which was primarily adjusted for an increase in Inventories of ₹ 533 Thousands, Long Term Loans and Advances of ₹ 767 Thousands, Other Current & Non Current Assets of ₹ 46 Thousands, Other Current & Non Current Liabilities of ₹ 2,154 Thousands, and decrease in Trade Receivables of ₹ 35,544 Thousands, Short Term Loans and Advances of ₹ 14 Thousands, Trade Payables of ₹ 8,059 Thousands, Short & Long Term Provisions of ₹ 1,197 Thousands.

Cash Generated from/(used in) Operations was ₹ 1,19,941 Thousands which was reduced by direct tax paid for ₹ 26,288 Thousands resulting into net cash flow from operating activities of ₹ 93,653 Thousands.

### ***Cash Flows from Investment Activities***

1. For the Period ended September 30, 2024, net cash used in investing activities was ₹ 1,35,500 Thousands, which primarily comprised of cash used for Purchase of property, plant and equipment of ₹ 1,26,183 Thousands, Bank deposits (with original maturity of more than three months) not considered as cash & cash equivalents of ₹ 10,040 Thousands and Interest income of ₹ 723 Thousands.

2. In FY 2024, net cash used in investing activities was ₹ 1,03,773 Thousands, which primarily comprised of cash used for Purchase of property, plant and equipment of ₹ 95,169 Thousands, Bank deposits (with original maturity of more than three months) not considered as cash & cash equivalents of ₹ 10,591 Thousands, proceeds from Sale/ Advance of fixed assets of ₹ 542 Thousands and Interest income of ₹ 1,444 Thousands.

3. In FY 2023, net cash used in investing activities was ₹ 20,457 Thousands, which primarily comprised of cash used for Purchase of property, plant and equipment of ₹ 19,912 Thousands, Bank deposits (with original maturity of more than three months) not considered as cash & cash equivalents of ₹ 629 Thousands, proceeds from Sale/ Advance of fixed assets of ₹ 49 Thousands and Interest income of ₹ 35 Thousands.

4. In FY 2022, net cash used in investing activities was ₹ 36,890 Thousands, which primarily comprised of cash used for Purchase of property, plant and equipment of ₹ 36,962 Thousands, Bank deposits (with original maturity of more than three months) not considered as cash & cash equivalents of ₹ 595 Thousands, proceeds from Sale/ Advance of fixed assets of ₹ 654 Thousands and Interest income of ₹ 13 Thousands.

### ***Cash Flows from Financing Activities***

1. For the Period ended September 30, 2024, net cash flow from financing activities was ₹ 2,278 Thousands, which primarily comprised of cash used for Interest paid of ₹ 328 Thousands, Proceeds from short term borrowings of ₹ 2,606 Thousands.

2. In FY 2024, net cash flow from financing activities was ₹ 13,128 Thousands, which primarily comprised of cash used for Interest paid of ₹ 1,122 Thousands, proceeds from Proceeds from short term borrowings of ₹ 14,250 Thousands.

3. In FY 2023, net cash used in financing activities was ₹ 87,011 Thousands, which primarily comprised of cash used for Repayment of short term borrowings of ₹ 82,647 Thousands, Interest paid of ₹ 4,364 Thousands.

4. In FY 2022, net cash used in financing activities was ₹ 64,826 Thousands, which primarily comprised of cash used for Repayment of short term borrowings of ₹ 53,576 Thousands, Repayment of long term borrowings of ₹ 3,122 Thousands, Interest paid of ₹ 8,128 Thousands.

## **OTHER MATTERS**

### **1. Unusual or infrequent events or transactions**



Except as described in this Draft Red Herring Prospectus, there have been no other events or transactions to the best of our knowledge which may be described as “unusual” or “infrequent”.

**2. Significant economic changes that materially affected or are likely to affect income from continuing Operations**

Other than as described in the Section titled “Financial Information” and chapter titled “Management’s Discussion and Analysis of Financial Conditions and Results of Operations”, beginning on Page 141 and 148 respectively of this Draft Red Herring Prospectus, to our knowledge there are no significant economic changes that materially affected or are likely to affect income from continuing Operations.

**3. Known trends or uncertainties that have/had or are expected to have a material adverse impact on revenue or income from continuing operations**

Apart from the risks as disclosed under Chapter titled “Risk Factors” beginning on page no.27 in this Draft Red Herring Prospectus, in our opinion there are no other known trends or uncertainties that have had or are expected to have a material adverse impact on revenue or income from continuing operations.

**4. Future changes in relationship between costs and revenues, in case of events such as future increase in labour or material costs or prices that will cause a material change are known**

Our Company’s future costs and revenues will be determined by demand/supply situation, both of the end products/services as well as the raw materials, government policies and other economic factors.

**5. Competition Conditions**

We face competition from existing and potential competitors which is common for any business.

**6. To extend to which business is seasonal**

Our Company is engaged in the business of manufacturing of fragrance and flavours and business of our company is not seasonal.

**7. Any significant dependence on a single or few suppliers or customers.**

Our top five customers contribute 50.07%, 45.08%, 45.90% and 42.48% for the period ended on 30<sup>th</sup> September, 2024, for the year ended 31<sup>st</sup> March, 2024, 31<sup>st</sup> March, 2023 and 31<sup>st</sup> March, 2022 respectively.

Our top five supplier contribute 47.22%, 36.69%, 40.59% and 49.87% for the period ended on 30<sup>th</sup> September, 2024, for the year ended 31<sup>st</sup> March, 2024, 31<sup>st</sup> March, 2023 and 31<sup>st</sup> March, 2022 respectively.

**8. Status of any publicly announced new products or business segment.**

Otherwise stated in the Draft Red Herring Prospectus our company has not publicly announced any new business segment till the date of this Draft Red Herring Prospectus.

**9. Total turnover of each major industry segment in which the issuer company operated.**

We operate only in one segment.

**10. Extent to which material increases in net sales or revenue are due to increased sales volume, introduction of new product or increased sales prices.**

Our Company is engaged in the business of manufacturing of fragrance and flavours. Increase in revenues are by and large linked to increase in sales of the company and also dependent on the price realisation of our products.

**SECTION VII: LEGAL AND OTHER INFORMATION**  
**OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS**

*Except as stated in this section, there are no outstanding: (a) criminal proceedings; (b) actions by statutory or regulatory authorities; (c) claims relating to direct and indirect taxes; or (d) Material Litigation (as defined below); involving our Company, its Directors, the Promoters and the Group Companies ("**Relevant Parties**"). Further, there are no disciplinary actions (including penalties) imposed by SEBI or the Stock Exchanges against our Promoters in the last five (5) FYs, including any outstanding action.*

*For the purpose of material litigation in (d) above, our Board in its meeting held on August 22, 2024 has considered and adopted the following policy on materiality for identification of material outstanding litigation involving the Relevant Parties ("**Materiality Policy**"). In accordance with the Materiality Policy, all outstanding litigation, including any litigation involving the Relevant Parties, other than criminal proceedings and actions by regulatory authorities and statutory authorities, will be considered material if: (i) if the aggregate amount involved exceeds 1% of the profit after tax for the latest Financial Year as per Restated Financial Statements; or (ii) are outstanding litigations whose outcome could have a material impact on the business, operations, prospects or reputation of the Company; or (iii) the decision in one case is likely to affect the decision in similar cases such that the cumulative amount involved in such cases exceeds the Materiality Threshold, even though the amount involved in an individual litigation may not exceed the Materiality Threshold.*

*It is clarified that for the above purposes, pre-litigation notices received by Relevant Parties, unless otherwise decided by our Board, are not evaluated for materiality until such time that the Relevant Parties are impleaded as defendants in litigation proceedings before any judicial forum.*

*Except as stated in this Section, there are no outstanding material dues to creditors of our Company. For this purpose, our Board has considered and adopted a policy of materiality for identification of material outstanding dues to creditors by way of its resolution dated August 22, 2024. In terms of the materiality policy, creditors of our Company to whom amounts outstanding dues to any creditor of our Company exceeding a threshold of 5% of total trade payables as per the Restated Financial Statements of our Company disclosed in this Draft Red Herring Prospectus, would be considered as material creditors. The trade payables of our Company as on March 31<sup>st</sup>, 2024. Details of outstanding dues to micro, small and medium enterprises and other creditors separately giving details of number of cases and amount involved, shall be uploaded and disclosed on the website of the Company as required under the SEBI ICDR Regulations.*

*For outstanding dues to any micro, small or medium enterprise, the disclosure shall be based on information available with our Company regarding the status of the creditor as defined under the Micro, Small and Medium Enterprises Development Act, 2006 as amended, read with the rules and notification thereunder, as amended, as has been relied upon by the Statutory Auditors.*

*Unless stated to the contrary, the information provided below is as of the date of this Draft Red Herring Prospectus.*

*All terms defined in a particular litigation disclosure pertains to that litigation only.*

**I. Litigation involving our Company**

**A. Litigation filed against our Company**

**1. Criminal proceedings**

Nil

**2. Outstanding actions by regulatory and statutory authorities**

Nil

**3. Material civil proceedings**

Nil

**B. Litigation filed by our Company**

**1. Criminal proceedings**

Nil.

## 2. Material civil proceedings

### i. *Sacheerome Private Limited vs. M/s Qands Services & Technologies LLP – Arbitration Petition 117 of 2020*

Sacheerome Private Limited (“**Objector**” or “**Our Company**”) filed an Arbitration Petition bearing number 117 of 2020 (“**Petition**”) before the Hon’ble District Court, Gurgaon, Haryana (“**Court**”) against M/s Qands Services & Technologies LLP (“**Respondent**”) under section 34 of the Arbitration and Conciliation Act, 1996. The Objector contends that they had placed an order for Hydrogen Gas Detector (“**Equipment**”) with the Respondent. However, our Company faced leakage issues with the said Equipment and the Respondent had failed to resolve the leakage issue. Further, the Respondent had filed a complaint with MSME department, and a Sole Arbitrator was appointed in Arbitration case bearing number 1473 of 2020. Our Company had informed the Sole Arbitrator that the Respondent had failed to supply complete documents. However, the Sole Arbitrator passed an ex-parte order dated June 24, 2020 (“**Order**”) against our Company. Therefore, the present Petition is filed before the Hon’ble Court praying to set aside the Order passed by the Sole Arbitrator and to summon the original record in M/s Qands Services & Technologies LLP vs Sacheerome Private Limited bearing case number 1473 of 2020 before Ld. Sole Arbitrator, Dr. Shiva Sharma, D & SJ (Retd.). The Petition is presently pending and the next date of hearing is November 04, 2024.

### C. Tax proceedings

Particulars	Number of cases	Aggregate amount involved to the extent ascertainable (in ₹ thousands) <sup>^</sup>
Direct Tax	17*	11,956
Indirect Tax	2 <sup>#</sup>	12,180
<b>Total</b>	<b>19</b>	<b>24,136</b>

<sup>^</sup> Rounded off to closest decimal.

\* \* Includes outstanding tax demand amounting to (i) ₹ 44,07,086 under section 143(1) of the Income Tax Act, 1961 (**IT Act**) for the Financial Year 2006-07 (ii) ₹ 4,666 under section 1431a of the IT Act for the Financial Year 2020-2021, (iii) ₹ 1,53,693 under section 154 of the IT Act for the Financial Year 2008-09, (iv) ₹ 45,48,140 under section 143(1) of the IT Act for the Financial Year 2004-05 and; (v) ₹ 26,29,374 under section 1431a of the IT Act for the Financial Year 2015-16. TDS defaults amounting to (i) ₹ 27,510 for the Financial Year 2020-21, (ii) ₹ 32,140 for the Financial Year 2021-22, (iii) ₹ 17,140 for the Financial Year 2022-23, (iv) ₹ 80 for the Financial Year 2023-24, (v) ₹ 18,170 for the Financial Year 2009-10, (vi) ₹ 1,480 for the Financial Year 2008-09, (vii) ₹ 7,490 for the Financial Year 2019-20, (viii) ₹ 83,680 for the Financial Year 2007-08, (ix) ₹ 13,460 for the Financial Year 2016-17, (x) ₹ 4,340 for the Financial Year 2013-14, (xi) ₹ 160 for the Financial Year 2011-12, (xii) ₹ 6,940 for the Financial Year 2010-11.

<sup>#</sup> Includes (i) Outstanding GST demand of ₹ 31,06,125.72 for the financial year 2018-19. Our Company has filed an appeal against the same dated March 27, 2023 and (ii) GST Department has issued a show cause notice u/s 73 amounting to ₹ 90,73,894.

## II. Litigation involving our Directors (other than Promoters)

### A. Litigation filed against our Directors (other than Promoters)

#### 1. Criminal proceedings

Nil.

#### 2. Outstanding actions by regulatory and statutory authorities

Nil

#### 3. Material civil proceedings

Nil

### B. Litigation filed by our Directors (other than Promoters)

#### 1. Criminal proceedings

Nil

#### 2. Material civil proceedings

Nil

C. *Tax proceedings*

Particulars	Number of cases	Aggregate amount involved to the extent ascertainable (in ₹ Thousands)
Direct Tax	Nil	Nil
Indirect Tax	Nil	Nil
<b>Total</b>	<b>Nil</b>	<b>Nil</b>

III. **Litigation involving our Promoters**

A. *Litigation filed against our Promoters*

1. **Criminal proceedings**

Nil

2. **Outstanding actions by regulatory and statutory authorities**

Nil

3. **Material civil proceedings**

Nil

B. *Litigation filed by our Promoters*

1. **Criminal proceedings**

Nil

2. **Material civil proceedings**

i. ***M/s Vaishali F&F and Ors. vs. New Okhla Industrial Development Authority –Civil Miscellaneous Writ Petition 16379 of 2021 and Civil Miscellaneous Stay Application 1 of 2021***

M/s Vaishali F&F (“**Petitioner 1**”) and Dhruv Arora (“**Petitioner 2**” or “**Promoter**”) (collectively “**Petitioners**”) filed a Civil Miscellaneous Writ Petition 16379 of 2021 (“**Writ Petition**”) and Civil Miscellaneous Stay Application 1 of 2021 (“**Stay Application**”) before the Hon’ble High Court, Allahabad (“**Court**”) against New Okhla Industrial Development Authority (“**Respondent**”). The Petitioner contends that Respondent had advertised Scheme code NOIDA/IP/2020-21/OES/01 dated February 01, 2021 (“**Scheme**”) for allotment of 16 Industrial Plots in Industrial Area Phase II of NOIDA wherein the Petitioner applied vide Form No. 50039490 on February 19, 2021. The Petitioner received a letter dated March 12, 2021 from the Respondent requesting to submit necessary documents and the same were shared vide an email dated March 15, 2021. The Respondent had requested the Petitioners to provide the financial statement of their group companies, which were engaged in the business of fragrances and flavours. Further, the Petitioners contend that upon checking the status of the application the same was rejected without any intimation by the Respondent pursuant to which a legal notice was issued by the Petitioner to the Respondent, however, the Petitioner did not receive any reply. Therefore, the Petitioner filed the present Writ Petition before the Hon’ble Court praying to: (i) issue direction in the nature of mandamus to the Respondent, (ii) issue direction in the nature of mandamus to the Respondent restraining from allotting any industrial plots or handing over possession of any industrial plots under Scheme, (iii) issue direction in the nature of mandamus to the Respondent to make information relating to the breakdown of the objective criteria for selection of applicants, to the breakup of the marks as well as total marks allotted to the Petitioners in the evaluation, to the allocation of marks according to the evaluation objective criteria, to criteria and breakdown of the evaluation in the interview, to breakdown of the evaluation and the marks given to the successful applicants and reasons for rejection of the Petitioners in evaluation under the Scheme for allotment available in public domain. The Writ Petition is presently pending and the next date of hearing is October 15, 2024. The Petitioner has also filed Stay Application before the Hon’ble Court to direct the Respondent to reserve one plot for the Petitioner in the same category and style which the Petitioners have applied for and direct the Respondent to not allot industrial plots and/poor hand over possession of any industrial plots under scheme code NOIDA/IP/2020-21/OES/01. The Petition is presently pending and the next date of hearing is yet to be notified.

C. *Tax proceedings*

Particulars	Number of cases	Aggregate amount involved to the extent ascertainable (in ₹ Thousands) <sup>^</sup>
Direct Tax	3*	1302
Indirect Tax	Nil	Nil
<b>Total</b>	<b>3</b>	<b>1302</b>

<sup>^</sup> Rounded off to closest decimal.

\* Includes outstanding tax demand amounting to ₹12,84,876 for financial year 2011-12 against Alka Arora and outstanding tax demand amounting to (i) ₹17,570 for financial year 2015-16 and (ii) ₹110 against Manoj Arora

**Outstanding dues to creditors**

As per the Restated Financial Statements, our trade payables as at September 30<sup>th</sup>, 2024 was Rs. 89,854 thousands

Based on this criterion, details of outstanding dues (trade payables) owed to micro, small and medium enterprises (as defined under Section 2 of the Micro, Small and Medium Enterprises Development Act, 2006), material creditors and other creditors, as at September 30<sup>th</sup>, 2024, by our Company, are set out below:

Type of creditors	Number of creditors	Amount involved (in Rs. Thousands)
Material MSME creditors	2	9,347
Other than Micro, Small and Medium Enterprises	27	16,230
Material Other Creditors	2	41,300
Other creditors	85	22,977
<b>Total*</b>	<b>116</b>	<b>89,854</b>

**Material Developments**

Other than as stated in the section entitled "*Management's Discussion and Analysis of Financial Condition and Results of Operations – Significant Developments after 30<sup>th</sup> September, 2024*" on beginning on page 148 of this Draft Red Herring Prospectus, there have not arisen, since the date of the last financial information disclosed in this Draft Red Herring Prospectus, any circumstances which materially and adversely affect, or are likely to affect, our operations, our profitability taken as a whole or the value of our consolidated assets or our ability to pay our liabilities within the next 12 months.

## GOVERNMENT AND OTHER APPROVALS

*We have set out below an indicative list of approvals obtained by our Company which are considered material and necessary for the purpose of undertaking its business activities. In view of these key approvals, our Company can undertake this Issue and its business activities. In addition, certain of our key approvals may expire in the ordinary course of business and our Company will make applications to the appropriate authorities for renewal of such key approvals, as necessary. Unless otherwise stated herein and in the section “**Risk Factors**” beginning on page 27, these material approvals are valid as of the date of this Draft Red Herring Prospectus. For details in connection with the regulatory and legal framework within which we operate, see “**Key Regulations and Policies**” on page 105 of this this Draft Red Herring Prospectus.*

*We have also set out below, (i) material approvals or renewals applied for but not received; (ii) material approvals expired and renewal yet to be applied for; and (iii) material approvals required but not obtained or applied for, as on the date of this Draft Red Herring Prospectus.*

*Please note that since our Company has recently changed its name and is converted into a public limited company, the below detailed licenses, approval and certification are in the erstwhile name of the Company and the Company undertakes to get such licenses, approval and certification in its present name.*

### **I. Material approvals obtained in relation to the Issue**

- a. The Board of Directors has, pursuant to a resolution passed at its meeting held on August 20, 2024, authorized the Issue, subject to the approval of the shareholders of the Company under Section 62 of the Companies Act, 2013 and approvals by such other authorities, as may be necessary.
- b. The shareholders of the Company have, pursuant to a special resolution passed in the shareholders meeting held on August 22, 2024, authorized the Issue under Section 62 of the Companies Act, 2013, subject to approvals by such other authorities, as may be necessary.
- c. The Company has obtained the in-principle listing approval from the NSE Emerge, dated [●].

### **II. Material approvals obtained in relation to our business and operations**

Our Company have obtained the following material approvals to carry on our business and operations. Some of these may expire in the ordinary course of business and applications for renewal of these approvals are submitted in accordance with applicable procedures and requirements.

#### **A. Incorporation details of our Company**

- a. Our Company was originally incorporated as a public limited company in the name of “*Sachee Fragrances Limited*” vide Certificate of Incorporation dated June 19, 1992 issued by the Registrar of Companies, Delhi and Haryana
- b. Fresh Certificate of Incorporation dated February 13, 1995 issued to our Company by the Registrar of Companies, Delhi and Haryana, pursuant to the change in name of our Company from “*Sachee Fragrances Limited*” to “*Sachee Cosmetic Limited*”
- c. Fresh Certificate of Incorporation dated April 3, 1997 issued to our Company by the Registrar of Companies, Delhi and Haryana, pursuant to the change in name of our Company from “*Sachee Cosmetic Limited*” to “*Sachee Aromatics Limited*”.
- d. Fresh Certificate of Incorporation dated March 14, 2012 issued to our Company by the Registrar of Companies, Delhi and Haryana, pursuant to the conversion of our Company from public limited to private limited and the ensuing change in the name of our Company from “*Sachee Aromatics Limited*” to “*Sachee Aromatics Private Limited*”.

- e. Fresh Certificate of Incorporation dated April 17, 2012 issued to our Company by the Registrar of Companies, Delhi and Haryana, pursuant to the change in name of our Company from “*Sachee Aromatics Private Limited*” to “*Sacheerome Private Limited*”.
- f. Fresh Certificate of Incorporation dated August 08, 2024 issued to our Company by the RoC, pursuant to the conversion of our Company from private limited to public limited and the ensuing change in the name of our Company from “*Scheerome Private Limited*” to “*Sacheerome Limited*”
- g. The CIN of our Company is U74899DL1992PLC049258.

**B. Tax related approvals obtained by our Company**

Sr no.	Nature of Registration/ License	Registration/ License/ Certificate No.	Issuing Authority	Date of Issue/ Date of Validity/ Renewal	Date of Expiry
1.	Permanent Account Number	AACCS2354Q	Income Tax Department	June 19, 1992	Valid till cancelled
2.	Tax Deduction Account Number (TAN)	DELS12419B	Income Tax Department	September 04, 2024	Valid till cancelled
3.	GST Registration Certificate - Delhi	07AACCS2354Q1ZY	Goods and Services Tax Department	July 01, 2017	Valid till cancelled
4.	GST Registration Certificate – Uttar Pradesh	09AACCS2354Q1ZU	Goods and Services Tax Department	January 18, 2022	Valid till cancelled
5.	Professional Tax Enrolment Certificate - Maharashtra	99494851255P	Maharashtra Sales Tax Department, Government of Maharashtra	May 24, 2024	Valid till cancelled
6.	Professional Tax Registration Certificate - Maharashtra	27462351751P	Maharashtra Sales Tax Department, Government of Maharashtra	May 24, 2024	Valid till cancelled

**C. Regulatory approvals for our Company:**

Sr. No.	Nature of Registration/ License	Registration/License/Certificate No.	Issuing Authority	Date of Issue/ Renewal	Date of Expiry
1.	Provident Fund Code Number	DSNHP0020295000	Employees’ Provident Fund Organisation, Ministry of Labour and Employment, Government of India	March 30, 2015	Valid till cancelled
2.	ESIC – Registration Code - Delhi	11-46469-66/Zone-6	Employees’ State Insurance Corporation, Ministry of Labour and Employment, Government of India	March 10, 1998	Valid till cancelled
3.	ESIC – Registration Code – Maharashtra	31200464690010606	Employees’ State Insurance	February 10, 2011	Valid till cancelled



Sr. No.	Nature of Registration/ License	Registration/License/Ce rtificate No.	Issuing Authority	Date of Issue/ Renewal	Date of Expiry
			Corporation, Ministry of Labour and Employment, Government of India		
4.	Registration Certificate for Establishment - Y4 Okhla Industrial Area Phase II	2024194131	Department of Labour, Government of National Capital Territory of Delhi	October 14, 2024	Valid till cancelled
5.	Intimation Certificate under Maharashtra Shops & Establishment Act	890206115/KE Ward/ Commercial II	Maharashtra Shops & Establishment (Regulation of Employment & Condition of Service) Act	May 17, 2019	Valid till cancelled
6.	Certificate of Importer Exporter Code	0597027536	Director General of Foreign Trade, Ministry of Commerce and Industry, Government of India	August 08, 1997	Valid till cancelled
7.	FSSAI License	13324999000569	Food Safety and Standards Authority of India	October 03, 2024	October 02, 2029
8.	General Trade/ Storage License	MGTL06242011373620	Central Licensing and Enforcement Cell, Municipal Corporation of Delhi	June 13, 2024	March 31, 2025
9.	Factory License - 1 <sup>st</sup> Floor - Delhi	SFL1202102708	Factory License Department, Municipal Corporation of Delhi	October 21, 2024	January 06, 2026
10.	Factory License - 2 <sup>nd</sup> Floor - Delhi	SFL1202102710	Factory License Department, Municipal Corporation of Delhi	October 21, 2024	January 06, 2026
11.	Factory License - Ground Floor - Delhi	SFL1202101127	Factory License Department, Municipal Corporation of Delhi	October 21, 2024	January 06, 2026
12.	Consent to establish under section 21 of the Air (Prevention & Control of Pollution) Act, 1981 and section 25/26 of the Water	988	Delhi Pollution Control Committee	August 18, 2000	-

Sr. No.	Nature of Registration/ License	Registration/License/Ce rtificate No.	Issuing Authority	Date of Issue/ Renewal	Date of Expiry
	(Prevention & Control of Pollution) Act, 1974 –Delhi#				
13.	Consent to operate under section 21 of the Air (Prevention & Control of Pollution) Act, 1981 and section 25/26 of the Water (Prevention & Control of Pollution) Act, 1974 –Delhi	G-42599	Delhi Pollution Control Committee	July 18, 2024	July 17, 2034
14.	Fire Safety Certificate - Delhi	F6/DFS/MS/IndI/SZ/202 0/21	Delhi Fire Se Government of Nat Capital Territory of Dell	January 06, 2023	January 05, 2026
15.	Provisional Fire NOC - YEIDA, Uttar Pradesh	UPFS/2024/108417/GB N/GAUTAM BUDDH NAGAR/25041/DD	Department of Fire Service, Uttar Pradesh	March 11, 2024	Valid till cancelled
16.	Principal Employer Registration Certificate (for Construction) – YEIDA, Uttar Pradesh	UPCLA10001693	Labour Department, Uttar Pradesh	December 18, 2023	Valid till cancelled
17.	No Objection Certificate for Height Clearance - YEIDA, Uttar Pradesh	NIAJ/NORTH/B/062624 /1089412	Airports Authority of India	August 27, 2024	August 26, 2032
18.	No Objection Certificate for Pollution for Non-Abnoxious and Non-hazardous Industry - YEIDA, Uttar Pradesh	1390DIC/GBN(UP)/PO LL.NOC/2021-22	Deputy Commissioner Industries, District Industries and Enterprises Promotion Centre	October 05, 2021	Valid till cancelled
19.	Legal Metrology Certificate - Delhi	VC-7972/36, VC- 7605/98	Controller Legal Metrology, Government of National Capital Territory of Delhi	February 6, 2024	2025
20.	Legal Metrology Certificate - Delhi	VC-7605/97, VC- 7972/36	Controller Legal Metrology, Government of National Capital Territory of Delhi	February 6, 2024	2025

Sr. No.	Nature of Registration/ License	Registration/License/Certificate No.	Issuing Authority	Date of Issue/ Renewal	Date of Expiry
21.	Legal Metrology Certificate - Delhi	VC-5075/56, VC-11119/01	Controller Legal Metrology, Government of National Capital Territory of Delhi	February 6, 2024	2025
22.	Legal Metrology Certificate - Delhi	VC-7606/01/65, VC-7972/38	Controller Legal Metrology, Government of National Capital Territory of Delhi	January 31, 2024	2025
23.	Chemxigel Registration-Cum-Membership Certificate	CHEM/LSM/S-47/2011-12/181733	Basic Chemicals Cosmetics & Dyes Export Promotion Council	May 9, 2024	March 31, 2025
24.	UDYAM Registration Certificate	UDYAM-DL-08-0016756	Ministry of Micro, Small and Medium Enterprises, Government of India	July 22, 2021	id till cancelled
25.	Certificate of Registration - ISO 9001:2015*	65471/A/0001/UK/En	United Registrar of System	August 01, 2015	July 31, 2027
26.	HALAL India Certificate ISO 9001:2015 / Scheme MS 1500:2019**	HIW28130421	Halal India Private Limited	April 20, 2021	April 19, 2025
27.	Certificate for Legal Entity Identifier	984500E860DA473JB680	Ministry of Corporate Affairs	July 30, 2022	July 30, 2025

# Our Company is unable to trace Consent to Establish for its factory located at Delhi. However, our Company has made an application dated September 13, 2024 to the Delhi Pollution Control Committee for duplicate Consent to Establish.

\* Research and Development, Manufacture and Supply of Concentrate Industrial Fragrances and Flavours

\*\*Manufacturing, Processing and Supplying of Fragrances & Flavours

### III. Material approvals or renewals for which applications are currently pending before relevant authorities

Nil

### IV. Material approvals expired and renewal yet to be applied for


Nil

**V. Material approvals required but not obtained or applied for**






Nil

**VI. Intellectual Property**

As on the date of this Draft Red Herring Prospectus, our Company has registered the following trademark with the Registrar of Trademarks under the Trademarks Act, 1999:

Date of Issue	Particulars of the Mark	Trademark No.	Class of Registration
September 13, 2012		2395795	03

**VII. Pending Intellectual property related approvals Application**

Date of Application	Particulars of the Mark	Application No.	Class of Registration
September 06, 2024		6611913	01
September 06, 2024		6611914	03
September 06, 2024		6611915	30
September 06, 2024		6611916	34
September 06, 2024		6611917	35

For risk associated with our intellectual property please see, “*Risk Factors*” on page 27.

## OTHER REGULATORY AND STATUTORY DISCLOSURES

### Authority for the Issue

The Issue has been authorized by a resolution of our Board dated 20<sup>th</sup> August, 2024, and the Issue has been authorized by a special resolution of our Shareholders, dated 22<sup>nd</sup> August, 2024.

This Draft Red Herring Prospectus has been approved by our Board pursuant to its resolution passed on December 17, 2024

Our Company has received in-principle approvals from NSE Emerge for the listing of the Equity Shares pursuant to its letter dated [●].

### Prohibition by SEBI or other Governmental Authorities

Our Company, our Promoters, members of the Promoter group and our Directors have not been prohibited from accessing the capital markets and have not been debarred from buying, selling or dealing in securities under any order or direction passed by SEBI or any securities market regulator in any jurisdiction or any other authority/ court.

Our Promoters and Directors are not Directors or Promoters of any other company which is debarred from accessing the capital market under any order or direction passed by SEBI or any other authorities.

Our Company, Promoters or Directors have neither been declared as wilful defaulters by any bank or financial institution or consortium thereof in accordance with the guidelines on wilful defaulters or fraudulent borrowers issued by the RBI.

Our Promoters and our Directors have not been declared as Fugitive Economic Offenders under Section 12 of Fugitive Economic Offenders Act, 2018.

### Association with Securities Market

None of our Directors in any manner 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 directors.

### Prohibition by RBI

Neither our Company, our Promoters, our Directors, the relatives (as defined under the Companies Act, 2013) of Promoter have been identified as a wilful defaulter or a fraudulent borrower 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 in the chapter “*Outstanding Litigations and Material Development*” beginning on page 163 of the Draft Red Herring Prospectus.

### Confirmation under Companies (Significant Beneficial Owners) Rules, 2018

Our Company, our Directors, our Promoter and members of Promoter Group are in compliance with the Companies (Significant Beneficial Owners) Rules, 2018, to the extent applicable, as on the date of this Draft Red Herring Prospectus.

### Eligibility for the Issue

Our Company is not ineligible in terms of Regulations 228 of SEBI ICDR Regulations for this Issue as:

- Neither our Company, nor our Promoters, Promoter group or Directors are debarred from accessing the capital market by the Board.
- Neither our Promoters, nor any Directors of our Company is a promoter or director of any other company which is debarred from accessing the capital market by the Board.
- Neither our Promoters nor any of our directors is declared as Fugitive Economic Offender.
- Neither our Company, nor our Promoters, Promoter Group nor our directors, are Wilful Defaulters or a fraudulent borrower.
- Our Company is eligible for the Issue in accordance with Regulation 229(2) and other provisions of Chapter IX of the SEBI (ICDR) Regulations 2018, as we are an Issuer whose post issue face value capital is more than 10 crores rupees and upto 25 crore rupees and can issue Equity Shares to the public and propose to list the same on the EMERGE Platform of National Stock Exchange of India Limited.

We further confirm that:

- i. In accordance with Regulation 260 of the SEBI (ICDR) Regulations, this issue is 100% underwritten and that the Book Running Lead Manager to the Issue shall underwrite minimum 15% of the Total Issue Size.

- ii. In accordance with Regulation 268 of the SEBI (ICDR) Regulations, we shall ensure that the total number of proposed Allottee's in the issue shall be greater than or equal to fifty (50), otherwise, the entire application money will be refunded within 4 (Four) days of such intimation. If such money is not repaid within 4 (Four) 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 4 (Four) days, be liable to repay such application money, with interest at the rate 15% per annum. Further, in accordance with Section 40 of the Companies Act, 2013, our Company and each officer in default may be punishable with fine and/or imprisonment in such a case.
- iii. In terms of Regulation 246(1) of the SEBI (ICDR) Regulations, 2018, a copy of the prospectus will be filed with the SEBI through the Book Running Lead Manager immediately upon filing of the Issue document with the Registrar of Companies. However, as per Regulation 246(2) of the SEBI (ICDR) Regulations, 2018, The SEBI shall not issue any observation on the Issue document.
- Further, in terms of Regulation 246(3) of the SEBI (ICDR) Regulations, 2018 the Book Running Lead Manager will also submit a due diligence certificate as per format prescribed by SEBI along with the prospectus to SEBI.
- Further, in terms of Regulation 246(4) of the SEBI (ICDR) Regulations, 2018 the prospectus will be displayed from the date of filling in terms of sub-regulation (1) on the website of the SEBI, The Book Running Lead Manager and the EMERGE Platform of NSE. Moreover, in terms of Regulation 246 (5) of the SEBI (ICDR) Regulations, 2018, a copy of prospectus shall also be furnished to the SEBI in a soft copy.
- iv. In accordance with Regulation 261 of the SEBI (ICDR) Regulations, we hereby confirm that we have entered into an agreement dated September 02, 2023 with the Book Running Lead Manager and a Market Maker to ensure compulsory Market Making for a minimum period of three (3) years from the date of listing of Equity Shares on the EMERGE Platform of NSE.

**In terms of Regulation 229(3) of the SEBI (ICDR) Regulations, 2018, we confirm that we have fulfilled eligibility criteria for EMERGE Platform of NSE, which are as under**

- ***Incorporation: The Issuer should be a company incorporated under the Companies Act 1956 / 2013 in India.***

Our Company is incorporated under the Companies Act, 1956 in India.

- **Track Record**

The Company should have a track record of at least 3 years

Our Company was incorporated on June 19, 1992 under the provisions of the Companies Act, 2013 vide certificate of incorporation issued by Registrar of Companies, Delhi and Haryana. Therefore, we are in compliance with criteria of having track record of 3 years.

- ***Post Issue Paid up Capital: The post issue paid up capital of our Company (face value) shall not be more than Rs. 25 crores***

The post issue paid up capital of our Company will be ₹ [●] Thousands. So, our Company has fulfilled the criteria of post issue paid up capital shall not be more than ₹ [●] Thousands.

- ***Net-worth: Positive Net-worth***

As per Restated Financial Statement, the net-worth of our Company is ₹ 4,59,508.81 Thousands as on March 31, 2024.

- ***Operating Profit (earnings before interest, depreciation and tax) from operations for atleast 2 (two) out of 3(three) financial years:***

Our Company is having operating profit, details are mentioned as below.

(₹ in Thousands)

Particulars	September 30, 2024	March 31, 2024	March 31, 2023	March 31, 2022
Total Income	5,07,826.37	8,63,978.19	7,09,280.87	6,43,625.55
Operating Profit (earnings before interest, depreciation and tax)	1,03,149.07	1,64,538.43	1,03,565.80	89,684.21

- **The Company have positive Free Cash Flow to Equity (FCFE) for at least 2 out of 3 Financial Years preceding the application.**

(In Crore)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
Net Cash flow from operating	9.78	24.29	6.28
Purchase of Fixed Assets (net of sale proceeds of Fixed Assets)	9.34	15.53	0.62
Net Total Borrowings	1.43	(8.26)	(5.67)
Interest (1-T)	0.08	0.29	0.63
<b>FCFE</b>	<b>1.79</b>	<b>0.21</b>	<b>(0.64)</b>

- Our Company has not been referred to erstwhile Board for Industrial and Financial Reconstruction (BIFR) and no proceedings have been admitted under Insolvency and Bankruptcy Code against the issuer and Promoting companies.
- Our Company has not received any winding up petition admitted by a NCLT/Court.
- No material regulatory or disciplinary action by a stock exchange or regulatory authority in the past three years against our Company
- Our Company has a website: [www.sacheerome.com](http://www.sacheerome.com)

#### Other Disclosures:

We further confirm that:

- There is no material regulatory or disciplinary action taken by a stock exchange or regulatory authority in the past one year in respect of our Promoters.
- There is no default in payment of interest and/or principal to the debenture/bond/fixed deposit holders, banks, FIs by our Company and Promoters during the past three years.
- There are no litigations record against our Company, Promoters except disclosed on page 163 in section “*Outstanding Litigation and Other Material Developments*”.
- There are no criminal cases/investigation/offences filed against the director of our Company.

We further confirm that we shall be complying with all the other requirements as laid down for such an issue under Chapter IX of SEBI (ICDR) Regulations 2018, as amended from time to time and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

#### DISCLAIMER CLAUSE OF SEBI

**IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF DRAFT RED HERRING PROSPECTUS TO SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE DRAFT RED HERRING PROSPECTUS. THE BOOK RUNNING LEAD MERCHANT BANKER, GYR CAPITAL ADVISORS PRIVATE LIMITED HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE DRAFT RED HERRING PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN ON FORMITY WITH 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 AN INVESTMENT IN THE PROPOSED ISSUE.**

**IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE OUR COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE DRAFT RED HERRING PROSPECTUS, THE BOOK RUNNING LEAD MERCHANT BANKER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT OUR COMPANY DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN**



**THIS BEHALF AND TOWARDS THIS PURPOSE, THE BOOK RUNNING LEAD MERCHANT BANKER, GYR CAPITAL ADVISORS PRIVATE LIMITED HAVE FURNISHED TO SEBI, A DUE DILIGENCE CERTIFICATE DATED DECEMBER 17, 2024 IN THE FORMAT PRESCRIBED UNDER SCHEDULE V(A) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018**

**THE FILING OF THE DRAFT RED HERRING PROSPECTUS DOES NOT, HOWEVER, ABSOLVE OUR COMPANY FROM ANY LIABILITIES UNDER THE COMPANIES ACT, 2013 OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY AND OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED ISSUE. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP AT ANY POINT OF TIME, WITH THE BOOK RUNNING LEAD MANAGER ANY IRREGULARITIES OR LAPSES IN THE DRAFT RED HERRING PROSPECTUS.**

All legal requirements pertaining to this Issue will be complied with at the time of filing of the Prospectus with the RoC including in terms of Section 32 of the Companies Act. All legal requirements pertaining to this Issue will be complied with at the time of filing of the Prospectus with the RoC including in terms of Sections 26, 30, 32, 33(1) and 33(2) of the Companies Act.

#### **Disclaimer from our Company and the Book Running Lead Manager**

Our Company, our Promoters, our Directors and the Book Running Lead Manager accepts no responsibility for statements made otherwise than in this Draft Red Herring Prospectus or in the advertisements or any other material issued by or at our instance and anyone placing reliance on any other source of information, including our website, [www.sacheerome.com/](http://www.sacheerome.com/) would be doing so at his or her own risk.

The Book Running Lead Manager accept no responsibility, save to the limited extent as provided in the Issue Agreement entered between the Book Running Lead Manager and our Company on September 27<sup>th</sup>, 2024 and the Underwriting Agreement dated [●] entered into between the Underwriters and our Company and the Market Making Agreement dated [●] 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. Neither our Company nor any member of the Syndicate shall be liable to the Bidders for any failure in uploading the Bids, due to faults in any software or hardware system, or otherwise; the blocking of Bid Amount in the ASBA Account on receipt of instructions from the Sponsor Bank on account of any errors, omissions or noncompliance by various parties involved in, or any other fault, malfunctioning or breakdown in, or otherwise, in the UPI Mechanism.

The Book Running Lead Manager and their respective associates and affiliates may engage in transactions with, and perform services for, our Company, our subsidiary, our Promoter Group, Group Entities, or our affiliates or associates in the ordinary course of business and have engaged, or may in future engage, in commercial banking and investment banking transactions with our Company, our Promoter Group, Group Entities, and our affiliates or associates, for which they have received and may in future receive compensation.

#### **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 competent to contract under the Indian Contract Act, 1872, HUFs, companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in equity shares, Indian Mutual Funds registered with SEBI, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to permission from the RBI), trusts under the applicable trust laws and who are authorized under their respective constitutions to hold and invest in equity shares, public financial institutions as specified under Section 2(72) of the Companies Act 2013, state industrial development corporations, provident funds (subject to applicable law), National Investment Fund, insurance funds set up and managed by army, navy or air force of Union of India, insurance funds set up and managed by the Department of Posts, GoI, systemically important NBFCs registered with the RBI, venture capital funds, permitted insurance companies and pension funds, permitted non-residents including Eligible NRIs, AIFs, FPIs registered with SEBI and QIBs. This Draft Red Herring Prospectus does not, however, constitute an issue to sell or an invitation to subscribe to Equity Shares offered hereby, in any jurisdiction to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession this Draft Red Herring Prospectus comes is required to inform himself or herself about, and to observe, any such restrictions. Any dispute arising out of this Issue will be subject to the jurisdiction of appropriate court(s) at Delhi, India only.

No action has been, or will be, taken to permit a public offering in any jurisdiction where action would be required for that purpose, except that this Draft Red Herring Prospectus has been filed with SEBI for its observations. Accordingly, the Equity Shares represented thereby may not be offered or sold, directly or indirectly, and this Draft Red Herring Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this Draft Red Herring Prospectus nor any sale hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of our Company since the date hereof or that the information contained herein is correct as of any time subsequent to this date.

**The Equity Shares have not been and will not be registered under the Securities Act or any state securities laws in the United States, and unless so registered, may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable U.S. state securities laws.**

Applicants are advised to ensure that any Applications from them does not exceed investment limits or maximum number of Equity Shares that can be held by them under applicable law. Further, each Applicant where required must agree in the Allotment Advice that such Applicants will not sell or transfer any Equity Shares or any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act.

#### **Disclaimer Clause of the Emerge Platform of NSE**

As required, a copy of this Draft Red Herring Prospectus has been submitted to NSE. The disclaimer clause as intimated by NSE to our Company, post scrutiny of this Draft Red Herring Prospectus, shall be included in the Prospectus prior to the filing with the RoC.

#### **Filing**

This Draft Red Herring Prospectus is being filed with National Stock Exchange of India Limited, at Exchange Plaza, Plot no.C/1, G Block, Bandra - Kurla Complex, Bandra (E), Mumbai – 400051.

Pursuant to Regulation 246(5) of SEBI (ICDR) Regulations, 2018, the copy of the Prospectus shall also be furnished to the SEBI in a soft copy. However, SEBI will not issue any observation on the Prospectus in terms of Regulation 246(2) of the SEBI (ICDR) Regulations, 2018. Pursuant to SEBI Circular No SEBI/HO/CFD/DIL1/CIR/P/2018/011 dated January 19, 2018, a copy of the Prospectus will be filed online through SEBI Intermediary portal at <https://siportal.sebi.gov.in/intermediary/index.html>

A copy of the Red Herring Prospectus, along with the material documents and contracts required to be filed, will be filed with the RoC in accordance with Section 32 of the Companies Act and a copy of the Prospectus required to be filed under Section 26 of the Companies Act, will be filed with the RoC situated at Registrar of Companies, Delhi and through the electronic portal at <http://www.mca.gov.in/mcafoportal>

#### **Listing**

Application will be made to the NSE for obtaining permission to deal in and for an official quotation of our Equity Shares. NSE is the Designated Stock Exchange, with which the Basis of Allotment will be finalized.

The Emerge Platform of NSE has given its in-principle approval for using its name in our Issue documents vide its letter [●].

If the permissions to deal in and for an official quotation of our Equity Shares are not granted by the SME Platform of NSE, our Company will forthwith repay, without interest, all moneys received from the Applicants in pursuance of the Prospectus. If such money is not repaid within Four days after our Company becomes liable to repay it (i.e. from the date of refusal or within 15 working days from the Issue Closing Date), then our Company and every Director of our Company who is an officer in default shall, on and from such expiry of fourth days, be liable to repay the money, with interest at the rate of 15 per cent per annum on application money, as prescribed under section 40 of the Companies Act, 2013.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the Emerge Platform of NSE mentioned above are taken within Three Working Days from the Issue Closing Date.

#### **Consents**

Consents in writing of (a) Our Directors, Our Promoters, Our Company Secretary & Compliance Officer, Chief Financial Officer, Our Statutory Auditor, Our Peer Review Auditor, Our Banker(s) to the Company; (b) Book Running Lead Manager, Registrar to the Issue, Banker(s) to the Issue\*, Legal Advisor to the Issue, Underwriter(s) to the Issue\* and Market Maker to the Issue\* to act in their respective capacities have been obtained as required under section 26 of the Companies Act, 2013 and shall be filed along with a copy of the Prospectus with the RoC, as required under Sections 32 of the Companies Act, 2013 and such consents will not be withdrawn up to the time of delivery of the Prospectus for registration with the RoC.

\* The consents will be taken while registering the Red Herring Prospectus with Roc.

#### **Experts**

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

Our Company has received written consent dated 11<sup>th</sup> December, 2024 from the Statutory Auditors to include their name as required under Section 26(5) of the Companies Act 2013 read with SEBI ICDR Regulations in this Draft Red Herring Prospectus as an “expert” as defined under Section 2(38) of the Companies Act 2013 to the extent and in its capacity as an independent Statutory Auditor and in respect of its (i) examination report dated November 16<sup>th</sup>, 2024 on our restated financial information; and (ii) its report dated 11<sup>th</sup> December, 2024 on the statement of special tax benefits in this Draft Red Herring Prospectus and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus.

#### **Particulars regarding Public or Rights Issues during the last five (5) years and performance vis-à-vis objects**

Our Company has not made any previous public during the last five (5) years preceding the date of this Draft Red Herring Prospectus, Further, for details in relation to right issue made by our Company during the five years preceding the date of this Draft Red Herring Prospectus, please refer to section titled “*Capital Structure*” on page 43 of this Draft Red Herring Prospectus.

#### **Previous issues of Equity Shares otherwise than for cash**

For detailed description please refer to section titled “*Capital Structure*” beginning on page 43 of this Draft Red Herring Prospectus.

#### **Underwriting Commission, brokerage and selling commission on Previous Issues**

Since this is the initial public offering of our Company’s Equity Shares, no sum has been paid or has been payable as commission or brokerage for subscribing for or procuring or agreeing to procure subscription for any of the Equity Shares since our incorporation.

#### **Performance vis-à-vis objects –Public/ rights issue of the listed subsidiaries/listed Promoter of our Company**

Our Promoters, Promoter Group, Group Company or any subsidiary company has not undertaken any previous public or right issue during the period of last five years.

#### **Outstanding Debentures or Bond Issues or Redeemable Preference Shares and other instruments**

Our Company does not have any outstanding debentures or bonds or Preference Redeemable Shares as on the date of filing this Draft Red Herring Prospectus.

#### **Outstanding Convertible Instruments**

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

#### **Option to Subscribe**

Equity Shares being offered through the Prospectus can be applied for in dematerialized form only.

### Stock Market Data of the Equity Shares

This being an initial public offering of the Equity Shares of our Company, the Equity Shares are not listed on any Stock Exchanges.

#### 1. Price information of past issues handled by GYR Capital Advisors Private Limited\*

Sr. No.	Issuer Name	Issue size (₹ In Cr.)	Issue Price (₹)	Listing date	Opening price on listing date	+/- % change in Price on closing price, [+/- % change in closing benchmark]- 30th calendar days from listing*		+/- % change in Price on closing price, [+/- % change in closing benchmark]- 90th calendar days from listing*		+/- % change in Price on closing price, [+/- % change in closing benchmark]- 180th calendar days from listing*	
1.	HOAC Foods India Limited	5.54	48	24.05.2024	139.65	309.38%	2.39%	-27.64%	5.24%	145.83%	2.87%
2.	Medicamen Organics Limited*	10.54	34	28.06.2024	137.85	164.85%	2.91%	-18.40	5.56%	-	-
3.	Petro Carbon and Chemicals Limited*	113.16	171	02.07.2024	300.00	72.51%	3.05%	-12.95%	3.45%	-	-
4.	S A Tech Software India Limited*	23.01	59	02.08.2024	112.10	67.08%	2.27%	-22.71%	-4.25%	-	-
5.	Sathlokhar Synergys E&C Global Limited*	92.93	140	06.08.2024	260.00	168.16%	5.03%	-60.38%	-4.76%	-	-
6.	Afcom Holdings Limited*	73.83	108	09.08.2024	205.20	289.26%	1.85%	26.26%	-2.02%	-	-
7.	Lakshya Powertech Limited*	49.91	180	22.10.2024	342.00	53.31%	-3.82%	-	-	-	-
8.	Freshara Agro Exports Limited*	75.39	116	24.10.2024	135.00	120.22%	-1.18%	-	-	-	-
9.	Rajputana Biodiesel Limited*	24.7	130	3.12.2024	247.00	-	-	-	-	-	-

Sr. No.	Issuer Name	Issue size (₹ In Cr.)	Issue Price (₹)	Listing date	Opening price on listing date	+/- % change in Price on closing price, [+/- % change in closing benchmark]- 30th calendar days from listing*		+/- % change in Price on closing price, [+/- % change in closing benchmark]- 90th calendar days from listing*		+/- % change in Price on closing price, [+/- % change in closing benchmark]- 180th calendar days from listing*	
10	Emerald Tyre Manufacturers Limited*	49.26	95	12.12.2024	180.50	-	-	-	-	-	-

\* Companies have been listed on June 28, 2024 and July 02, 2024, August 02, 2024, August 06, 2024, August 09, 2024, October 23, 2024, October 24, 2024, December 03, 2024 and December 12, 2024, hence not applicable.

\*As per SEBI Circular No. CIR/CFD/DIL/7/2015 dated October 30, 2015, the above table should reflect max. 10 issues (initial public offerings) managed by the Book Running Lead Manager. Hence, disclosures pertaining to recent 10 issues handled by Book Running Lead Manager are provided

#### Summary Statement of Disclosure

Financial Year	Total no. of IPOs	Total Funds Raised (₹ in Cr.)	Nos. of IPOs trading at discount - 30 <sup>th</sup> calendar day from listing day*			Nos. of IPOs trading at premium - 30 <sup>th</sup> calendar day from listing day*			Nos. of IPOs trading at discount - 180 <sup>th</sup> calendar day from listing day*			Nos. 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%
2021-2022	03	9.84	-	1	3	-	-	-	-	-	2	-	-	1
2022-2023	10	124.78	-	1	2	4	1	2	1	1	-	-	1	2
2023-2024	09	261.48	-	-	1	7	1	-	-	-	-	7	-	-
2024-2025	12	639.90	-	-	-	9	-	-	-	-	-	3	-	-

\* Companies have been listed on June 28, 2024 and July 02, 2024, August 02, 2024, August 06, 2024, August 09, 2024, October 23, 2024 and October 24, 2024, December 03, 2024 and December 12, 2024. Hence, not applicable.

Break -up of past issues handled by GYR Capital Advisors Private Limited:

Financial Year	No. of SME IPOs	No. of Main Board IPOs
2021-2022	03	0
2022-2023	10	0
2023-2024	09	0
2024-2025	12	0

Notes:

1. In the event any day falls on a holiday, the price/index of the immediate preceding working day has been considered. If the stock was not traded on the said calendar days from the date of listing, the share price is taken of the immediately preceding trading day.
2. Source: www.bseindia.com and www.nseindia.com

For details regarding the track record of the Book Running Lead Manager, as specified in Circular reference CIR/MIRSD/1/2012 dated January 10, 2012 issued by SEBI, please see the website of the Book Running Lead Manager as set forth in the table below:

Sr. No.	Name of the Book Running Lead Manager	Website
1	GYR Capital Advisors Private Limited	<a href="http://www.gyrcapitaladvisors.com">www.gyrcapitaladvisors.com</a>

### **Track record of past issues handled by the Book Running Lead Manager**

For details regarding the track record of the Book Running Lead Manager to the Issue as specified in Circular reference CIR/MIRSD/1/ 2012 dated January 10, 2012 issued by the SEBI, please refer the website of Book Running Lead Manager at [www.gyrcapitaladvisors.com](http://www.gyrcapitaladvisors.com)

### **Stock market data of the Equity Shares**

As the Issue is the initial public offering of the Equity Shares, the Equity Shares are not listed on any stock exchange as on the date of this Prospectus, and accordingly, no stock market data is available for the Equity Shares.

### **Mechanism for Redressal of Investor Grievances**

The Agreement amongst the Registrar to the Issue, our Company provides for retention of records with the Registrar to the Issue for a period of at least three (3) year from the last date of dispatch of the letters of allotment, or refund orders, demat credit or where refunds are being made electronically, giving of refund instructions to the clearing system, to enable the investors to approach the Registrar to the Issue for redressal of their grievances.

We hereby confirm that there is no investor complaints received during the three years preceding the filing of Draft Red Herring Prospectus. Since there is no investor complaints received, none are pending as on the date of filing of this Draft Red Herring Prospectus.

All grievances relating to the Issue may be addressed to the Registrar to the Issue, giving full details such as name, address of the applicant, application number, number of Equity Shares applied for, amount paid on application, Depository Participant, and the bank branch or collection centre where the application was submitted.

The Applicant should give full details such as name of the sole/ first Applicant, Application Form number, Applicant DP ID, Client ID, PAN, date of the Application Form, address of the Applicant, number of the Equity Shares applied for and the name and address of the Designated Intermediary where the Application Form was submitted by the Applicant. Further, the investor shall also enclose the Acknowledgement Slip from the Designated Intermediaries in addition to the documents or information mentioned herein above.

### **Disposal of Investor Grievances by our Company**

Our Company estimates that the average time required by our Company or the Registrar to the Issue for the redressal of routine investor grievances shall be fifteen (15) Working Days from the date of receipt of the complaint. In case of complaints that are not routine or where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

Our Company has constituted Stakeholders Relationship Committee in the meeting of our Board of Directors held on October 12, 2023. For further details on the Stakeholders Relationship Committee, please refer to section titled “*Our Management*” beginning on page 112 of this Draft Red Herring Prospectus.

**Our Company has appointed Harpreet Kaur - Company Secretary, as the Compliance Officer to redress complaints, if any, of the investors participating in the Issue. Contact details for our Company Secretary and Compliance Officer are as follows:**

**Ms. Harpreet Kaur**

Company Secretary & Compliance Officer

**SACHEEROME LIMITED**

Y-4 Okhla Industrial Areaph-II, New Delhi, Delhi, India, 110020

**Telephone:** +011-47311111

**Email:** [Investors@sacheerome.com](mailto:Investors@sacheerome.com)

Investors can contact the 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 etc.

Pursuant to the press release no. PR. No. 85/2011 dated June 08, 2011, SEBI has launched a centralized web-based complaints redress system “**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)

### **Status of Investor Complaints**

We confirm that we have not received any investor complaint during the three years preceding the date of this Draft Red Herring Prospectus and hence there are no pending investor complaints as on the date of this Draft Red Herring Prospectus.

### **Exemption from complying with any provisions of securities laws, if any, granted by SEBI**

Our Company has not applied or received any exemptions from SEBI from complying with any provisions of securities laws.



## SECTION VIII: ISSUE RELATED INFORMATION

### TERMS OF THE ISSUE

*The Equity Shares being issued pursuant to this issue shall be subject to the provision of the Companies Act, SEBI (ICDR) Regulations, 2018, SCRA, SCRR, Memorandum and Articles, the terms of this Draft Red Herring Prospectus, Application Form, the Revision Form, the Confirmation of Allocation Note ('CAN') and other terms and conditions as may be incorporated in the Allotment advices and other documents/ certificates that may be executed in respect of the Issue. The Equity Shares shall also be subject to laws, guidelines, rules, notifications, and regulations relating to the issue of capital and listing of securities issued from time to time by SEBI, the Government of India, NSE, ROC, RBI and / or other authorities, as in force on the date of the Issue and to the extent applicable.*

*Please note that, in accordance with the Regulation 256 of the SEBI (ICDR), Regulations, 2018 read with SEBI circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the Applicants has to compulsorily apply through the ASBA Process. As an alternate payment mechanism, Unified Payments Interface (UPI) has been introduced (vide SEBI Circular Ref: SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018) as a payment mechanism in a phased manner with ASBA for applications in public Issues by retail individual investors through intermediaries (Syndicate members, Registered Stock-Brokers, Registrar and Transfer agent and Depository Participants).*

*Further, vide the said circular, Registrar to the Issue and Depository Participants have been also authorised to collect the Application forms. Investors may visit the official website of the concerned stock exchange for any information on operationalization of this facility of form collection by Registrar to the Issue and DPs as and when the same is made available.*

#### Authority for the Issue

The present Public Issue of upto 61,00,000 Equity Shares which have been authorized by a resolution of the Board of Directors of our Company at their meeting held on August 20, 2024 and was approved by the Shareholders of the Company by passing Special Resolution at the Extra-Ordinary General Meeting held on August 22, 2024 in accordance with the provisions of Section 62 (1) (c) of the Companies Act, 2013.

#### Ranking of Equity Shares

The Equity Shares being issued shall be subject to the provisions of the Companies Act, 2013 and our Memorandum and Articles of Association and shall rank pari-passu in all respects with the existing Equity Shares of our Company including in respect of the right to receive dividends and other corporate benefits, if any, declared by us after the date of Allotment. For further details, please refer to Section titled “Description of Equity Shares and terms of the Articles of Association” beginning on Page No. 220 of the Draft Red Herring Prospectus.

#### Mode of Payment of Dividend

The declaration and payment of dividend will be as per the provisions of Companies Act, the Articles of Association, the provision of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and recommended by the Board of Directors and the Shareholders at their discretion and will depend on a number of factors, including but not limited to earnings, capital requirements and overall financial condition of our Company. We shall pay dividends in cash and as per provisions of the Companies Act. For further details, please refer to chapter titled “Dividend Policy” beginning on Page 140 of the Draft Red Herring Prospectus.

#### Face Value, Issue Price, Floor Price and Price Band

The face value of each Equity Share is ₹ 10/- and the Issue Price at the lower end of the Price Band is ₹ [●] per Equity Share (“**Floor Price**”) and at the higher end of the Price Band is ₹ [●] per Equity Share (“**Cap Price**”).

The Price Band and the minimum Bid Lot will be decided by our Company in consultation with the BRLM and advertised in all editions of an English national daily newspaper, all editions of a Hindi national daily newspaper, each with wide circulation, at least two Working Days prior to the Bid/Issue Opening Date and shall be made available to the Stock Exchange for the purpose of uploading on its websites. The Price Band, along with the relevant financial ratios calculated at the Floor Price and at the Cap Price, shall be pre-filled in the Bid cum Application Forms available on the website of the Stock Exchange. The Issue Price shall be determined by our Company in consultation with the BRLM, after the Bid/Issue Closing Date, on the basis of assessment of market demand for the Equity Shares offered by way of Book Building Process.

At any given point of time, there shall be only one denomination of Equity Shares.

The Issue Price shall be determined by our Company in consultation with the Book Running Lead Manager and is justified under the chapter titled “Basis for Issue Price” beginning on page 63 of this Draft Red Herring Prospectus.

#### Compliance with SEBI (ICDR) Regulations

Our Company shall comply with all requirements of the SEBI (ICDR) Regulations, 2018. Our Company shall comply with all disclosure and accounting norms as specified by SEBI from time to time.

## **Rights of the Equity Shareholders**

Subject to applicable laws, rules, regulations and guidelines and the Articles of Association, the equity shareholders shall have the following rights:

- Right to receive dividend, if declared;
- Right to receive Annual Reports & notices to members;
- Right to attend general meetings and exercise voting rights, unless prohibited by law;
- Right to vote on a poll either in person or by proxy;
- Right to receive offer for rights shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation; subject to any statutory or preferential claims being satisfied;
- Right of free transferability of the Equity Shares; and
- Such other rights, as may be available to a shareholder of a listed Public Limited Company under the Companies Act, terms of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2018 and the Memorandum and Articles of Association of our Company.

## **Minimum Application Value, Market Lot and Trading Lot**

In accordance with Regulation 267 (2) of the SEBI ICDR Regulations, our Company shall ensure that the minimum application size shall not be less than ₹ 1,00,000/- (Rupees One Lakh) per application.

Pursuant to Section 29 of the Companies Act, the Equity Shares shall be Allotted only in dematerialised form. As per SEBI ICDR Regulations, the trading of the Equity Shares shall only be in dematerialised form. In this context, two agreements will be signed by our Company with the respective Depositories and the Registrar to the Issue before filing this Draft Red Herring Prospectus:

- Tripartite agreement among the NSDL, our Company and Registrar to the Issue dated November 5<sup>th</sup>, 2024.
- Tripartite agreement among the CDSL, our Company and Registrar to the Issue dated November 11<sup>th</sup>, 2024.

As per the provisions of the Depositories Act, 1996 & regulations made there under and Section 29 (1) of the Companies Act, 2013, the equity shares of an issuer shall be in dematerialized form i.e. not in the form of physical certificates, but be fungible and be represented by the statement issued through electronic mode. The trading of the Equity Shares will happen in the minimum contract size of [●] Equity Shares and the same may be modified by the National Stock Exchange of India Limited from time to time by giving prior notice to investors at large. Allocation and allotment of Equity Shares through this Issue will be done in multiples of [●] Equity Shares subject to a minimum allotment of [●] Equity Shares to the successful Applicants in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012.

## **Minimum Number of Allottees**

The minimum number of allottees in the Issue shall be 50 shareholders. In case, the number of prospective allottees is less than 50, no allotment will be made pursuant to this Issue and the amounts in the ASBA Account shall be unblocked forthwith.

## **Joint Holders**

Where 2 (two) or more persons are registered as the holders of any Equity Shares, they will be deemed to hold such Equity Shares as joint-holders with benefits of survivorship.

## **Jurisdiction**

Exclusive Jurisdiction for the purpose of this Issue is with the competent courts/authorities in India.

The Equity Share have not been and will not be registered under the U.S. Securities Act or any state securities laws in the United States and may not be issued or sold within the United States or to, or for the account or benefit of, —U.S. personal (as defined in Regulation S), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. Accordingly, the Equity Shares are being issued and sold only outside the United States in off-shore transactions in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those issues and sales occur.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be issued or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

## Nomination Facility to Investor

In accordance with Section 72 of the Companies Act, 2013, the sole or first applicant, along with other joint applicant, may nominate any one person in whom, in the event of the death of sole applicant or in case of joint applicant, death of all the applicants, as the case may be, the Equity Shares allotted, if any, shall vest. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall in accordance with Section 72 of the Companies Act, 2013 be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale of equity share(s) by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at the Registered Office of our Company or to the Registrar and Transfer Agent of our Company.

In accordance with Section 72 of the Companies Act, 2013, any Person who becomes a nominee by virtue of Section 72 of the Companies Act, 2013 shall upon the production of such evidence as may be required by the Board, elect either:

- To register himself or herself as the holder of the Equity Shares; or
- To make such transfer of the Equity Shares, as the deceased holder could have made.

Further, the Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of 90 (ninety) days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the allotment of Equity Shares in the Issue is in dematerialized form, there is no need to make a separate nomination with us. Nominations registered with the respective depository participant of the applicant would prevail. If the investors require changing the nomination, they are requested to inform their respective depository participant.

## Restrictions, if any on Transfer and Transmission of Equity Shares

Except for the lock-in of the pre-Issue capital of our Company, Promoter's minimum contribution as provided under the chapter titled "*Capital Structure*" on page 43 of this Draft Red Herring Prospectus and except as provided in the Articles of Association there are no restrictions on transfer of Equity Shares. Further, there are no restrictions on the transmission of shares/debentures and on their consolidation/splitting, except as provided in the Articles of Association. For details, please refer chapter titled "*Description of Equity Shares and terms of the articles of association*" on page 220 of this Draft Red Herring Prospectus.

The above information is given for the benefit of the Applicants. The Applicants are advised to make their own enquiries about the limits applicable to them. Our Company and the Book Running Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated herein above. Our Company and the Book Running Lead Manager are not liable to inform the investors of any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of the Draft Red Herring Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares Applied for do not exceed the applicable limits under laws or regulations.

## Withdrawal of the Issue

Our Company in consultation with the BRLM, reserve the right to not to proceed with the Issue after the Issue Opening Date but before the Allotment. In such an event, our Company would issue a public notice in the newspapers in which the pre-Issue advertisements were published, within two (2) days of the Issue Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Issue. The Book Running Lead Manager, through the Registrar to the Issue, shall notify the SCSBs to unblock the bank accounts of the ASBA Bidders within one (1) Working Day from the date of receipt of such notification. Our Company shall also inform the same to the Stock Exchanges on which Equity Shares are proposed to be listed.

Notwithstanding the foregoing, this Issue is also subject to obtaining (i) the final listing and trading approvals of the Stock Exchange, which our Company shall apply for after Allotment (ii) the final RoC approval of the Red Herring Prospectus after it is filed with the RoC. If our Company in consultation with BRLM withdraws the Issue after the Issue Closing Date and thereafter determines that it will proceed with an issue/issue for sale of the Equity Shares, our Company shall file a fresh Draft Red Herring Prospectus/Red Herring Prospectus with Stock Exchange.

## ISSUE PROGRAM

Events	Indicative Dates
Anchor Portion Offer Opens/Closes On	[●]
Bid/Issue Opening Date	[●]
Bid/Issue Closing Date	[●]
Finalization of Basis of Allotment with the Designated Stock Exchange	On or before [●]

<b>Initiation of Allotment / Refunds / Unblocking of Funds from ASBA Account or UPI ID linked bank account**</b>	On or before [●]
<b>Credit of Equity Shares to Demat accounts of Allottees</b>	On or before [●]
<b>Commencement of trading of the Equity Shares on the Stock Exchange</b>	On or before [●]

**\*\*In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding two Working Days from the Bid/Issue Closing Date for cancelled/withdrawn/deleted ASBA Forms, the Bidder shall be compensated at a uniform rate of ₹100 per day or 15% per annum of the Bid Amount, whichever is higher, for the entire duration of delay exceeding two Working Days from the Bid/Issue Closing Date by the intermediary responsible for causing such delay in unblocking. The BRLMs and shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. The Bidder shall be compensated by the manner specified in the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 read with the SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, and the SEBI ICDR Master Circular, which for the avoidance of doubt, shall be deemed to be incorporated in the deemed agreement of the Company with the Self Certified Syndicate Bank(s) ( "SCSB " ), to the extent applicable. The processing fees for applications made by UPI Bidders using the UPI Mechanism may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation in compliance with SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 read with SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022 read with SEBI master circular no. SEBI/HO/CFD/PoD- 2/P/CIR/2023/00094 dated June 21, 2023, for which the avoidance of doubt, shall be deemed to be incorporated in the deemed agreement of the Company with the SCSBs, to the extent applicable. The processing fee for applications made by the UPI Bidders using the UPI Mechanism may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation in compliance with SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 read with SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and SEBI Circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022 read with SEBI master circular no. SEBI/HO/MIRSD/POD-1/P/CIR/2023/70 dated May 17, 2023.**

The above timetable, other than the Bid/Issue Closing Date, is indicative and does not constitute any obligation on our Company the BRLM.

While our Company shall ensure that all steps for the completion of the necessary formalities for the listing and commencement of trading of the Equity Shares on the Stock Exchange are taken within Three Working Days of the Bid/Issue Closing Date or such other period as may be prescribed by the SEBI, the timetable may be extended due to various factors, such as extension of the Bid/Issue Period by our Company in consultation with the BRLM, revision of the Price Band or any delay in receiving the final listing and trading approval from the Stock Exchange. The commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchange and in accordance with the applicable laws.

The SEBI is in the process of streamlining and reducing the post Issue timeline for initial public offerings. Any circulars or notifications from the SEBI after the date of the Draft Red Herring Prospectus may result in changes to the above- mentioned timelines. Further, the Issue procedure is subject to change to any revised circulars issued by the SEBI to this effect.

The BRLM will be required to submit reports of compliance with listing timelines and activities, identifying non- adherence to timelines and processes and an analysis of entities responsible for the delay and the reasons associated with it.

**In terms of the UPI Circulars, in relation to the Issue, the BRLM will submit report of compliance with T+3 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.**

#### **Submission of Bids**

##### **Bid/Issue Period (except the Bid/Issue Closing Date)**

Submission and Revision in Bids: Only between 10.00 a.m. and 5.00 p.m. (Indian Standard Time ("IST"))

##### **Bid/Issue Closing Date**

Submission and Revision in Bids: Only between 10.00 a.m. and 3.00 p.m. IST

##### **On the Bid/Issue Closing Date, the Bids shall be uploaded until:**

- i. 4.00 p.m. IST in case of Bids by QIBs and Non-Institutional Bidders, and
- ii. until 5.00 p.m. IST or such extended time as permitted by the Stock Exchange, in case of Bids by Retail Individual Bidders.

On the Bid/Issue Closing Date, extension of time will be granted by the Stock Exchange only for uploading Bids received from Retail Individual Bidders after taking into account the total number of Bids received and as reported by the BRLM to the Stock Exchange.

The Registrar to the Issue shall submit the details of cancelled/ withdrawn/ deleted applications to the SCSBs on a daily basis within 60 minutes of the Bid closure time from the Bid/ Issue Opening Date till the Bid/ Issue Closing Date by obtaining the same from the Stock Exchanges. The SCSBs shall unblock such applications by the closing hours of the Working Day and submit the confirmation to the BRLM and the RTA on a daily basis.

To avoid duplication, the facility of re-initiation provided to Syndicate Members, if any shall preferably be allowed only once per Bid/batch and as deemed fit by the Stock Exchange, after closure of the time for uploading Bids.

**It is clarified that Bids not uploaded on the electronic bidding system or in respect of which the full Bid Amount is not blocked by SCSBs or not blocked under the UPI Mechanism in the relevant ASBA Account, as the case may be, would be rejected.**

Due to limitation of time available for uploading the Bids on the Bid/Issue Closing Date, Bidders are advised to submit their Bids one day prior to the Bid/Issue Closing Date. Any time mentioned in this Draft Red Herring Prospectus is Indian Standard Time. Bidders are cautioned that, in the event, large number of Bids are received on the Bid/Issue Closing Date, as is typically experienced in public offerings, some Bids may not get uploaded due to lack of sufficient time. Such Bids that cannot be uploaded will not be considered for allocation under the Issue. Bids will be accepted only during Monday to Friday (excluding any public holiday). None among our Company or any Member of the Syndicate shall be liable for any failure in (i) uploading the Bids due to faults in any software/ hardware system or blocking of application amount by the SCSBs on receipt of instructions from the Sponsor Bank on account of any errors, omissions or non-compliance by various parties involved in, or any other fault, malfunctioning or breakdown in, or otherwise, in the UPI Mechanism.

In case of any discrepancy in the data entered in the electronic book *vis-a-vis* data contained in the physical Bid cum Application Form, for a particular Bidder, the details of the Bid file received from the Stock Exchanges may be taken. Our Company in consultation with the BRLM, reserve the right to revise the Price Band during the Bid/Issue Period, provided that the Cap Price shall be less than or equal to 120% of the Floor Price and the Floor Price shall not be less than the face value of the Equity Shares. The revision in 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 BRLM, for reasons to be recorded in writing, extend the Bid/Issue Period for a minimum of three Working Days, subject to the Bid/ Issue Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bid/Issue Period, if applicable, will be widely disseminated by notification to the Stock Exchange, by issuing a public notice, and also by indicating the change on the respective websites of the BRLM and the terminals of the Syndicate Members, if any and by intimation to SCSBs, other Designated Intermediaries and the Sponsor Bank, as applicable. In case of revision of Price Band, the Bid Lot shall remain the same.**

### **Minimum Subscription**

This Issue is not restricted to any minimum subscription level and is 100% underwritten. As per Section 39 of the Companies Act, 2013, if the —stated minimum amount has not been subscribed and the sum payable on application is not received within a period of 30 days from the date of the Red Herring Prospectus, the application money has to be returned within such period as may be prescribed. If our Company does not receive the 100% subscription of the issue through the Issue Document including devolvement of Underwriters, if any, within sixty (60) days from the date of closure of the issue, our Company shall forthwith refund the entire subscription amount received. If there is a delay beyond four days after our Company becomes liable to pay the amount, our Company and every officer in default will, on and from the expiry of this period, be jointly and severally liable to repay the money, with interest or other penalty as prescribed under the SEBI Regulations, the Companies Act 2013 and applicable law.

In accordance with Regulation 260 of the SEBI (ICDR) Regulations, our Issue shall be hundred percent underwritten. Thus, the underwriting obligations shall be for the entire hundred percent of the issue through the Red Herring Prospectus and shall not be restricted to the minimum subscription level.

Further, in accordance with Regulation 268(1) of the SEBI (ICDR) Regulations, our Company shall ensure that the number of prospective allottees to whom the Equity Shares will allotted will not be less than 50 (Fifty).

Further, in accordance with Regulation 267(2) of the SEBI (ICDR) Regulations, our Company shall ensure that the minimum application size in terms of number of specified securities shall not be less than ₹ 1,00,000 (Rupees One Lac only) 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.

### **Migration to Main Board**

<b>Parameter</b>	<b>Migration policy from NSE SME Platform to NSE Main Board</b>
Paid up Capital & Market Capitalisation	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**  ** 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
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	<ul style="list-style-type: none"> <li>• 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.</li> <li>• The company has not received any winding up petition admitted by a NCLT.</li> <li>• The net worth* of the company should be at least 50 crores</li> </ul> <p>*Net Worth – 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 of the Exchange should also satisfy the Exchange on the following:	<ul style="list-style-type: none"> <li>• 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.</li> <li>• Cooling period of two months from the date the security has come out of trade-to-trade category or any other surveillance action, by other exchanges where the security has been actively listed.</li> <li>• Redressal mechanism of Investor grievance</li> <li>• PAN and DIN no. of Director(s) of the Company</li> <li>• Change in Control of a Company/Utilization of funds raised from public</li> </ul>

### Market Making

The shares issued and transferred through this Issue are proposed to be listed on the Emerge Platform of National Stock Exchange of India Limited with compulsory market making through the registered Market Maker of the SME Exchange for a minimum period of three years or such other time as may be prescribed by the Stock Exchange, from the date of listing on the Emerge Platform of National Stock Exchange of India Limited. For further details of the market making arrangement please refer to chapter titled “General Information” beginning on page 43 of this Draft Red Herring Prospectus.

### Arrangements for disposal of odd lots

The trading of the Equity Shares will happen in the minimum contract size of [●] shares in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012. However, the Market Maker shall buy the entire shareholding of a shareholder in one lot, where value of such shareholding is less than the minimum contract size allowed for trading on the Emerge Platform of National Stock Exchange of India Limited.

### Restrictions, if any, on Transfer and Transmission of Shares or Debentures and on their Consolidation or Splitting

Except for lock-in of the pre-Issue Equity Shares and Promoter’s minimum contribution in the Issue as detailed in the chapter “Capital Structure” beginning on page 43 of this Draft Red Herring Prospectus and except as provided in the Articles of Association, there are no restrictions on transfers of Equity Shares. There are no restrictions on transmission of shares and on their consolidation / splitting except as provided in the Articles of Association. The above information is given for the benefit of the Applicants. The Applicants are advised to make their own enquiries about the limits applicable to them. Our Company and the Book Running Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated hereinabove. Our Company and the Book Running Lead Manager are not liable to inform the investors of any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of the Red Herring Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares Applied for do not exceed the applicable limits under laws or regulations.

### Application by Eligible NRIs, FPIs or VCFs registered with SEBI

It is to be understood that there is no reservation for Eligible NRIs, FPIs or VCF registered with SEBI. Such Eligible NRIs, FPIs or VCF registered with SEBI will be treated on the same basis with other categories for the purpose of Allocation.

NRIs, FPIs/FIIs and foreign venture capital investors registered with SEBI are permitted to purchase shares of an Indian company in a public Issue without the prior approval of the RBI, so long as the price of the equity shares to be issued is not less than the price at which the equity shares are issued to residents. The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the FIPB or the RBI, provided that (i) the activities of the investee company are under the automatic route under the foreign direct investment (“FDI”) Policy and the non-resident shareholding is within the sectoral limits under the FDI policy; and (ii) the pricing is in accordance with the guidelines prescribed by the SEBI/RBI.

The current provisions of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, provides a general permission for the NRIs, FPIs and foreign venture capital investors registered with SEBI to invest in shares of Indian companies by way of subscription in an IPO. However, such investments would be subject to other investment restrictions under the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, RBI and/or SEBI regulations as may be applicable to such investors.

The Allotment of the Equity Shares to Non-Residents shall be subject to the conditions, if any, as may be prescribed by the Government of India/RBI while granting such approvals.

#### **Option to receive securities in Dematerialized Form**

In accordance with the SEBI ICDR Regulations, Allotment of Equity Shares to successful applicants will only be in the dematerialized form. Applicants will not have the option of Allotment of the Equity Shares in physical form. The Equity Shares on Allotment will be traded only on the dematerialized segment of the Stock Exchange. Allottees shall have the option to re-materialize the Equity Shares, if they so desire, as per the provisions of the Companies Act and the Depositories Act.

Further, it is mandatory for the investor to furnish the details of his/her depository account, & if for any reason, details of the account are incomplete or incorrect the application shall be treated as incomplete & may be rejected by the Company without any prior notice.

#### **New Financial Instruments**

There are no new financial instruments such as deep discounted bonds, debentures, warrants, secured premium notes, etc. issued by our Company.



## ISSUE STRUCTURE

This Issue is being made in terms of Regulation 229 (2) of Chapter IX of SEBI (ICDR) Regulations, 2018, as amended from time to time, whereby, an issuer whose post issue face value capital is more than ten crore rupee and upto twenty five crore rupees shall issue equity shares to the public and propose to list the same on the Small and Medium Enterprise Exchange (“SME Exchange”, in this case being the Emerge Platform of National Stock Exchange of India Limited). For further details regarding the salient features and terms of such an issue, please refer chapter titled “*Terms of Issue*” and “*Issue Procedure*” on page no. 183 and 193 respectively of this Draft Red Herring Prospectus.

This public issue comprises of upto 61,00,000 equity shares of face value of ₹10/- each for cash at a price of ₹ [●] per equity share including a share premium of ₹ [●]/- per equity share (the “issue price”) aggregating to ₹ [●]/- Thousands (“the issue”) by our company. The Issue and the Net Issue will constitute [●] % and [●] % respectively of the post issue paid up Equity Share Capital of the Company.

This Issue is being made by way of Book Building Process <sup>(1)</sup>:

Particulars of the Issue <sup>(2)</sup>	Market Maker Reservation Portion	QIBs	Non-Institutional Applicants	Retail Individual Investors
Number of Equity Shares available for allocation	Up to [●] Equity Shares	Not more than [●] Equity Shares.	Not less than [●] Equity Shares	Not less than Equity Shares [●]
Percentage of Issue size available for allocation	[●]% of the issue size	Not more than 50% of the Net Issue being available for allocation to QIB Bidders. However, up to 5% of the Net QIB Portion may be available for allocation proportionately to Mutual Funds only. Mutual Funds participating in the Mutual Fund Portion will also be eligible for allocation in the remaining QIB Portion. The unsubscribed portion in the Mutual Fund Portion will be added to the Net QIB Portion  Up to 60.00% of the QIB Portion may be available for allocation to Anchor Investors and one third of the Anchor Investors Portion shall be available for allocation to domestic mutual funds only.”	Not less than 15% of the Net Issue	Not less than 35% of the Net Issue
Basis of Allotment(3)	Firm Allotment	Proportionate as follows:  a) Up to [●] Equity Shares shall be available for allocation on a proportionate basis to Mutual Funds only; and  b) Up to [●] Equity Shares shall be available for allocation on a proportionate basis to all QIBs, including Mutual Funds receiving allocation as per (a) above	Proportionate	Proportionate
Mode of Bid	Only through the ASBA Process	Only through the ASBA process.	Through ASBA Process through banks or by using UPI ID for payment	Through ASBA Process through banks or by using UPI ID for payment
Mode of Allotment	Compulsorily in dematerialized form			

Minimum Bid Size	[●] Equity Shares in multiple of [●] Equity shares	Such number of Equity Shares and in multiples of [●] Equity Shares that the Bid Amount exceeds ₹ 200,000	Such number of Equity Shares in multiples of [●] Equity Shares that Bid size exceeds ₹ 200,000	[●] Equity Shares in multiple of [●] Equity shares so that the Bid Amount does not exceed ₹ 2,00,000
Maximum Bid Size	[●] Equity Shares	Such number of Equity Shares in multiples of [●] Equity Shares not exceeding the size of the Net Issue, subject to applicable limits	Such number of Equity Shares in multiples of [●] Equity Shares not exceeding the size of the issue (excluding the QIB portion), subject to limits as applicable to the Bidder	Such number of Equity Shares in multiples of [●] Equity Shares so that the Bid Amount does not exceed ₹ 2,00,000
Trading Lot	[●] Equity Shares, however, the Market Maker may accept odd lots if any in the market as required under the SEBI ICDR Regulations	[●] Equity Shares and in multiples thereof	[●] Equity Shares and in multiples thereof	[●] Equity Shares
Terms of Payment	Full Bid Amount shall be blocked by the SCSBs in the bank account of the ASBA Bidder or by the Sponsor Bank through the UPI Mechanism that is specified in the ASBA Form at the time of submission of the ASBA Form.			
Mode of Bid	Only through the ASBA process			

- (1) This issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time.
- (2) In terms of Rule 19(2) of the SCRR read with Regulation 252 of the SEBI (ICDR) Regulations, 2018, this is an issue for at least 25% of the post issue paid-up Equity share capital of the Company. This issue is being made through Book Building Process, wherein allocation to the public shall be as per Regulation 252 of the SEBI (ICDR) Regulations.
- (3) Subject to valid Bids being received at or above the issue price, under subscription, if any, in any category, except in the QIB Portion, would be allowed to be met with spill-over from any other category or combination of categories of Bidders at the discretion of our Company in consultation with the Book Running Lead Manager and the Designated Stock Exchange, subject to applicable laws.
- (4) Our Company, in consultation with the BRLM may allocate upto 60% of the QIB Portion to Anchor Investors on a discretionary basis, in accordance with the SEBI (ICDR) Regulations, 2018, as amended. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Price.
- (5) Full Bid Amount shall be payable by the Anchor Investors at the time of submission of the Anchor Investor Application Forms provided that any difference between the Anchor Investor Allocation Price and the Anchor Investor Offer Price shall be payable by the Anchor Investor Pay-In Date as indicated in the CAN. For further details please refer to the section titled "Issue Procedure" beginning on page 193 of the Draft Red Herring Prospectus

### Withdrawal of the Issue

In accordance with SEBI (ICDR) Regulations, the Company, in consultation with the Book Running Lead Manager, reserves the right to not to proceed with the Issue at any time before the Bid/Issue Opening Date, without assigning any reason thereof.

In case, the Company wishes to withdraw the Issue after Bid/ Issue Opening but before allotment, the Company will give public notice giving reasons for withdrawal of Issue. The public notice will appear in all editions [●], an English national daily newspaper, all editions of [●], a Hindi national daily newspaper each with wide circulation.

The Book Running Lead Manager, through the Registrar to the Issue, will instruct the SCSBs, to unblock the ASBA Accounts within one Working Day from the day of receipt of such instruction. The notice of withdrawal will be issued in the same newspapers where the pre-Issue advertisements have appeared and the Stock Exchange will also be informed promptly. If our Company withdraws the Issue after the Bid/ Issue Closing Date and subsequently decides to undertake a public offering of Equity Shares, our Company will file a fresh Draft Red Herring Prospectus with the stock exchange where the Equity Shares may be proposed to be listed.

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

## JURISDICTION

Exclusive jurisdiction for the purpose of this Issue is with the competent courts/authorities at Delhi.

## BID/ ISSUE PROGRAMME:

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

*Note - Our Company in consultation with the Book Running Lead Manager, may consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bid/Issue Period shall be one Working Day prior to the Bid/Issue Opening Date in accordance with the SEBI ICDR Regulations.*

Bids and any revisions to the same will be accepted only between 10.00 a.m. to 5.00 p.m. (Indian Standard Time) during the Issue Period at the Bidding Centers mentioned in the Bid cum Application Form.

Standardization of cut-off time for uploading of bids on the Bid/Issue closing date:

- i. A standard cut-off time of 3.00 p.m. for acceptance of bids.
- ii. A standard cut-off time of 4.00 p.m. for uploading of bids received from other than retail individual applicants.
- iii. A standard cut-off time of 5.00 p.m. for uploading of bids received from only retail individual applicants, which may be extended up to such time as deemed fit by National Stock Exchange of India Limited after taking into account the total number of bids received up to the closure of timings and reported by BRLM to National Stock Exchange of India Limited within half an hour of such closure.

It is clarified that Bids not uploaded in the book, would be rejected. In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical Bid form, for a particular bidder, the details as per physical bid cum application form of that Bidder may be taken as the final data for the purpose of allotment.

Bids will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holiday).

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## ISSUE PROCEDURE

All Bidders should read the General Information Document which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, the SCRA, the SCRR and the SEBI ICDR Regulations which is part of the abridged prospectus accompanying the Bid cum Application Form. The General Information Document is available on the websites of the Stock Exchange and the BRLM. Please refer to the relevant provisions of the General Information Document which are applicable to the Issue, especially in relation to the process for Bids by UPI Bidders through the UPI Mechanism. The investors should note that the details and process provided in the General Information Document should be read along with this section.

Additionally, all Bidders may refer to the General Information Document for information in relation to (i) category of investors eligible to participate in the Issue; (ii) maximum and minimum Bid size; (iii) price discovery and allocation; (iv) payment instructions for ASBA Bidders; (v) issuance of CAN and Allotment in the Issue; (vi) general instructions (limited to instructions for completing the Bid cum Application Form); (vii) designated date; (viii) disposal of applications; (ix) submission of Bid cum Application Form; (x) other instructions (limited to joint bids in cases of individual, multiple bids and instances when an application would be rejected on technical grounds); (xi) applicable provisions of the Companies Act relating to punishment for fictitious applications; (xii) mode of making refunds; and (xiii) interest in case of delay in Allotment or refund.

SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 read with its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, has introduced an alternate payment mechanism using Unified Payments Interface (“UPI”) and consequent reduction in timelines for listing in a phased manner. From January 1, 2019, the UPI Mechanism for 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.

With effect from July 1, 2019, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, read with circular bearing number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 with respect to Bids by RIBs through Designated Intermediaries (other than SCSBs), the existing process of physical movement of forms from such Designated Intermediaries to SCSBs for blocking of funds has been discontinued and only the UPI Mechanism for such Bids with existing timeline of T+6 days was mandated for a period of three months or launch of five main board public issues, whichever is later (“UPI Phase II”). Subsequently, however, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020 extended the timeline for implementation of UPI Phase II till further notice. The final reduced timeline will be made effective using the UPI Mechanism for applications by RIBs (“UPI Phase III”), as may be prescribed by SEBI. The Issue has been undertaken pursuant to the processes and procedures under UPI Phase II, subject to any circulars, clarification or notification issued by the SEBI from time to time. Further, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, has introduced certain additional measures for streamlining the process of initial public Issues and redressing investor grievances. This circular shall come into force for initial public Issues opening on or after May 1, 2021 and the provisions of this circular are deemed to form part of this Prospectus. Subsequently, SEBI vide its circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 modifying the process timelines and extending the implementation timelines for certain measures introduced by the March 16 Circular. Furthermore, pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022, all UPI Bidders in initial public offerings (opening on or after May 1, 2022) whose application sizes are up to ₹ 5,00,000/- shall use the UPI Mechanism. This circular shall come into force for initial public offers opening on/or after May 1, 2022, and the provisions of this circular are deemed to form part of this Draft Red Herring Prospectus. Pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, applications made using the ASBA facility in initial public offerings shall be processed only after application monies are blocked in the bank accounts of investors (all categories).

The processing fees for applications made by Retail Individual Bidders using the UPI Mechanism may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with SEBI Circular No: SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 02, 2021, read with SEBI Circular No: SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021.

Our Company, the Promoter and the BRLM do not accept any responsibility for the completeness and accuracy of the information stated in this section and General Information Document and are not liable for any amendment, modification or change in the applicable law which may occur after the date of this Prospectus. Bidders are advised to make their independent investigations and ensure that their Bids are submitted in accordance with applicable laws and do not exceed the investment limits or maximum number of the Equity Shares that can be held by them under applicable law or as specified in the Red Herring Prospectus.

Further, our Company, the Promoter and the Members of the Syndicate are not liable for any adverse occurrences consequent to the implementation of the UPI Mechanism for application in the Issue.

### **BOOK BUILDING PROCEDURE:**

This issue is being made in terms of Rule 19(2)(b) of the SCRR, through the Book Building Process in accordance with Regulation 253 of the SEBI ICDR Regulations wherein not more than 50.00% of the Offer shall be allocated on a proportionate basis to QIBs, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations.

Further, 5.00% of the QIB Portion shall be available for allocation on a proportionate basis only to Mutual Funds, and spill-over from the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIBs, including Mutual Funds, subject to valid Bids being received at or above the Issue Price. Further, not less than 15.00% of the Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35.00% of the Issue shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Issue Price.

Under-subscription, if any, in any category, except in the QIB Portion, would be allowed to be met with spill over from any other category or combination of categories of Bidders at the discretion of our Company and the Selling Shareholders, in consultation with the BRLM and the Designated Stock Exchange subject to receipt of valid Bids received at or above the Issue Price. Under-subscription, if any, in the QIB Portion, would not be allowed to be met with spill-over from any other category or a combination of categories.

The Equity Shares, on Allotment, shall be traded only in the dematerialized segment of the Stock Exchange

**Investors should note that the Equity Shares will be allotted to all successful Bidders only in dematerialised form. The Bid cum Application Forms which do not have the details of the Bidders' depository account, including DP ID, Client ID, the PAN and UPI ID, for RIBs Bidding in the Retail Portion 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. However, they may get their Equity Shares rematerialized subsequent to allotment of the Equity Shares in the Issue, subject to applicable laws.**

### AVAILABILITY OF PROSPECTUS AND APPLICATION FORMS

The Memorandum containing the salient features of the Red Herring Prospectus together with the Application Forms and copies of the Red Herring Prospectus may be obtained from the Registered Office of our Company, from the Registered Office of the Book Running Lead Manager to the Issue, Registrar to the Issue as mentioned in the Application form. The application forms may also be downloaded from the website of National Stock Exchange of India Limited i.e. [www.nseindia.com](http://www.nseindia.com). Applicants shall only use the specified Application Form for the purpose of making an Application in terms of the Red Herring Prospectus. All the applicants shall have to apply only through the ASBA process. ASBA Applicants shall submit an Application Form either in physical or electronic form to the SCSBs authorizing blocking of funds that are available in the bank account specified in the Application Form. Applicants shall only use the specified Application Form for the purpose of making an Application in terms of this Prospectus. The Application Form shall contain space for indicating number of specified securities subscribed for in demat form.

### Phased implementation of Unified Payments Interface

SEBI has issued UPI Circulars in relation to streamlining the process of public issue of equity shares and convertibles. Pursuant to the UPI Circulars, UPI has been introduced in a phased manner as a payment mechanism (in addition to mechanism of blocking funds in the account maintained with SCSBs under ASBA) for applications by RIIs through intermediaries with the objective to reduce the time duration from public issue closure to listing from six Working Days to upto three Working Days. Considering the time required for making necessary changes to the systems and to ensure complete and smooth transition to the UPI Mechanism, the UPI Circulars proposes to introduce and implement the UPI Mechanism in three phases in the following manner:

- a) Phase I: This phase was applicable from January 01, 2019 and lasted till June 30, 2019. Under this phase, a Retail Individual Bidder, besides the modes of Bidding available prior to the UPI Circulars, also had the option to submit the Bid cum Application Form with any of the intermediary and use his / her UPI ID for the purpose of blocking of funds. The time duration from public issue closure to listing continued to be six Working Days.
- b) Phase II: This phase has become applicable from July 1, 2019 and was to initially continue for a period of three months or floating of five main board public issues, whichever is later. SEBI pursuant to its circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, had decided to extend the timeline for implementation of UPI Phase II until March 31, 2020. Subsequently, SEBI pursuant to its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020 extended the timeline for implementation of UPI Phase II till further notice. Under this phase, submission of the ASBA Form by RIIs through Designated Intermediaries (other than SCSBs) to SCSBs for blocking of funds was discontinued and replaced by the UPI Mechanism. However, the time duration from public issue closure to listing continued to be six Working Days during this phase.
- c) Phase III: This phase has become applicable on a voluntary basis for all issues opening on or after September 1, 2023 and on a mandatory basis for all issues opening on or after December 1, 2023, vide SEBI circular bearing number SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 ("T+3 Notification"). In this phase, the time duration from public issue closure to listing has been reduced to three Working Days. The Issue shall be undertaken pursuant to the processes and procedures as notified in the T+3 Notification as applicable, subject to any circulars, clarification or notification issued by SEBI from time to time, including any circular, clarification or notification which may be issued by SEBI.

Pursuant to the UPI Circular, SEBI has set out specific requirements for redressal of investor grievances for applications that have been made through the UPI Mechanism. The requirements of the UPI Circular include, appointment of a nodal officer by the SCSB and submission of their details to SEBI, the requirement for SCSBs to send SMS alerts for the blocking and unblocking of UPI mandates, the requirement for the Registrar to submit details of cancelled, withdrawn or deleted



applications, and the requirement for the bank accounts of unsuccessful Bidders to be unblocked not later than one day from the date on which the Basis of Allotment is finalized. Failure to unblock the accounts within the timeline would result in the SCSBs being penalised under the relevant securities law. Additionally, if there is any delay in the redressal of investors complaints in this regard, the relevant SCSB as well as the post – Issue BRLM will be required to compensate the concerned investor.

All SCSBs offering the facility of making applications in public issues shall also provide the facility to make application using UPI. The Company will be required to appoint one of the SCSBs as a Sponsor Bank to act as a conduit between the Stock Exchanges and NPCI in order to facilitate collection of requests and/ or payment instructions of the Retail Individual Bidders using the UPI.

The processing fees for applications made by Retail Individual Bidders using the UPI Mechanism may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with SEBI Circular No: SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 read with SEBI Circular No: SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021.

For further details, refer to the “General Information Document” available on the websites of the Stock Exchange and the BRLM.

### **Bid cum Application Form**

Copies of the Bid cum Application Form and the abridged prospectus will be available with the Designated Intermediaries at the Bidding Centres, and our Registered and Corporate Office. An electronic copy of the Bid cum Application Form will also be available for download on the website of National Stock Exchange of India Limited ([www.nseindia.com](http://www.nseindia.com)) at least one day prior to the Bid/Issue Opening Date.

All Bidders shall mandatorily participate in the Issue only through the ASBA process. The RIs Bidding in the Retail Portion can additionally Bid through the UPI Mechanism.

RIBs Bidding in the Retail Portion using the UPI Mechanism must provide the valid UPI ID in the relevant space provided in the Bid cum Application Form and the Bid cum Application Form that does not contain the UPI ID are liable to be rejected.

ASBA Bidders (other than RIBs using UPI Mechanism) must provide bank account details and authorization to block funds in their respective ASBA Accounts in the relevant space provided in the ASBA Form and the ASBA Forms that do not contain such details are liable to be rejected.

ASBA Bidders shall ensure that the Bids are made on ASBA Forms bearing the stamp of the Designated Intermediary, submitted at the Bidding Centres only (except in case of electronic ASBA Forms) and the ASBA Forms not bearing such specified stamp are liable to be rejected. RIBs Bidding in the Retail Portion using UPI Mechanism, may submit their ASBA Forms, including details of their UPI IDs, with the Syndicate, Sub-Syndicate members, Registered Brokers, RTAs or CDPs. RIBs authorizing an SCSB to block the Bid Amount in the ASBA Account may submit their ASBA Forms with the SCSBs. ASBA Bidders must ensure that the ASBA Account has sufficient credit balance such that an amount equivalent to the full Bid Amount can be blocked by the SCSB or the Sponsor Bank, as applicable at the time of submitting the Bid.

The prescribed colour of the Application Form for various categories is as follows:

<b>Category</b>	<b>Colour of Application Form*</b>
Anchor Investor**	White
Resident Indians, including resident QIBs, Non-Institutional Investors, Retail Individual Investors and Eligible NRIs applying on a non-repatriation basis	White
Non-Residents including Eligible NRIs, FII’s, FVCIs etc. applying on a repatriation basis	Blue

**Note:** Electronic Bid Cum Application Forms will also be available for download on the website of the National Stock Exchange of India Limited ([www.nseindia.com](http://www.nseindia.com)).

\*\* Bid cum application for Anchor Investor shall be made available at the Office of the BRLM.

**Designated Intermediaries (other than SCSBs) after accepting Bid Cum Application Form submitted by 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 Draft Red Herring Prospectus.**

The Bid Cum Application Form shall contain information about the Bidder and the price and the number of Equity Shares that the Bidders wish to apply for. Bid Cum Application Forms downloaded and printed from the websites of the Stock Exchange shall bear a system generated unique application number. Bidders are required to ensure that the ASBA Account has sufficient credit balance as an amount equivalent to the full Application Amount can be blocked by the SCSB or Sponsor Bank at the time of submitting the Application.

An Investor, intending to subscribe to this Issue, shall submit a completed Bid Cum Application Form to any of the following intermediaries (Collectively called – Designated Intermediaries”)

Sr. No.	Designated Intermediaries
1.	An SCSB, with whom the bank account to be blocked, is maintained
2.	A syndicate member (or sub-syndicate member)
3.	A stock broker registered with a recognized stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity) ('broker')
4.	A depository participant ('DP') (whose name is mentioned on the website of the stock exchange as eligible for this activity)
5.	A registrar to an Issue and share transfer agent ('RTA') (whose name is mentioned on the website of the stock exchange as eligible for this activity)

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.

Stock exchange shall validate the electronic bid details with depository’s records for DP ID/Client ID and PAN, on a real-time basis and bring the inconsistencies to the notice of intermediaries concerned, for rectification and re- submission within the time specified by stock exchange.

Stock exchange shall allow modification of selected fields viz. DP ID/Client ID or Pan ID (Either DP ID/Client ID or Pan ID can be modified but not BOTH), Bank code and Location code, in the bid details already uploaded.

Upon completion and submission of the Bid Cum Application Form to Application Collecting intermediaries, the Bidders are deemed to have authorized our Company to make the necessary changes in the Draft Red Herring Prospectus, without prior or subsequent notice of such changes to the Bidders.

For RIBs using UPI Mechanism, the Stock Exchange shall share the Bid details (including UPI ID) with the Sponsor Bank on a continuous basis to enable the Sponsor Bank to initiate UPI Mandate Request to RIBs for blocking of funds. The Sponsor Bank shall initiate request for blocking of funds through NPCI to RIBs, who shall accept the UPI Mandate Request for blocking of funds on their respective mobile applications associated with UPI ID linked bank account. For all pending UPI Mandate Requests, the Sponsor Bank shall initiate requests for blocking of funds in the ASBA Accounts of relevant Bidders with a confirmation cut-off time of 12:00 pm on the first Working Day after the Bid/ Issue Closing Date (“Cut- Off Time”). Accordingly, RIBs should accept



UPI Mandate Requests for blocking off funds prior to the Cut- Off Time and all pending UPI Mandate Requests at the Cut-Off Time shall lapse. The NPCI shall maintain an audit trail for every bid entered in the Stock Exchange bidding platform, and the liability to compensate RIBs (using the UPI Mechanism) in case of failed transactions shall be with the concerned entity (i.e. the Sponsor Bank, NPCI or the bankers to an issue) at whose end the lifecycle of the transaction has come to a halt. The NPCI shall share the audit trail of all disputed transactions/ investor complaints to the Sponsor Banks and the bankers to an issue. The BRLM shall also be required to obtain the audit trail from the Sponsor Banks and the Bankers to the Issue for analysing the same and fixing liability.

## WHO CAN BID?

**Each Bidder should check whether it is eligible to apply under applicable law, rules, regulations, guidelines and policies. Furthermore, certain categories of Bidders, such as NRIs, FPIs and FVCIs may not be allowed to apply in the Issue or to hold Equity Shares, in excess of certain limits specified under applicable law. Bidders are requested to refer to the DRHP for more details.**

**Subject to the above, an illustrative list of Bidders is as follows:**

- a) Indian nationals resident in India who are not incompetent to contract under the Indian Contract Act, 1872, as amended, in single or as a joint application and minors having valid Demat account as per Demographic Details provided by the Depositories. Furthermore, based on the information provided by the Depositories, our Company shall have the right to accept the Applications belonging to an account for the benefit of minor (under guardianship);
- b) Hindu Undivided Families or HUFs, in the individual name of the Karta. The Bidder should specify that the application is being made in the name of the HUF in the Bid Cum Application Form as follows: —Name of Sole or First Bidder: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta. Applications by HUFs would be considered at par with those from individuals;
- c) Companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in the Equity Shares under their respective constitutional and charter documents;
- d) Mutual Funds registered with SEBI;
- e) Eligible NRIs on a repatriation basis or on a non-repatriation basis, subject to applicable laws. NRIs other than Eligible NRIs are not eligible to participate in this Issue;
- f) Indian Financial Institutions, scheduled commercial banks, regional rural banks, co-operative banks (subject to RBI permission, and the SEBI Regulations and other laws, as applicable);
- g) FPIs other than Category III FPI; VCFs and FVCIs registered with SEBI;
- h) Limited Liability Partnerships (LLPs) registered in India and authorized to invest in equity shares;
- i) Sub-accounts of FIIs registered with SEBI, which are foreign corporate or foreign individuals only under the Non-Institutional Bidder 's category;
- j) Venture Capital Funds and Alternative Investment Fund (I) registered with SEBI; State Industrial Development Corporations;
- k) Foreign Venture Capital Investors registered with the SEBI;
- l) Trusts/societies registered under the Societies Registration Act, 1860, as amended, or under any other law relating to Trusts and who are authorized under their constitution to hold and invest in equity shares;
- m) Scientific and/or Industrial Research Organizations authorized to invest in equity shares;
- n) Insurance Companies registered with Insurance Regulatory and Development Authority, India;
- o) Provident Funds with minimum corpus of ₹ 25 Crores and who are authorized under their constitution to hold and invest in equity shares;
- p) Pension Funds and Pension Funds with minimum corpus of ₹ 25 Crores and who are authorized under their constitution to hold and invest in equity shares;
- q) National Investment Fund set up by Resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of Government of India published in the Gazette of India;
- r) Multilateral and bilateral development financial institution;
- s) Eligible QFIs;
- t) Insurance funds set up and managed by army, navy or air force of the Union of India;
- u) Insurance funds set up and managed by the Department of Posts, India;
- v) Any other person eligible to apply in this Issue, under the laws, rules, regulations, guidelines and policies applicable to

them.

#### **APPLICATIONS NOT TO BE MADE BY:**

1. Minors (except through their Guardians)
2. Partnership firms or their nominations
3. Foreign Nationals (except NRIs)
4. Overseas Corporate Bodies

As per the existing regulations, OCBs are not eligible to participate in this Issue. The RBI has however clarified in its circular, A.P. (DIR Series) Circular No. 44, dated December 8, 2003 that OCBs which are incorporated and are not under the adverse notice of the RBI are permitted to undertake fresh investments as 138 incorporated non- resident entities in terms of Regulation 5(1) of RBI Notification No.20/2000-RB dated May 3,2000 under FDI Scheme with the prior approval of Government if the investment is through Government Route and with the prior approval of RBI if the investment is through Automatic Route on case by case basis. OCBs may invest in this Issue provided it obtains a prior approval from the RBI. On submission of such approval along with the Bid Cum Application Form, the OCB shall be eligible to be considered for share allocation.

#### **MAXIMUM AND MINIMUM APPLICATION SIZE**

##### **1. For Retail Individual Bidders**

The Application must be for a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter, so as to ensure that the Application Price payable by the Bidder does not exceed ₹ 2,00,000. In case of revision of Applications, the Retail Individual Bidders have to ensure that the Application Price does not exceed ₹ 2,00,000.

##### **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 and in multiples of [●] Equity Shares thereafter. An Application cannot be submitted for more than the Net Issue Size. However, the maximum Application by a QIB investor should not exceed the investment limits prescribed for them by applicable laws. Under existing SEBI Regulations, a QIB Bidder cannot withdraw its Application after the Issue Closing Date and is required to pay 100% QIB Margin upon submission of Application.

In case of revision in Applications, the Non-Institutional Bidders, who are individuals, have to ensure that the Application Amount is greater than ₹ 2,00,000 for being considered for allocation in the Non-Institutional Portion.

**Bidders are advised to ensure that any single Application from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Draft Red Herring Prospectus.**

**The above information is given for the benefit of the Bidders. The Company and the BRLM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws or regulations.**

#### **METHOD OF BIDDING PROCESS**

Our Company, in consultation with the BRLM will decide the Price Band and the minimum Bid lot size for the Issue and the same shall be advertised in all editions [●], an English national daily newspaper, all editions of [●], a Hindi national daily newspaper each with wide circulation, each with wide circulation at least two Working Days prior to the Bid / Issue Opening Date. The BRLM and the SCSBs shall accept Bids from the Bidders during the Bid / Issue Period.

- a) The Bid / Issue Period shall be for a minimum of three Working Days and shall not exceed 10 Working Days. The Bid/ Issue Period maybe extended, if required, by an additional three Working Days, subject to the total Bid/ Issue Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bid / Issue Period, if applicable, will be published in all editions [●], an English national daily newspaper, all editions of [●], a Hindi national daily newspaper each with wide circulation and in [●] editions of each with wide circulation and also by indicating the change on the website of the Book Running Lead Manager.
- b) Each Bid cum Application Form will give the Bidder the choice to Bid for up to three optional prices (for details refer to the paragraph titled “Bids at Different Price Levels and Revision of Bids” below) within the Price Band and specify the demand (i.e., the number of Equity Shares Bid for) in each option. The price and demand options submitted by the Bidder in the Bid cum Application Form will be treated as optional demands from the Bidder and will not be cumulated. After determination of the Issue Price, the maximum number of Equity Shares Bid for by a Bidder/Applicant at or above the Issue Price will be considered for allocation/Allotment and the rest of the Bid(s), irrespective of the Bid Amount, will become automatically invalid.

- c) The Bidder / Applicant cannot Bid through another Bid cum Application Form after Bids through one Bid cum Application Form have been submitted to a BRLM or the SCSBs. Submission of a second Bid cum Application Form to either the same or to another BRLM or SCSB will be treated as multiple Bid and is liable to be rejected either before entering the Bid into the electronic bidding system, or at any point of time prior to the allocation or Allotment of Equity Shares in this Issue. However, the Bidder can revise the Bid through the Revision Form, the procedure for which is detailed under the paragraph “Buildup of the Book and Revision of Bids”.
- d) The BRLM/the SCSBs will enter each Bid option into the electronic bidding system as a separate Bid and generate a Transaction Registration Slip, (“TRS”), for each price and demand option and give the same to the Bidder. Therefore, a Bidder can receive up to three TRSs for each Bid cum Application Form.
- e) Upon receipt of the Bid cum Application Form, submitted whether in physical or electronic mode, the Designated Branch of the SCSB shall verify if sufficient funds equal to the Bid Amount are available in the ASBA Account, as mentioned in the Bid cum Application Form, prior to uploading such Bids with the Stock Exchange.
- f) If sufficient funds are not available in the ASBA Account, the Designated Branch of the SCSB shall reject such Bids and shall not upload such Bids with the Stock Exchange.
- g) If sufficient funds are available in the ASBA Account, the SCSB shall block an amount equivalent to the Bid Amount mentioned in the Bid cum Application Form and will enter each Bid option into the electronic bidding system as a separate Bid and generate a TRS for each price and demand option. The TRS shall be furnished to the ASBA Bidder on request.
- h) The Bid Amount shall remain blocked in the aforesaid ASBA Account until finalization of the Basis of Allotment and consequent transfer of the Bid Amount against the Allotted Equity Shares to the Public Issue Account, or until withdrawal/failure of the Issue or until withdrawal/rejection of the Bid cum Application Form, as the case may be. Once the Basis of Allotment is finalized, the Registrar to the Issue shall send an appropriate request to the SCSB for unblocking the relevant ASBA Accounts and for transferring the amount allocable to the successful Bidders to the Public Issue Account. In case of withdrawal/failure of the Issue, the blocked amount shall be unblocked on receipt of such information from the Registrar to the Issue.

#### **BIDS AT DIFFERENT PRICE LEVELS AND REVISION OF BIDS**

- a. Our Company in consultation with the BRLM, and without the prior approval of, or intimation, to the Bidders, reserves the right to revise the Price Band during the Bid/ Issue Period, provided that the Cap Price shall be less than or equal to 120% of the Floor Price and the Floor Price shall not be less than the face value of the Equity Shares. The revision in Price Band shall not exceed 20% on either side i.e. the floor price can move up or down to the extent of 20% of the floor price disclosed. If the revised price band decided, falls within two different price bands than the minimum application lot size shall be decided based on the price band in which the higher price falls into.
- b. Our Company in consultation with the BRLM, will finalize the Issue Price within the Price Band, without the prior approval of, or intimation, to the Bidders.
- c. The Bidders can Bid at any price within the Price Band. The Bidder has to Bid for the desired number of Equity Shares at a specific price. 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.

#### **Participation by Associates /Affiliates of BRLM and the Syndicate Members**

**The BRLM and the Syndicate Members, if any, shall not be allowed to purchase in this Issue in any manner, except towards fulfilling their underwriting obligations. However, the associates and affiliates of the BRLM and the Syndicate Members, if any, may subscribe the Equity Shares in the Issue, either in the QIB Category or in the Non- Institutional Category as may be applicable to such Bidders, where the allocation is on a proportionate basis and such subscription may be on their own account or on behalf of their clients.**

#### **Option to Subscribe in the Issue**

- a. As per Section 29(1) of the Companies Act 2013, allotment of Equity Shares shall be made in dematerialized form only. Investors will not have the option of getting allotment of specified securities in physical form.
- b. The Equity Shares, on allotment, shall be traded on the Stock Exchange in demat segment only.
- c. A single application from any investor shall not exceed the investment limit/minimum number of Equity Shares that can be

held by him/her/it under the relevant regulations/statutory guidelines and applicable law.

### **Information for the Bidders:**

1. Our Company and the Book Running Lead Manager shall declare the Issue Opening Date and Issue Closing Date in the Draft Red Herring Prospectus to be registered with the RoC and also publish the same in all editions [●], an English national daily newspaper, all editions of [●], a Hindi national daily newspaper each with wide circulation and in [●] editions of with wide circulation. This advertisement shall be in prescribed format.
2. Our Company will file the Draft Red Herring Prospectus with the RoC at least 3 (three) days before the Issue Opening Date.
3. Copies of the Bid Cum Application Form along with Abridge Prospectus and copies of the Draft Red Herring Prospectus will be available with the, the Book Running Lead Manager, the Registrar to the Issue, and at the Registered Office of our Company. Electronic Bid Cum Application Forms will also be available on the websites of the Stock Exchange.
4. Any Bidder who would like to obtain the Draft Red Herring Prospectus and/ or the Bid Cum Application Form can obtain the same from our Registered Office.
5. Bidders who are interested in subscribing for the Equity Shares should approach Designated Intermediaries to register their applications.
6. Bid Cum Application Forms submitted directly to the SCSBs should bear the stamp of the SCSBs and/or the Designated Branch, or the respective Designated Intermediaries. Bid Cum Application Form submitted by Applicants whose beneficiary account is inactive shall be rejected.
7. The Bid Cum Application Form can be submitted either in physical or electronic mode, to the SCSBs with whom the ASBA Account is maintained, or other Designated Intermediaries (Other than SCSBs). SCSBs may provide the electronic mode of collecting either through an internet enabled collecting and banking facility or such other secured, electronically enabled mechanism for applying and blocking funds in the ASBA Account. The 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 HUFs**

Bids by Hindu Undivided Families or HUFs should be made in the individual name of the Karta. The Bidder should specify that the Bid is being made in the name of the HUF in the Bid cum Application Form/Application Form as follows: "Name of sole or first Bidder: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta". Bids/Applications by HUFs will be considered at par with Bids/Applications from individuals.

### **BIDS BY MUTUAL FUNDS**

With respect to Bids by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Bid cum Application Form. Failing this, our Company, in consultation with the BRLM, reserve the right to reject any Bid without assigning any reason thereof.

Bids made by asset management companies or custodians of Mutual Funds shall specifically state names of the concerned schemes for which such Bids are made.

In case of a Mutual Fund, a separate Bid can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Bids in respect of more than one scheme of the Mutual Fund will not be treated as multiple Bids provided that the Bids

clearly indicate the scheme concerned for which the Bid has been made.

No Mutual Fund scheme shall invest more than 10.00% of its net asset value in equity shares or equity related instruments of any single company provided that the limit of 10.00% shall not be applicable for investments in case of index funds or sector or industry specific schemes. No Mutual Fund under all its schemes should own more than 10.00% of any company's paid-up share capital carrying voting rights.

#### **BIDS BY ELIGIBLE NRIS**

Eligible NRIs may obtain copies of Bid cum Application Form from the Designated Intermediaries. Only Bids accompanied by payment in Indian Rupees or freely convertible foreign exchange will be considered for Allotment. Eligible NRI Bidders bidding on a repatriation basis by using the Non-Resident Forms should authorize their SCSB (if they are Bidding directly through the SCSB) or confirm or accept the UPI Mandate Request (in case of Bidding through the UPI Mechanism) to block their Non-Resident External ("NRE") accounts, or Foreign Currency Non-Resident ("FCNR") Accounts, and eligible NRI Bidders bidding on a non- repatriation basis by using Resident Forms should authorize their SCSB (if they are Bidding directly through SCSB) or confirm or accept the UPI Mandate Request (in case of Bidding through the UPI Mechanism) to block their Non-Resident Ordinary ("NRO") accounts for the full Bid Amount, at the time of the submission of the Bid cum Application Form. Participation of Eligible NRIs in the Issue shall be subject to the FEMA Rules.

In accordance with the Consolidated FDI Policy, the total holding by any individual NRI, on a repatriation or non- repatriation basis, shall not exceed 5.00% of the total paid-up equity capital on a fully diluted basis or shall not exceed 5.00% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all NRIs and OCIs put together, on a repatriation or non- repatriation basis, shall not exceed 10% of the total paid-up equity capital on a fully diluted basis or shall not exceed 10% of the paid-up value of each series of debentures or preference shares or share warrant. Provided that the aggregate ceiling of 10.00% may be raised to 24.00% if a special resolution to that effect is passed by the general body of the Indian company.

NRIs will be permitted to apply in the Issue through Channel I or Channel II (as specified in the UPI Circular). Further, subject to applicable law, NRIs may use Channel IV (as specified in the UPI Circular) to apply in the Issue, provided the UPI facility is enabled for their NRE/ NRO accounts.

NRIs applying in the Issue using UPI Mechanism are advised to enquire with the relevant bank whether their bank account is UPI linked prior to making such application. For details of investment by NRIs, see "*Restrictions on Foreign Ownership of Indian Securities*" beginning on page 183. Participation of eligible NRIs shall be subject to FEMA NDI Rules.

#### **BIDS BY FPIS**

In terms of the SEBI FPI Regulations, the issue of Equity Shares to a single FPI or an investor group (which means the same multiple entities having common ownership directly or indirectly of more than 50% or common control) must be below 10% of our post-Issue Equity Share capital. Further, in terms of the FEMA NDI Rules, with effect from April 1, 2020, the aggregate FPI investment limit is the sectoral cap applicable to an Indian company as prescribed in the FEMA NDI Rules with respect to its paid-up equity capital on a fully diluted basis. Currently, the sectoral cap for retail trading of food products manufactured and/ or produced in India is 100% under automatic route.

FPIs are permitted to participate in the Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time. In case of Bids made by FPIs, a certified copy of the certificate of registration issued under the SEBI FPI Regulations is required to be attached to the Bid cum Application Form, failing which our Company reserves the right to reject any Bid without assigning any reason. FPIs who wish to participate in the Issue are advised to use the Bid cum Application Form for Non-Residents.

In terms of the FEMA, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs shall be included.

The FEMA NDI Rules were enacted on October 17, 2019 in supersession of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017, except as respects things done or omitted to be done before such supersession. **FPIs are permitted to participate in the Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time.**

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 21 of the SEBI FPI Regulations, an FPI, may issue, subscribe to or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by a FPI against securities held by it in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only by persons registered as Category I FPIs; (ii) such offshore derivative instruments are issued only to persons eligible for registration as Category I FPIs; (iii) such offshore derivative instruments are issued after compliance with 'know your client' norms; and (iv) such other conditions as may be specified by SEBI from time to time.

An FPI issuing off-shore derivative instruments is also required to ensure that any transfer of off-shore derivative instruments issued by, or on behalf of it subject to, inter alia, the following conditions:



- (i). such offshore derivative instruments are transferred to person subject to fulfilment of SEBI FPI Regulations; and
- (ii). prior consent of the FPI is obtained for such transfer, except when the persons to whom the offshore derivative instruments are to be transferred are pre-approved by the FPI.

Bids by FPIs which utilise the multi-investment manager structure in accordance with the Operational Guidelines for Foreign Portfolio Investors and Designated Depository Participants issued to facilitate implementation of the SEBI FPI Regulations (“Operational FPI Guidelines”), submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs shall not be treated as multiple Bids (“MIM Bids”). It is hereby clarified that FPIs bearing the same PAN may be treated as multiple Bids by a Bidder and may be rejected, except for Bids from FPIs that utilise the multi-investment manager structure in accordance with the Operational FPI Guidelines (such structure referred to as “MIM Structure”). In order to ensure valid Bids, FPIs making MIM Bids using the same PAN and with different beneficiary account numbers, Client IDs and DP IDs, are required to submit a confirmation that their Bids are under the MIM Structure and indicate the name of their investment managers in such confirmation which shall be submitted along with each of their Bid cum Application Forms. In the absence of such confirmation from the relevant FPIs, such MIM Bids shall be rejected.

#### **BIDS BY SEBI-REGISTERED AIFS, VCFS AND FVCIS**

The SEBI FVCI Regulations, SEBI VCF Regulations and the SEBI AIF Regulations prescribe, inter alia, the investment restrictions on the FVCIs, VCFS and AIFs registered with SEBI respectively. FVCIs can invest only up to 33.33% of the investible funds by way of subscription to an initial public offering. Category I AIF and Category II AIF cannot invest more than 25% of the investible funds in one investee company directly or through investment in the units of other AIFs. A Category III AIF cannot invest more than 10% of the investible funds in one investee company directly or through investment in the units of other AIFs. AIFs which are authorized under the fund documents to invest in units of AIFs are prohibited from offering their units for subscription to other AIFs. A VCF registered as a Category I AIF, as defined in the SEBI AIF Regulations, cannot invest more than 1/3rd of its investible funds by way of subscription to an initial public offering of a venture capital undertaking. Additionally, a VCF that has not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the SEBI VCF Regulations (and accordingly shall not be allowed to participate in the Issue) until the existing fund or scheme managed by the fund is wound up and such funds shall not launch any new scheme after the notification of the SEBI AIF Regulations.

There is no reservation for Eligible NRIs, FPIs and FVCIs and all Bidders will be treated on the same basis with other categories for the purpose of allocation.

Further, the shareholding of VCFS, category I AIFs or category II AIFs and FVCIs holding Equity Shares prior to Issue, shall be locked-in for a period of at least one year from the date of purchase of such Equity Shares.

All non-resident investors should note that refunds, dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and commission.

The Company or the BRLM will not be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.

#### **BIDS BY LIMITED LIABILITY PARTNERSHIPS**

In case of Bids made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the BRLM, reserve the right to reject any Bid without assigning any reason thereof.

#### **BIDS BY BANKING COMPANIES**

In case of Bids made by banking companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, and (ii) the approval of such banking company’s investment committee are required to be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the BRLM, reserves the right to reject any Bid without assigning any reason thereof. The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, as amended and Master Circular on Basel III Capital Regulations dated July 1, 2014, as amended, is 10.00% of the paid up share capital of the investee company, not being its subsidiary engaged in non-financial services, or 10.00% of the bank’s own paid-up share capital and reserves, whichever is lower.

However, a banking company would be permitted to invest in excess of 10% but not exceeding 30% of the paid up share capital of such investee company, subject to prior approval of the RBI if (i) the investee company is engaged in non-financial activities permitted for banking companies in terms of Section 6(1) of the Banking Regulation Act; or (ii) the additional acquisition is through restructuring of debt, or to protect the banking company’s interest on loans/investments made to a company. The bank is required to submit a time bound action plan to the RBI for the disposal of such shares within a specified period. The aggregate investment by a banking company along with its subsidiaries, associates or joint ventures or entities directly or indirectly controlled by the bank; and mutual funds managed by asset management companies controlled by the bank, more than 20% of the investee company’s paid up share capital engaged in non-financial services. However, this cap doesn’t apply to the cases mentioned in (i) and (ii) above. The aggregate equity investments made by a banking company in all subsidiaries and other entities

engaged in financial services and non-financial services, including overseas investments shall not exceed 20% of the bank's paid-up share capital and reserves.

In terms of the Master Circular on Basel III Capital Regulations dated July 1, 2014, as amended (i) a bank's investment in the capital instruments issued by banking, financial and insurance entities should not exceed 10% of its capital funds; (ii) banks should not acquire any fresh stake in a bank's equity shares, if by such acquisition, the investing bank's holding exceeds 5% of the investee bank's equity capital; (iii) equity investment by a bank in a subsidiary company, financial services company, financial institution, stock and other exchanges should not exceed 10% of the bank's paid-up share capital and reserves; (iv) equity investment by a bank in companies engaged in non-financial services activities would be subject to a limit of 10% of the investee company's paid-up share capital or 10% of the bank's paid-up share capital and reserves, whichever is less; and (v) a banking company is restricted from holding shares in any company, whether as pledgee, mortgagee or absolute owner, of an amount exceeding 30% of the paid-up share capital of that company or 30% of its own paid-up share capital and reserves, whichever is less. For details in relation to the investment limits under Master Direction – Ownership in Private Sector Banks, Directions, 2016, see "Key Regulations and Policies" beginning on page 105.

#### **BIDS BY SCSBS**

SCSBs participating in the Issue are required to comply with the terms of the circulars issued by the SEBI dated September 13, 2012 and January 2, 2013. Such SCSBs are required to ensure that for making applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for such applications.

#### **BIDS BY SYSTEMICALLY IMPORTANT NBFCs**

In case of Bids made by Systemically Important NBFCs registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, (ii) the last audited financial statements on a standalone basis, (iii) a net worth certificate from its statutory auditors, and (iv) such other approval as may be required by the Systemically Important NBFCs are required to be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the BRLM, reserves the right to reject any Bid without assigning any reason thereof.

Systemically Important NBFCs participating in the Issue shall comply with all applicable regulations, directions, guidelines and circulars issued by the RBI from time to time.

The investment limit for Systemically Important NBFCs shall be as prescribed by RBI from time to time.

#### **BIDS BY INSURANCE COMPANIES**

In case of Bids made by insurance companies registered with the IRDAI, a certified copy of certificate of registration issued by IRDAI must be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the BRLM, reserves the right to reject any Bid without assigning any reason thereof.

The exposure norms for insurers are prescribed under the IRDAI Investment Regulations, based on investments in equity shares of the investee company, the entire group of the investee company and the industry sector in which the investee company operates. Insurance companies participating in the Issue are advised to refer to the IRDAI Investment Regulations 2016, as amended, which are broadly set forth below:

- a) equity shares of a company: the lower of 10%\* of the outstanding equity shares (face value) or 10% of the respective fund in case of life insurer or 10% of investment assets in case of general insurer or reinsurer;
- b) the entire group of the investee company: not more than 15% of the respective fund in case of a life insurer or 15% of investment assets in case of a general insurer or reinsurer or 15% of the investment assets in all companies belonging to the group, whichever is lower; and
- c) the industry sector in which the investee company operates: not more than 15% of the fund of a life insurer or a general insurer or a reinsurer or 15% of the investment asset, whichever is lower.

The maximum exposure limit, in the case of an investment in equity shares, cannot exceed the lower of an amount of 10% of the investment assets of a life insurer or general insurer and the amount calculated under (a), (b) and (c) above, as the case may be.

*\*The above limit of 10% shall stand substituted as 15% of outstanding equity shares (face value) for insurance companies with investment assets of ₹ 25,000,000 lakhs or more and 12% of outstanding equity shares (face value) for insurers with investment assets of ₹ 5,000,000 lakhs or more but less than ₹ 25,000,000 lakhs.*

Insurance companies participating in this Issue shall comply with all applicable regulations, guidelines and circulars issued by IRDAI from time to time.



## **BIDS BY PROVIDENT FUNDS/PENSION FUNDS**

In case of Bids made by provident funds/pension funds, subject to applicable laws, with minimum corpus of ₹ 2,500 lakhs, a certified copy of a certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the BRLM, reserves the right to reject any Bid without assigning any reason thereof.

## **BIDS BY ANCHOR INVESTORS**

Our Company in consultation with the BRLM, may consider participation by Anchor Investors in the issue for up to 60% of the QIB Portion in accordance with the SEBI Regulations. Only QIBs as defined in Regulation 2(1)(ss) of the SEBI Regulations and not otherwise excluded pursuant to Schedule XIII of the SEBI Regulations are eligible to invest. The QIB Portion will be reduced in proportion to allocation under the Anchor Investor Portion. In the event of undersubscription in the Anchor Investor Portion, the balance Equity Shares will be added to the QIB Portion. In accordance with the SEBI Regulations, the key terms for participation in the Anchor Investor Portion are provided below.

- 1) Anchor Investor Bid cum Application Forms will be made available for the Anchor Investors at the offices of the BRLM.
- 2) The Bid must be for a minimum of such number of Equity Shares so that the Bid Amount is at least 200.00 lakhs. A Bid cannot be submitted for over 60% of the QIB Portion. In case of a Mutual Fund, separate Bids by individual schemes of a Mutual Fund will be aggregated to determine the minimum application size of 200.00 lakhs
- 3) One-third of the Anchor Investor Portion will be reserved for allocation to domestic Mutual Funds.
- 4) Bidding for Anchor Investors will open one Working Day before the Bid/ Issue Opening Date and be completed on the same day.
- 5) Our Company in consultation with the BRLM, will finalize allocation to the Anchor Investors on a discretionary basis, provided that the minimum and maximum number of Allottees in the Anchor Investor Portion will be, as mentioned below:
  - where allocation in the Anchor Investor Portion is up to 200.00 Lakhs, maximum of 2 (two) Anchor Investors.
  - where the allocation under the Anchor Investor Portion is more than 200.00 Lakhs but upto 2500.00 Lakhs, minimum of 2 (two) and maximum of 15 (fifteen) Anchor Investors, subject to a minimum Allotment of 100.00 Lakhs per Anchor Investor; and
  - where the allocation under the Anchor Investor portion is more than 2500.00 Lakhs:(i)minimum of 5 (five) and maximum of 15 (fifteen) Anchor Investors for allocation upto2500.00 Lakhs; and (ii) an additional 10 Anchor Investors for every additional allocation of 2500.00 Lakhs or part thereof in the Anchor Investor Portion; subject to a minimum Allotment of 100.00 Lakhs per Anchor Investor.
- 6) Allocation to Anchor Investors will be completed on the Anchor Investor Bid/Issue Period. The number of Equity Shares allocated to Anchor Investors and the price at which the allocation is made will be made available in the public domain by the BRLM before the Bid/Issue Opening Date, through intimation to the Stock Exchange.
- 7) Anchor Investors cannot withdraw or lower the size of their Bids at any stage after submission of the Bid.
- 8) If the issue Price is greater than the Anchor Investor Allocation Price, the additional amount being the difference between the Issue Price and the Anchor Investor Allocation Price will be payable by the Anchor Investors within 2 (two) Working Days from the Bid/ Issue Closing Date. If the Issue Price is lower than the Anchor Investor Allocation Price, Allotment to successful Anchor Investors will be at the higher price, i.e., the Anchor Investor Offer Price.
- 9) At the end of each day of the bidding period, the demand including allocation made to anchor investors, shall be shown graphically on the bidding terminals of syndicate members and website of stock exchange offering electronically linked transparent bidding facility, for information of public.
- 10) Equity Shares Allotted in the Anchor Investor Portion will be locked in for a period of 30 days from the date of Allotment.
- 11) The BRLM, our Promoters, Promoter Group or any person related to them (except for Mutual Funds sponsored by entities related to the BRLM) will not participate in the Anchor Investor Portion. The parameters for selection of Anchor Investors will be clearly identified by the BRLM and made available as part of the records of the BRLM for inspection byes.
- 12) Bids made by QIBs under both the Anchor Investor Portion and the QIB Portion will not be considered multiple Bids.
- 13) Anchor Investors are not permitted to Bid in the Issue through the ASBA process.

## **BIDS UNDER POWER OF ATTORNEY**

In case of Bids made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, Eligible FPIs, Mutual Funds, Systemically Important NBFCs, insurance companies, insurance funds set up by the army, navy or air force

of the Union of India, insurance funds set up by the Department of Posts, India, or the National Investment Fund and provident funds with a minimum corpus of ₹ 2,500 lakhs (subject to applicable law) and pension funds with a minimum corpus of ₹ 2,500 lakhs, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws must be lodged along with the Bid cum Application Form. Failing this, our Company, in consultation with the BRLM, reserves the right to accept or reject any Bid in whole or in part, in either case without assigning any reason therefor.

Our Company, in consultation with the BRLM, in their absolute discretion, reserves the right to relax the above condition of simultaneous lodging of the power of attorney along with the Bid cum Application Form subject to the terms and conditions that our Company, in consultation with the BRLM may deem fit.

#### **ISSUANCE OF A CONFIRMATION NOTE ("CAN") AND ALLOTMENT IN THE ISSUE:**

1. Upon approval of the basis of allotment by the Designated Stock Exchange, the BRLM or Registrar to the Issue shall send to the SCSBs a list of their Bidders who have been allocated Equity Shares in the Issue.
2. The Registrar will then dispatch a CAN to their Bidders who have been allocated Equity Shares in the Issue. The dispatch of a CAN shall be deemed a valid, binding and irrevocable contract for the Bidder.

#### **Issue Procedure for Application Supported by Blocked Account (ASBA) Bidders**

In accordance with the SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the Bidders have to compulsorily apply through the ASBA Process. Our Company and the Book Running Lead Manager are not liable for any amendments, modifications, or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. ASBA Bidders are advised to make their independent investigations and to ensure that the ASBA Bid Cum Application Form is correctly filled up, as described in this section.

The lists of banks that have been notified by SEBI to act as SCSB (Self Certified Syndicate Banks) for the ASBA Process are provided on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>. For details on designated branches of SCSB collecting the Bid Cum Application Form, please refer the above-mentioned SEBI link.

#### **Terms of payment**

The entire Issue price of ₹ [●] per share is payable on application. In case of allotment of lesser number of Equity Shares than the number applied, the Registrar shall instruct the SCSBs to unblock the excess amount paid on Application to the Bidders.

SCSBs will transfer the amount as per the instruction of the Registrar to the Public Issue Account, the balance amount after transfer will be unblocked by the SCSBs.

The Bidders should note that the arrangement with Bankers to the Issue or the Registrar is not prescribed by SEBI and has been established as an arrangement between our Company, Banker to the Issue and the Registrar to the Issue to facilitate collections from the Bidders.

#### **Payment mechanism**

The Bidders shall specify the bank account number in their Bid Cum Application Form and the SCSBs shall block an amount equivalent to the Application Amount in the bank account specified in the Bid Cum Application Form. The SCSB shall keep the Application Amount in the relevant bank account blocked until withdrawal/ rejection of the Application or receipt of instructions from the Registrar to unblock the Application Amount. However, Non- 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, will decide the list of Anchor Investors to whom the CAN will be sent, pursuant to which the details of the Equity Shares allocated to them in their respective names will be notified to such Anchor Investors.

- a) For Anchor Investors, the payment instruments for payment into the Escrow Account should be drawn in favour of In case of resident Anchor Investors: — “[●] – Anchor Account- R”
- b) In case of Non-Resident Anchor Investors: — “[●] – Anchor Account- NR”
- c) Anchor Investors should note that the escrow mechanism is not prescribed by SEBI and has been established as an arrangement between our Company, the Syndicate, the Escrow Collection Bank and the Registrar to the Issue to facilitate collections from the Anchor Investors.

**Electronic Registration of Applications**

1. The Designated Intermediaries will register the applications using the on-line facilities of the Stock Exchange.
2. The Designated Intermediaries will undertake modification of selected fields in the application details already uploaded before 1.00 p.m. of next Working Day from the Issue Closing Date.
3. The Designated Intermediaries shall be responsible for any acts, mistakes or errors or omissions and commissions in relation to,
  - i. the applications accepted by them,
  - ii. the applications uploaded by them
  - iii. the applications accepted but not uploaded by them or
  - iv. With respect to applications by Bidders, applications accepted and uploaded by any Designated Intermediary other than SCSBs, the Bid Cum Application Form along with relevant schedules shall be sent to the SCSBs or the Designated Branch of the relevant SCSBs for blocking of funds and they will be responsible for blocking the necessary amounts in the ASBA Accounts. In case of Application accepted and Uploaded by SCSBs, the SCSBs or the Designated Branch of the relevant SCSBs will be responsible for blocking the necessary amounts in the ASBA Accounts.
4. Neither the Book Running Lead Manager nor our Company nor the Registrar to the Issue, shall be responsible for any acts, mistakes or errors or omission and commissions in relation to,
  - (i) The applications accepted by any Designated Intermediaries
  - (ii) The applications uploaded by any Designated Intermediaries or
  - (iii) The applications accepted but not uploaded by any Designated Intermediaries
5. The Stock Exchange will Issue an electronic facility for registering applications for the Issue. This facility will 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:

S. 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 Draft Red Herring Prospectus. The Designated Intermediaries shall have no right to reject applications, except on technical grounds.
12. The permission given by the Stock Exchanges to use their network and software of the Online IPO system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company and/or the Book Running Lead Manager are cleared or approved by the Stock Exchanges; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the compliance with the statutory and other requirements nor does it take any responsibility for the financial or other soundness of our company; our Promoter, our management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Draft Red Herring Prospectus, nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges.
13. The Designated Intermediaries will be given time till 1.00 p.m. on the next working day after the Bid/ Issue Closing Date to verify the DP ID and Client ID uploaded in the online IPO system during the Issue Period, after which the Registrar to the Issue will receive this data from the Stock Exchange and will validate the electronic application details with Depository's records. In case no corresponding record is available with Depositories, which matches the three parameters, namely DP ID, Client ID and PAN, then such applications are liable to be rejected.
14. The SCSBs shall be given one day after the Bid/ Issue Closing Date to send confirmation of Funds blocked (Final certificate) to the Registrar to the Issue.
15. The details uploaded in the online IPO system shall be considered as final and Allotment will be based on such details for applications.

#### **Build of the Book**

- a) Bids received from various Bidders through the Designated Intermediaries may be electronically uploaded on the Bidding Platform of the Stock Exchange on a regular basis. The book gets built up at various price levels. This information may be available with the BRLM at the end of the Bid/ Issue Period.
- b) Based on the aggregate demand and price for Bids registered on the Stock Exchange Platform, a graphical representation of consolidated demand and price as available on the websites of the Stock Exchange may be made available at the Bidding centers during the Bid/ Issue Period.

## **Withdrawal of Bids**

- a) 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 BRLM, shall finalize the Issue Price.
- b) The SEBI ICDR Regulations, 2018 specify the allocation or Allotment that may be made to various categories of Bidders in an Issue depending on compliance with the eligibility conditions. Certain details pertaining to the percentage of Issue size available for allocation to each category is disclosed overleaf of the Bid cum Application Form and in the RHP. For details in relation to allocation, the Bidder may refer to the RHP.
- c) Under-subscription in any category (except QIB Category) is allowed to be met with spillover from any other category or combination of categories at the discretion of the Issuer and the in consultation with the BRLM and the Designated Stock Exchange and in accordance with the SEBI ICDR Regulations. Unsubscribed portion in QIB Category is not available for subscription to other categories.
- d) In case of under subscription in the Issue, spill-over to the extent of such under-subscription may be permitted from the Reserved Portion to the Issue. For allocation in the event of an undersubscription applicable to the Issuer, Bidders may refer to the RHP.
- e) In case if the Retail Individual Investor category is entitled to more than the allocated portion on proportionate basis, the category shall be allotted that higher percentage.

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

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

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

**Anchor Investors are not allowed to withdraw their Bids after Anchor Investors bidding date.**

## **GENERAL INSTRUCTIONS**

### ***Do's:***

1. Check if you are eligible to apply as per the terms of the Red Herring Prospectus and under applicable law, rules, regulations, guidelines and approvals. All should submit their Bids through the ASBA process only;
2. Ensure that you have Bid within the Price Band;
3. Read all the instructions carefully and complete the Bid cum Application Form, as the case may be, in the prescribed form;
4. Ensure that you have mentioned the correct ASBA Account number if you are not an RIB bidding using the UPI Mechanism in the Bid cum Application Form and if you are an RIB using the UPI Mechanism ensure that you have mentioned the correct UPI ID (with maximum length of 45 characters including the handle), in the Bid cum Application Form;
5. Ensure that your Bid cum Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the Bidding Centre (except electronic Bids) within the prescribed time;

6. Ensure that you have funds equal to the Bid Amount in the ASBA Account maintained with the SCSB, before submitting the ASBA Form to any of the Designated Intermediaries;
7. If you are an ASBA Bidder and the first applicant is not the ASBA Account holder, ensure that the Bid cum Application Form is signed by the account holder. Ensure that you have mentioned the correct bank account number in the Bid cum Application Form;
8. Ensure that the signature of the First Bidder in case of joint Bids, is included in the Bid cum Application Forms;
9. Ensure that you request for and receive a stamped acknowledgement counterfoil of the Bid cum Application Form for all your Bid options from the concerned Designated Intermediary;
10. Ensure that the name(s) given in the Bid cum Application Form is/are exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case of joint Bids, the Bid cum Application Form should contain only the name of the First Bidder whose name should also appear as the first holder of the beneficiary account held in joint names. Ensure that the signature of the First Bidder is included in the Bid cum Application Forms;
11. RIBs bidding in the Issue to ensure that they shall use only their own ASBA Account or only their own bank account linked UPI ID (only for RIBs using the UPI Mechanism) to make an application in the Issue and not ASBA Account or bank account linked UPI ID of any third party;
12. Ensure that you submit the revised Bids to the same Designated Intermediary, through whom the original Bid was placed and obtain a revised acknowledgment;
13. Ensure that you have correctly signed the authorization/undertaking box in the Bid cum Application Form or have otherwise provided an authorization to the SCSB or Sponsor Bank, as applicable, via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form, as the case may be, at the time of submission of the Bid. In case of RIBs submitting their Bids and participating in the Issue through the UPI Mechanism, ensure that you authorize the UPI Mandate Request raised by the Sponsor Bank for blocking of funds equivalent to Bid Amount and subsequent debit of funds in case of Allotment;
14. Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of the SEBI circular dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, (ii) submitted by investors who are exempt from the requirement of obtaining/specifying their PAN for transacting in the securities market, and (iii) Bids by persons resident in the state of Sikkim, who, in terms of a SEBI circular dated July 20, 2006, may be exempted from specifying their PAN for transacting in the securities market, all Bidders should mention their PAN allotted under the IT Act. The exemption for the Central or the State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the Demographic Details received from the respective depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in "active status"; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same. All other applications in which PAN is not mentioned will be rejected;
15. Investors to ensure that their PAN is linked with Aadhar and are in compliance with Central Board of Direct Taxes ("CBDT") notification dated February 13, 2020 and press release dated June 25, 2021.
16. Ensure that the Demographic Details are updated, true and correct in all respects;
17. Ensure that thumb impressions and signatures other than in the languages specified in the Eighth Schedule to the Constitution of India are attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal;
18. Ensure that the category and the investor status is indicated;
19. Ensure that in case of Bids under power of attorney or by limited companies, corporates, trust, etc., relevant documents are submitted;
20. Ensure that Bids submitted by any person resident outside India is in compliance with applicable foreign and Indian laws;
21. Ensure that the Bidder's depository account is active, the correct DP ID, Client ID, the PAN, UPI ID, if applicable, are mentioned in their Bid cum Application Form and that the name of the Bidder, the DP ID, Client ID, the PAN and UPI ID, if applicable, entered into the online IPO system of the Stock Exchange by the relevant Designated Intermediary, as applicable, matches with the name, DP ID, Client ID, PAN and UPI ID, if applicable, available in the Depository database;
22. Ensure that when applying in the Issue using UPI, the name of your SCSB appears in the list of SCSBs displayed on the SEBI website which are live on UPI. Further, also ensure that the name of the app and the UPI handle being used for making the application is also appearing in Annexure 'A' to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019;
23. RIBs who wish to revise their Bids using the UPI Mechanism, should submit the revised Bid with the Designated Intermediaries, pursuant to which RIBs should ensure acceptance of the UPI Mandate Request received from the Sponsor Bank to authorise blocking of funds equivalent to the revised Bid Amount in the RIB's ASBA Account;
24. Ensure that you have accepted the UPI Mandate Request received from the Sponsor Bank prior to 12:00 p.m. of the Working

Day immediately after the Bid/ Issue Closing Date;

25. RIBs shall ensure that details of the Bid are reviewed and verified by opening the attachment in the UPI Mandate Request and then proceed to authorize the UPI Mandate Request using his/her UPI PIN. Upon the authorization of the mandate using his/her UPI PIN, an RIB may be deemed to have verified the attachment containing the application details of the RIB in the UPI Mandate Request and have agreed to block the entire Bid Amount and authorized the Sponsor Bank to block the Bid Amount mentioned in the Bid cum Application Form;
26. Ensure that while Bidding through a Designated Intermediary, the Bid cum Application Form (RIBs bidding using the UPI Mechanism) is submitted to a Designated Intermediary in a Bidding Centre and that the SCSB where the ASBA Account, as specified in the ASBA Form, is maintained has named at least one branch at that location for the Designated Intermediary to deposit ASBA Forms (a list of such branches is available on the website of SEBI at [www.sebi.gov.in](http://www.sebi.gov.in)); and
27. FPIs making MIM Bids using the same PAN, and different beneficiary account numbers, Client IDs and DP IDs, are required to submit a confirmation that their Bids are under the MIM structure and indicate the name of their investment managers in such confirmation which shall be submitted along with each of their Bid cum Application Forms. In the absence of such confirmation from the relevant FPIs, such MIM Bids shall be rejected.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with. Application made using incorrect UPI handle or using a bank account of an SCSB or SCSBs which is not mentioned in the Annexure 'A' to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 is liable to be rejected.

**Don'ts:**

- 1) Do not Bid for lower than the minimum Bid size;
- 2) Do not Bid for a Bid Amount exceeding ₹ 200,000 (for Bids by RIBs);
- 3) Do not pay the Bid Amount in cheques, demand drafts or by cash, money order, postal order or by stock invest;
- 4) Do not send Bid cum Application Forms by post; instead submit the same to the Designated Intermediary only;
- 5) Do not Bid at Cut-off Price (for Bids by QIBs and Non-Institutional Bidders);
- 6) Do not instruct your respective banks to release the funds blocked in the ASBA Account under the ASBA process;
- 7) Do not submit the Bid for an amount more than funds available in your ASBA account.
- 8) Do not submit Bids on plain paper or on incomplete or illegible Bid cum Application Forms or on Bid cum Application Forms in a colour prescribed for another category of a Bidder;
- 9) In case of ASBA Bidders, do not submit more than one ASBA Forms per ASBA Account;
- 10) If you are a RIB and are using UPI mechanism, do not submit more than one ASBA Form for each UPI ID;
- 11) Do not submit the ASBA Forms to any Designated Intermediary that is not authorised to collect the relevant ASBA Forms or to our Company;
- 12) Do not Bid on a Bid cum Application Form that does not have the stamp of the relevant Designated Intermediary;
- 13) Do not submit the General Index Register (GIR) number instead of the PAN;
- 14) Do not submit incorrect details of the DP ID, Client ID, PAN and UPI ID, if applicable, or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Issue;
- 15) Do not submit a Bid in case you are not eligible to acquire Equity Shares under applicable law or your relevant constitutional documents or otherwise;
- 16) Do not Bid if you are not competent to contract under the Indian Contract Act, 1872 (other than minors having valid depository accounts as per Demographic Details provided by the depository);
- 17) Do not submit a Bid/revise a Bid Amount, with a price less than the Floor Price or higher than the Cap Price;
- 18) Do not submit a Bid using UPI ID, if you are not a RIB;
- 19) Do not Bid on another ASBA Form, as the case may be, after you have submitted a Bid to any of the Designated Intermediaries;
- 20) Do not Bid for Equity Shares in excess of what is specified for each category;
- 21) Do not fill up the Bid cum Application Form such that the number of Equity Shares Bid for, exceeds the Issue size and/or investment limit or maximum number of the Equity Shares that can be held under applicable laws or regulations or maximum amount permissible under applicable laws or regulations, or under the terms of the Red Herring Prospectus;
- 22) Do not withdraw your Bid or lower the size of your Bid (in terms of quantity of the Equity Shares or the Bid Amount) at any stage, if you are a QIB or a Non-Institutional Bidder. RIBs can revise or withdraw their Bids on or before the



Bid/Issue Closing Date;

- 23) Do not submit Bids to a Designated Intermediary at a location other than the Bidding Centres;
- 24) If you are an RIB which is submitting the ASBA Form with any of the Designated Intermediaries and using your UPI ID for the purpose of blocking of funds, do not use any third-party bank account or third party linked bank account UPI ID;
- 25) Do not Bid if you are an OCB; and
- 26) If you are a QIB, do not submit your Bid after 3:00 pm on the Bid/Issue Closing Date.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with. Further, in case of any pre-Issue or post-Issue related issues regarding share certificates/demat credit/refund orders/unblocking etc., investors can reach out to the Company Secretary and Compliance Officer. For details of Company Secretary and Compliance Officer, please see the section entitled “*General Information*” and “*Our Management*” beginning on page 43 and 112.

For helpline details of the BRLM pursuant to the SEBI/HO.CFD.DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, please see the section entitled “*General Information*” beginning on page 43.

## **GROUND FOR TECHNICAL REJECTION**

In addition to the grounds for rejection of Bids on technical grounds as provided in the General Information Document, Bidders are requested to note that Bids may be rejected on the following additional technical grounds:

1. Bids submitted without instruction to the SCSBs to block the entire Bid Amount;
2. Bids which do not contain details of the Bid Amount and the bank account details in the ASBA Form;
3. Bids submitted on a plain paper;
4. Bids submitted by RIBs using the UPI Mechanism through an SCSBs and/or using a mobile application or UPI handle, not listed on the website of SEBI;
5. Bids under the UPI Mechanism submitted by RIBs using third party bank accounts or using a third party linked bank account UPI ID (subject to availability of information regarding third party account from Sponsor Bank);
6. ASBA Form submitted to a Designated Intermediary does not bear the stamp of the Designated Intermediary;
7. Bids submitted without the signature of the First Bidder or sole Bidder;
8. The ASBA Form not being signed by the account holders, if the account holder is different from the Bidder;
9. Bids by persons for whom PAN details have not been verified and whose beneficiary accounts are “suspended for credit” in terms of SEBI circular CIR/MRD/DP/ 22 /2010 dated July 29, 2010;
10. GIR number furnished instead of PAN;
11. Bids by RIBs with Bid Amount of a value of more than ₹ 2,00,000;
12. Bids by persons who are not eligible to acquire Equity Shares in terms of all applicable laws, rules, regulations, guidelines and approvals;
13. Bids accompanied by stock invest, money order, postal order or cash; and
14. Bids uploaded by QIBs after 4.00 pm on the QIB Bid/ Issue Closing Date and by Non-Institutional Bidders uploaded after 4.00 p.m. on the Bid/ Issue Closing Date, and Bids by RIBs uploaded after 5.00 p.m. on the Bid/ Issue Closing Date, unless extended by the Stock Exchange.

Further, in case of any pre-Issue or post Issue related issues regarding share certificates/demat credit/refund orders/unblocking etc., investors shall reach out the Company Secretary and Compliance Officer. For details of the Company Secretary and Compliance Officer, see “*General Information*” beginning on page 43

In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding four Working Days from the Bid/ Issue Closing Date, the Bidder shall be compensated at a uniform rate of ₹ 100/- per day for the entire duration of delay exceeding four Working Days from the Bid/ Issue Closing Date by the intermediary responsible for causing such delay in unblocking. The BRLM shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking.

Further, Investors shall be entitled to compensation in the manner specified in the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 read with SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 in case of delays in resolving investor grievances in relation to blocking/unblocking of funds.

Names of entities responsible for finalising the basis of allotment in a fair and proper manner

The authorized employees of the Designated Stock Exchange, along with the BRLM and the Registrar, shall ensure that the Basis of Allotment is finalised in a fair and proper manner in accordance with the procedure specified in SEBI ICDR Regulations.

For details of instructions in relation to the Bid cum Application Form, Bidders may refer to the relevant section the GID.

**BIDDERS SHOULD NOTE THAT IN CASE THE PAN, THE DP ID AND CLIENT ID MENTIONED IN THE BID CUM APPLICATION FORM AND ENTERED INTO THE ELECTRONIC APPLICATION SYSTEM OF THE STOCK EXCHANGES BY THE BIDS COLLECTING INTERMEDIARIES DO NOT MATCH WITH PAN, THE DP ID AND CLIENT ID AVAILABLE IN THE DEPOSITORY DATABASE, THE BID CUM APPLICATION FORM IS LIABLE TO BE REJECTED.**

#### **BASIS OF ALLOCATION**

- a) The SEBI (ICDR) Regulations specify the allocation or Allotment that may be made to various categories of Bidders in an Issue depending on compliance with the eligibility conditions. Certain details pertaining to the percentage of Issue size available for allocation to each category is disclosed overleaf of the Bid cum Application Form and in the DRHP. For details in relation to allocation, the Bidder may refer to the RHP.
- b) Under-subscription in any category (except QIB Category) is allowed to be met with spill over from any other category or combination of categories at the discretion of the Issuer and in consultation with the BRLM and the Designated Stock Exchange and in accordance with the SEBI (ICDR) Regulations, Unsubscribed portion in QIB Category is not available for subscription to other categories.
- c) In case of under subscription in the Issue, spill-over to the extent of such under- subscription may be permitted from the Reserved Portion to the Issue. For allocation in the event of an under-subscription applicable to the Issuer, Bidders may refer to the RHP.

#### **ALLOTMENT PROCEDURE AND BASIS OF ALLOTMENT**

**The allotment of Equity Shares to Bidders other than Retail Individual Investors may be on proportionate basis. 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 Issue for Sale only, then minimum subscription may not be applicable.**

On T Day, RTA To validate the electronic bid details with the depository records and also reconcile the final certificates received from the Sponsor Bank for UPI process and the SCSBs for ASBA and Syndicate ASBA process with the electronic bid details.

- RTA identifies cases with mismatch of account number as per bid file / FC and as per applicant's bank account linked to depository demat account and seek clarification from SCSB to identify the applications with third party account for rejection.
- Third party confirmation of applications to be completed by SCSBs on T+1 day.
- RTA prepares the list of final rejections and circulate the rejections list with BRLM(s)/ Company for their review/ comments.
- Post rejection, the RTA submits the basis of allotment with the Designated Stock Exchange (DSE).
- The DSE, post verification approves the basis and generates drawl of lots wherever applicable, through a random number generation software.
- The RTA uploads the drawal numbers in their system and generates the final list of allottees as per process mentioned below:

#### **Process for generating list of allottees: -**

- Instruction is given by RTA in their Software System to reverse category wise all the application numbers in the ascending order and generate the bucket /batch as per the allotment ratio. For example, if the application number is 78654321 then system reverses it to 12345687 and if the ratio of allottees to applicants in a category is 2:7 then the system will create lots of 7. If the drawal of lots provided by 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 application s will be allotted the shares in that category.

- In categories where there is proportionate allotment, the Registrar will prepare the proportionate working based on the oversubscription times.
- In categories where there is undersubscription, the Registrar will do full allotment for all valid applications.
- On the basis of the above, the RTA will work out the allottees , partial allottees and non- allottees , prepare the fund transfer letters and advice the SCSBs to debit or unblock the respective accounts.

## **BASIS OF ALLOTMENT**

### **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 [●] 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 [●] Equity Shares at or above the Issue Price, the Allotment shall be made on a proportionate basis up to a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter. For the method of proportionate Basis of Allotment, refer below.

### **b. For Non-Institutional Bidders**

Bids received from Non-Institutional Bidders at or above the Issue Price shall be grouped together to determine the total demand under this category. The Allotment to all successful Non- Institutional Bidders will be made at the Issue Price.

The Issue size less Allotment to QIBs and 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 [●] Equity Shares at or above the Issue Price, full allotment shall be made to Non-Institutional Bidders to the extent of their demand.

In case the aggregate demand in this category is greater than [●] Equity Shares at or above the Issue Price, Allotment shall be made on a proportionate basis up to a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter. For the method of proportionate Basis of Allotment refer below.

### **c. Allotment To Anchor Investor (If Applicable)**

- a) Allocation of Equity Shares to Anchor Investors at the Anchor Investor Allocation Price will be at the discretion of the Issuer and the Selling Shareholders, in consultation with the BRLM, subject to compliance with the following requirements:
  - 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
- b) allocation to Anchor Investors shall be on a discretionary basis and subject to:
- c) maximum number of two Anchor Investors for allocation up to ₹ 2 crores; a minimum number of two Anchor Investors and maximum number of 15 Anchor Investors for allocation of more than ₹ 2 crores and up to ₹ 25 crores subject to minimum allotment of ₹ 1 crores per such Anchor Investor; and
- d) in case of allocation above twenty-five crore rupees; a minimum of 5 such investors and a maximum of 15 such investors for allocation up to twenty-five crore rupees and an additional 10 such investors for every additional twenty-five crore rupees or part thereof, shall be permitted, subject to a minimum allotment of one crore rupees per such investor.

### **d. For QIBs**

Bids received from QIBs Bidding in the QIB Category at or above the Issue Price may be grouped together to determine the total demand under this category. The QIB Category may be available for Allotment to QIBs who have Bid at a price that is equal to or greater than the Issue Price. Allotment may be undertaken in the following manner: Allotment shall be undertaken in the following manner:

- i. In the first instance, allocation to Mutual Funds for [●]% of the QIB Portion shall be determined as follows:

- In the event that Bids by Mutual Fund exceeds [●]% of the QIB Portion, allocation to Mutual Funds shall be done on a proportionate basis for [●]% of the QIB Portion.
  - In the event that the aggregate demand from Mutual Funds is less than [●]% of the QIB Portion then all Mutual Funds shall get full Allotment to the extent of valid Bids received above the Issue Price.
  - Equity Shares remaining unsubscribed, if any, not allocated to Mutual Funds shall be available for Allotment to all QIB Bidders as set out in (b) below;
- ii. In the second instance, allotment to all QIBs shall be determined as follows:
- In the event of oversubscription in the QIB Portion, all QIB Bidders who have submitted Bids above the Issue Price shall be allotted Equity Shares on a proportionate basis, upto a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter for [●]% of the QIB Portion.
  - Mutual Funds, who have received allocation as per (a) above, for less than the number of Equity Shares Bid for by them, are eligible to receive Equity Shares on a proportionate basis, upto a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter, along with other QIB Bidders.
  - Under-subscription below [●]% of the QIB Portion, if any, from Mutual Funds, would be included for allocation to the remaining QIB Bidders on a proportionate basis. The aggregate Allotment to QIB Bidders shall not be more than [●] Equity Shares.

iii. Basis of Allotment for QIBs and NIIs in case of Over Subscribed Issue:

In the event of the Issue being Over-Subscribed, the Issuer may finalise the Basis of Allotment in consultation with the National Stock Exchange of India Limited (The Designated Stock Exchange). The allocation may be made in marketable lots on proportionate basis as set forth hereunder:

- a) The total number of Shares to be allocated to each category as a whole shall be arrived at on a proportionate basis i.e. the total number of Shares applied for in that category multiplied by the inverse of the oversubscription ratio (number of Bidders in the category multiplied by number of Shares applied for).
- b) The number of Shares to be allocated to the successful Bidders will be arrived at on a proportionate basis in marketable lots (i.e. Total number of Shares applied for into the inverse of the over subscription ratio).
- c) For Bids where the proportionate allotment works out to less than [●] equity shares the allotment will be made as follows:
  - Each successful Bidder shall be allotted [●] equity shares; and
  - The successful Bidder out of the total bidders for that category shall be determined by draw of lots in such a manner that the total number of Shares allotted in that category is equal to the number of Shares worked out as per (b) above.
- d) If the proportionate allotment to a Bidder works out to a number that is not a multiple of [●] equity shares, the Bidder would be allotted Shares by rounding off to the nearest multiple of [●] equity shares subject to a minimum allotment of [●] equity shares.
- e) If the Shares allotted on a proportionate basis to any category is more than the Shares allotted to the Bidders in that category, the balance available Shares or allocation shall be first adjusted against any category, where the allotted Shares are not sufficient for proportionate allotment to the successful Bidder in that category, the balance shares, if any, remaining after such adjustment will be added to the category comprising Bidder applying for the minimum number of Shares. If as a result of the process of rounding off to the nearest multiple of [●] Equity Shares, results in the actual allotment being higher than the shares offered, the final allotment may be higher at the sole discretion of the Board of Directors, up to 110% of the size of the Issue specified under the Capital Structure mentioned in this DRHP.

**Retail Individual Investor means an investor who applies for shares of value of not more than ₹ 2,00,000/. Investors may note that in case of over subscription, allotment shall be on proportionate basis and will be finalized in consultation with National Stock Exchange of India Limited.**

**The Executive Director / Managing Director of National Stock Exchange of India Limited - the Designated Stock Exchange in addition to Book Running Lead Manager and Registrar to the Public Issue shall be responsible to ensure that the basis of allotment is finalized in a fair and proper manner in accordance with the SEBI (ICDR) Regulations.**

#### **Issuance of Allotment Advice**

- 1) Upon approval of the Basis of Allotment by the Designated Stock Exchange.
- 2) On the basis of approved Basis of Allotment, the Issuer shall pass necessary corporate action to facilitate the allotment and credit of equity shares. Bidders are advised to instruct their Depository Participants to accept the Equity Shares that

may be allotted to them pursuant to the Issue.

The Book Running Lead Manager or the Registrar to the Issue will dispatch an Allotment Advice to their Bidders who have been allocated Equity Shares in the Issue. The dispatch of Allotment Advice shall be deemed valid, binding and irrevocable contract for the Allotment to such Bidder.

- 3) Issuer will make the allotment of the Equity Shares and initiate corporate action for credit of shares to the successful Bidders Depository Account within 4 working days of the Issue Closing date. The Issuer also ensures that credit of shares to the successful Bidders Depository Account is completed within one working Day from the date of allotment, after the funds are transferred from ASBA Public Issue Account to Public Issue account of the issuer.

#### **Designated Date:**

On the Designated date, the SCSBs shall transfer the funds represented by allocations of the Equity Shares into Public Issue Account with the Bankers to the Issue.

The Company will Issue and dispatch letters of allotment/ or letters of regret along with refund order or credit the allotted securities to the respective beneficiary accounts, if any, within a period of 4 working days of the Bid/ Issue Closing Date. The Company will intimate the details of allotment of securities to Depository immediately on allotment of securities under relevant provisions of the Companies Act, 2013 or other applicable provisions, if any.

#### **Instructions for Completing the Bid Cum Application Form**

The Applications should be submitted on the prescribed Bid Cum Application Form and in BLOCK LETTERS in ENGLISH only in accordance with the instructions contained herein and in the Bid Cum Application Form. Applications not so made are liable to be rejected. Applications made using a third-party bank account or using third party UPI ID linked bank account are liable to be rejected. Bid Cum Application Forms should bear the stamp of the Designated Intermediaries. ASBA Bid Cum Application Forms, which do not bear the stamp of the Designated Intermediaries, will be rejected.

SEBI, vide Circular No. CIR/CFD/14/2012 dated October 04, 2012 has introduced an additional mechanism for investors to submit Bid Cum Application Forms in public issues using the stock broker (broker) network of Stock Exchanges, who may not be syndicate members in an Issue with effect from January 01, 2013. The list of Broker Centre is available on the website of National Stock Exchange of India Limited i.e. [www.nseindia.com](http://www.nseindia.com). With a view to broad base the reach of Investors by substantial, enhancing the points for submission of applications, SEBI vide Circular No. CIR/CFD/POLICY CELL/11/2015 dated November 10, 2015 has permitted Registrar to the Issue and Share Transfer Agent and Depository Participants registered with SEBI to accept the Bid Cum Application Forms in Public Issue with effect from January 01, 2016. The List of RTA and DPs centres for collecting the application shall be disclosed is available on the website of National Stock Exchange of India Limited i.e. [www.nseindia.com](http://www.nseindia.com)

#### **Bidder's Depository Account and Bank Details**

Please note that, providing bank account details, PAN No's, Client ID and DP ID in the space provided in the Bid Cum Application Form is mandatory and applications that do not contain such details are liable to be rejected.

Bidders should note that on the basis of name of the Bidders, Depository Participant's name, Depository Participant Identification number and Beneficiary Account Number provided by them in the Bid Cum Application Form as entered into the Stock Exchange online system, the Registrar to the Issue will obtain from the Depository, the demographic details including address, Bidders bank account details, MICR code and occupation (hereinafter referred to as 'Demographic Details'). These Demographic Details would be used for all correspondence with the Bidders including mailing of the Allotment Advice. The Demographic Details given by Bidders in the Bid Cum Application Form would not be used for any other purpose by the Registrar to the Issue.

By signing the Bid Cum Application Form, the Bidder would be deemed to have authorized the depositories to provide, upon request, to the Registrar to the Issue, the required Demographic Details as available on its records.

#### **Submission of Bid Cum Application Form**

All Bid Cum Application Forms duly completed shall be submitted to the Designated Intermediaries. The aforesaid intermediaries shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the Bid Cum Application Form, in physical or electronic mode, respectively.

#### **Communications**

All future communications in connection with Applications made in this Issue should be addressed to the Registrar to the Issue quoting the full name of the sole or First Bidder, Bid Cum Application Form number, Bidders Depository Account Details, number of Equity Shares applied for, date of Bid Cum Application Form, name and address of the Designated Intermediary where the Application was submitted thereof and a copy of the acknowledgement slip.

Investors can contact the Compliance Officer or the Registrar to the Issue in case of any pre- Issue or post Issue related problems such as non-receipt of letters of allotment, credit of allotted shares in the respective beneficiary accounts, etc.

### **Disposal of Application and Application Moneys and Interest in Case of Delay**

The Company shall ensure the dispatch of Allotment advice and give benefit to the beneficiary account with Depository Participants and submit the documents pertaining to the Allotment to the Stock Exchange within 2 (two) working days of date of Allotment of Equity Shares.

The Company shall use best efforts to ensure that all steps for completion of the necessary formalities for listing and commencement of trading at NSE Emerge where the Equity Shares are proposed to be listed are taken within 3(Three) working days from Issue Closing Date.

In accordance with the Companies Act, the requirements of the Stock Exchange and the SEBI Regulations, the Company further undertakes that:

1. Allotment and Listing of Equity Shares shall be made within 3 (Three) days of the Issue Closing Date;
2. Giving of Instructions for refund by unblocking of amount via ASBA not later than 4 (four) working days of the Issue Closing Date, would be ensured; and
3. If such money is not repaid within prescribed time from the date our Company becomes liable to repay it, then our Company and every officer in default shall, on and from expiry of prescribed time, be liable to repay such application money, with interest as prescribed under SEBI (ICDR) Regulations, the Companies Act, 2013 and applicable law. Further, in accordance with Section 40 of the Companies Act, 2013, the Company and each officer in default may be punishable with fine and/or imprisonment in such a case.

### **BASIS OF ALLOTMENT**

Allotment will be made in consultation National Stock Exchange of India Limited (The Designated Stock Exchange). In the event of oversubscription, the allotment will be made on a proportionate basis in marketable lots as set forth here:

1. The total number of Shares to be allocated to each category as a whole shall be arrived at on a proportionate basis i.e. the total number of Shares applied for in that category multiplied by the inverse of the over subscription ratio (number of applicants in the category x number of Shares applied for).
2. The number of Shares to be allocated to the successful applicants will be arrived at on a proportionate basis in marketable lots (i.e. Total number of Shares applied for into the inverse of the over subscription ratio).
3. For applications where the proportionate allotment works out to less than [●] equity shares the allotment will be made as follows:
  - i. Each successful applicant shall be allotted [●] equity shares; and
  - ii. The successful applicants out of the total applicants for that category shall be determined by the drawl of lots in such a manner that the total number of Shares allotted in that category is equal to the number of Shares worked out as per (2) above.
4. If the proportionate allotment to an applicant works out to a number that is not a multiple of [●] equity shares, the applicant would be allotted Shares by rounding off to the lower nearest multiple of [●] equity shares subject to a minimum allotment of [●] equity shares.
5. If the Shares allocated on a proportionate basis to any category is more than the Shares allotted to the applicants in that category, the balance available Shares for allocation shall be first adjusted against any category, where the allotted Shares are not sufficient for proportionate allotment to the successful applicants in that category, the balance Shares, if any, remaining after such adjustment will be added to the category comprising of applicants applying for the minimum number of Shares.

### **BASIS OF ALLOTMENT IN THE EVENT OF UNDER SUBSCRIPTION**

In the event of under subscription in the Issue, the obligations of the Underwriters shall get triggered in terms of the Underwriting Agreement. The Minimum subscription of 100.00% of the Issue size shall be achieved before our company proceeds to get the basis of allotment approved by the Designated Stock Exchange. The Executive Director/Managing Director of the National Stock Exchange of India Limited - the Designated Stock Exchange in addition to Book Running Lead Manager and Registrar to the Issue shall be responsible to ensure that the basis of allotment is finalized in a fair and proper manner in accordance with the SEBI (ICDR) Regulations, 2018.

As per the RBI regulations, OCBs are not permitted to participate in the Issue. There is no reservation for Non- Residents, NRIs, FPIs and foreign venture capital funds and all Non-Residents, NRI, FPI and Foreign Venture Capital Funds applicants will be treated on the same basis with other categories for the purpose of allocation.

Equity Shares in Dematerialised Form with NSDL/CDSL

To enable all shareholders of the Company to have their shareholding in electronic form, the Company is in process of entering following tripartite agreements with the Depositories and the Registrar and Share Transfer Agent:

- a) We have entered into a tripartite agreement between NSDL, the Company and the Registrar to the Issue on November 5<sup>th</sup>, 2024
- b) We have entered into a tripartite agreement between CDSL, the Company and the Registrar to the Issue on November 11<sup>th</sup>, 2024
- c) The Company's Equity shares bear ISIN No. INE1ARD01016

An Applicant applying for Equity Shares must have at least one beneficiary account with either of the Depository Participants of either NSDL or CDSL prior to making the Application.

- The Applicant must necessarily fill in the details (including the Beneficiary Account Number and Depository Participant's identification number) appearing in the Application Form or Revision Form.
- Allotment to a successful Applicant will be credited in electronic form directly to the beneficiary account (with the Depository Participant) of the Applicant.
- Names in the Application Form or Revision Form should be identical to those appearing in the account details in the Depository. In case of joint holders, the names should necessarily be in the same sequence as they appear in the account details in the Depository.
- If incomplete or incorrect details are given under the heading 'Applicants Depository Account Details' in the Application Form or Revision Form, it is liable to be rejected.
- The Applicant is responsible for the correctness of his or her Demographic Details given in the Application Form vis à vis those with his or her Depository Participant.
- Equity Shares in electronic form can be traded only on the stock exchanges having electronic connectivity with NSDL and CDSL. The Stock Exchange where our Equity Shares are proposed to be listed has electronic connectivity with CDSL and NSDL.
- The allotment and trading of the Equity Shares of the Company would be in dematerialized form only for all investors.

#### **PRE-ISSUE ADVERTISEMENT**

Subject to Section 30 of the Companies Act, 2013, our Company shall, after filing the Red Herring Prospectus with the RoC, publish a Pre-Issue advertisement, in the form prescribed by the SEBI ICDR Regulations, in: (all editions [●], an English national daily newspaper, all editions of [●], a Hindi national daily newspaper each with wide circulation.

In the Pre-Issue advertisement, we shall state the Bid/Issue Opening Date and the Bid/Issue Closing Date. The advertisement, subject to the provisions of Section 30 of the Companies Act, 2013, shall be in the format prescribed in Part A of Schedule X of the SEBI ICDR Regulations.

#### **SIGNING OF THE UNDERWRITING AGREEMENT AND THE ROC FILING**

- a) Our Company and the Underwriter intend to enter into an Underwriting Agreement on or before the filing of Red Herring Prospectus.
- b) After signing the Underwriting Agreement, an updated Red Herring Prospectus will be filed with the RoC in accordance with applicable law, which then would be termed as the 'Prospectus'. The Prospectus will contain details of the Issue Price, Issue size, and underwriting arrangements and will be complete in all material respects.

#### **IMPERSONATION**

Attention of the applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, which is reproduced below:

*"Any person who:*

- I. makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or*
- II. makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or*
- III. otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under Section 447."*

The liability prescribed under Section 447 of the Companies Act, for fraud involving an amount of at least ₹ 10/- Lakhs or 1.00% of the turnover of the Company, whichever is lower, includes imprisonment for a term which shall not be less than six months



extending up to 10 years and fine of an amount not less than the amount involved in the fraud, extending up to three times such amount (provided that where the fraud involves public interest, such term shall not be less than three years.) Further, where the fraud involves an amount less than ₹ 10/- lakhs or one per cent of the turnover of the company, whichever is lower, and does not involve public interest, any person guilty of such fraud shall be punishable with imprisonment for a term which may extend to five years or with fine which may extend to ₹ 50/- Lakh or with both.

## **UNDERTAKINGS BY OUR COMPANY**

Our Company undertakes the following:

- adequate arrangements shall be made to collect all Bid cum Application Forms submitted by Bidders;
- the complaints received in respect of the Issue shall be attended to by our Company expeditiously and satisfactorily;
- all steps for completion of the necessary formalities for listing and commencement of trading at all the Stock Exchange where the Equity Shares are proposed to be listed shall be taken within three Working Days of the Bid/Issue Closing Date or such other time as may be prescribed by the SEBI or under any applicable law;
- if Allotment is not made within the prescribed time period under applicable law, the entire Bid amount received will be refunded/unblocked within the time prescribed under applicable law, failing which interest will be due to be paid to the Bidders at the rate prescribed under applicable law for the delayed period;
- the funds required for making refunds (to the extent applicable) to unsuccessful Bidders as per the mode(s) disclosed shall be made available to the Registrar to the Issue by our Company;
- where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the Bidder within the time prescribed under applicable law, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;
- no further issue of the Equity Shares shall be made until the Equity Shares issued through the Red Herring Prospectus are listed or until the Bid monies are unblocked in ASBA Account/refunded on account of non-listing, under- subscription, etc.
- our Company, in consultation with the BRLM, reserves the right not to proceed with the Fresh Issue, in whole or in part thereof, to the extent of the Issued Shares, after the Bid/ Issue Opening Date but before the Allotment. In such an event, our Company would issue a public notice in the newspapers in which the pre-Issue advertisements were published, within two days of the Bid/ Issue Closing Date or such other time as may be prescribed by the SEBI, providing reasons for not proceeding with the Issue and inform the Stock Exchanges promptly on which the Equity Shares are proposed to be listed; and
- if our Company, in consultation with the BRLM withdraws the Issue after the Bid/ Issue Closing Date and thereafter determines that it will proceed with an issue of the Equity Shares, our Company shall file a fresh Draft Red Herring Prospectus with the SEBI.

## **UTILIZATION OF ISSUE PROCEEDS**

Our Board certifies that:

- all monies received out of the Fresh Issue shall be credited/transferred to a separate bank account other than the bank account referred to in sub-section (3) of Section 40 of the Companies Act, 2013;
- details of all monies utilized out of the Fresh Issue shall be disclosed, and continue to be disclosed till the time any part of the Issue proceeds remains unutilized, under an appropriate head in the balance sheet of our Company indicating the purpose for which such monies have been utilized; and

details of all unutilized monies out of the Fresh Issue, if any shall be disclosed under an appropriate separate head in the balance sheet indicating the form in which such unutilized monies have been invested.

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## RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the FDI Policy of the Government of India and FEMA and the circulars and notifications issued thereunder. While the FDI Policy 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. The Government has from time to time made policy pronouncements on foreign direct investment (“FDI”) through press notes and press releases.

The Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India (“DPIIT”), formerly known as Department of Industrial Policy and Promotion issued the Consolidated FDI Policy Circular of 2020 (“FDI Policy”) by way of circular bearing number DPIIT file number 5(2)/2020-FDI Policy dated October 15, 2020, which with effect from October 15, 2020, consolidates and supersedes all previous press notes, press releases and clarifications on FDI issued by the DPIIT that were in force and effect as on October 15, 2020. The FDI Policy will be valid until the DPIIT issues an updated circular. Up to 100% foreign investment under the automatic route is currently permitted in the “Services” sector. For details, see “*Key Regulations and Policies*” on page 105.

The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the RBI, provided that (i) the activities of the investee company are under the automatic route under the FDI Policy and transfer does not attract the provisions of the Takeover Regulations; (ii) the non-resident shareholding is within the sectoral limits under the FDI Policy; and (iii) the pricing is in accordance with the guidelines prescribed by the SEBI/RBI.

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. Each Bidder should seek independent legal advice about its ability to participate in the Issue. In the event such prior approval of the Government of India is required, and such approval has been obtained, the Bidder shall intimate our Company and the Registrar in writing about such approval along with a copy thereof within the Issue Period.

As per the existing policy of the Government, OCBs could not participate in this Issue.

The Equity Shares have not been and will not be registered under the U.S. Securities Act and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws.

Accordingly, the Equity Shares are only being offered and sold outside the United States in offshore transactions in reliance on Regulations and the applicable laws of the jurisdiction where those Issues and sales occur. The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

The above information is given for the benefit of the Applicants. Our Company and the Book Running Lead Manager are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Applicants are advised to make their independent investigations and ensure that the Applications are not in violation of laws or regulations applicable to them.

## **SECTION IX - DESCRIPTION OF EQUITY SHARES AND TERMS OF ARTICLES OF ASSOCIATION**

### **(THE COMPANIES ACT, 2013)**

### **ARTICLES OF ASSOCIATION OF SACHEEROME LIMITED (COMPANY LIMITED BY SHARES)**

#### **INTERPRETATION**

- I. (1) In these regulations --  
(a) "the Act" means the Companies Act, 2013,  
(b) "the seal" means the common seal of the company.
- (2) Unless the context otherwise requires, words or expressions contained in these regulations shall bear the same meaning as in the Act or any statutory modification thereof in force at the date at which these regulations become binding on the company.

#### **PUBLIC COMPANY**

- (3) Public company means a company which (a) is not a private company (b) has a minimum paid-up share capital as may be prescribed Provided that a company which is a subsidiary of a company not being a private company shall be deemed to be public company for the purposes of this Act even where such subsidiary company continues to be a private company in its articles

#### **SHARE CAPITAL AND VARIATION OF RIGHTS**

- II. 1. Subject to the provisions of the Act and these Articles, the shares in the capital of the company shall be under the control of the 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.
2. (i) Every person whose name is entered as a member in the register of members shall be entitled to receive within two months after incorporation, in case of subscribers to the memorandum or after allotment or within one month after the application for the registration of transfer or transmission or within such other period as the conditions of issue shall be provided, --  
(a) one certificate for all his shares without payment of any charges; or  
(b) several certificates, each for one or more of his shares, upon payment of twenty rupees for each certificate after the first.
- (ii) Every certificate shall be under the seal and shall specify the shares to which it relates and the amount paid-up thereon.
- (iii) In respect of any 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 for a share to one of several joint holders shall be sufficient delivery to all such holders
3. (i) If any share certificate be worn out, defaced, mutilated or torn or if there be no further space on the back for endorsement of transfer, then upon production and surrender thereof to the company, a new certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the company and on execution of such indemnity as the company deem adequate, a new certificate in lieu thereof shall be given. Every certificate under this Article shall be issued on payment of twenty rupees for each certificate.
- (ii) The provisions of Articles (2) and (3) shall mutatis mutandis apply to debentures of the company.
4. Except as required by law, no person shall be recognised by the company as holding any share upon any trust, and the company shall not be bound by, or be compelled in any way to recognise (even when having

notice thereof) any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or (except only as by these regulations or by law otherwise provided) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder.

5. (i) The company may exercise the powers of paying commissions conferred by sub-section (6) of section 40, provided that the rate per cent or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by that section and rules made thereunder.  
  
(ii) The rate or amount of the commission shall not exceed the rate or amount prescribed in rules made under sub-section (6) of section 40.  
  
(iii) The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in the one way and partly in the other.
6. (i) If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of section 48, and whether or not the company is being wound up, be varied with the consent in writing of the holders of three-fourths of the issued shares of that class, or with the sanction of a special resolution passed at a separate meeting of the holders of the shares of that class.  
  
(ii) To every such separate meeting, the provisions of these regulations relating to general meetings shall mutatis mutandis apply, but so that the necessary quorum shall be at least two persons holding at least one-third of the issued shares of the class in question.
7. The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking pari passu therewith.
8. Subject to the provisions of section 55, any preference shares may, with the sanction of an ordinary resolution, be issued on the terms that they are to be redeemed on such terms and in such manner as the company before the issue of the shares may, by special resolution, determine.

#### **LIEN**

9. (i) The company shall have a first and paramount lien-
  - (a) on every share (not being a fully paid share), for all monies (whether presently payable or not) called, or payable at a fixed time, in respect of that share; and
  - (b) on all shares (not being fully paid shares) standing registered in the name of a single person, for all monies presently payable by him or his estate to the company:  
  
Provided that the Board of directors may at any time declare any share to be wholly or in part exempt from the provisions of this clause.
- (ii) The company's lien, if any, on a share shall extend to all dividends payable and bonuses declared from time to time in respect of such shares.
10. The company may sell, in such manner as the Board thinks fit, any shares on which the company has a lien:  
  
Provided that no sale shall be made-
  - (a) unless a sum in respect of which the lien exists is presently payable; or
  - (b) until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share or the person entitled thereto by reason of his death or insolvency.
11. (i) To give effect to any such sale, the Board may authorise some person to transfer the shares sold to the purchaser thereof.

- (ii) The purchaser shall be registered as the holder of the shares comprised in any such transfer.
  - (iii) The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.
12. (i) The proceeds of the sale shall be received by the company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable.
- (ii) The residue, if any, shall, subject to a like 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.

#### **CALLS ON SHARES**

13. (i) The Board may, from time to time, make calls upon the members in respect of any monies unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times:
- Provided that no call shall exceed one-fourth of the nominal value of the share or be payable at less than one month from the date fixed for the payment of the last preceding call.
- (ii) Each member shall, subject to receiving at least fourteen days' notice specifying the time or times and place of payment, pay to the company, at the time or times and place so specified, the amount called on his shares.
- (iii) A call may be revoked or postponed at the discretion of the Board.
14. A call shall be deemed to have been made at the time when the resolution of the Board authorizing the call was passed and may be required to be paid by instalments.
15. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.
16. (i) If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest thereon from the day appointed for payment thereof to the time of actual payment at ten per cent per annum or at such lower rate, if any, as the Board may determine.
- (ii) The Board shall be at liberty to waive payment of any such interest wholly or in part.
17. (i) Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall, for the purposes of these regulations, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable.
- (ii) In case of non-payment of such sum, all the relevant provisions of these regulations as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.
18. The Board-
- (a) may, if it thinks fit, receive from any member willing to advance the same, all or any part of the monies uncalled and unpaid upon any shares held by him; and
- (b) upon all or any of the monies so advanced, may (until the same would, but for such advance, become presently payable) pay interest at such rate not exceeding, unless the company in general meeting shall otherwise direct, twelve per cent per annum, as may be agreed upon between the Board and the member paying the sum in advance.

#### **TRANSFER OF SHARES**

19. (i) The instrument of transfer of any share in the company shall be executed by or on behalf of both the transferor and transferee.

- (ii) The transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the register of members in respect thereof.
20. The Board may, subject to the right of appeal conferred by section 58 decline to register-
- (a) the transfer of a share, not being a fully paid share, to a person of whom they do not approve; or
  - (b) any transfer of shares on which the company has a lien.
21. The Board may decline to recognise any instrument of transfer unless-
- (a) the instrument of transfer is in the form as prescribed in rules made under sub-section (1) of section 56;
  - (b) the instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and
  - (c) the instrument of transfer is in respect of only one class of shares.
22. On giving not less than seven days' previous notice in accordance with section 91 and rules made thereunder, the registration of transfers may be suspended at such times and for such periods as the Board may from time to time determine:

Provided that such registration shall not be suspended for more than thirty days at any one time or for more than forty-five days in the aggregate in any year.

#### **TRANSMISSION OF SHARES**

23. (i) On the death of a member, the survivor or survivors where the member was a joint holder, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only persons recognised by the company as having any title to his interest in the shares
- (ii) Nothing in clause (i) shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.
24. (i) Any person becoming entitled to a share in consequence of the death or insolvency of a member may, upon such evidence being produced as may from time to time properly be required by the Board and subject as hereinafter provided, elect, either --
- (a) to be registered himself as holder of the share; or
  - (b) to make such transfer of the share as the deceased or insolvent member could have made.
- (ii) The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent member had transferred the share before his death or insolvency.
25. (i) If the person so becoming entitled shall elect to be registered as holder of the share himself, he shall deliver or send to the company a notice in writing signed by him stating that he so elects.
- (ii) If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share.
- (iii) All the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the member had not occurred and the notice or transfer were a transfer signed by that member.
26. A person becoming entitled to a share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as a member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the company:

Provided that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the share, until the requirements of the notice have been complied with.

#### **FORFEITURE OF SHARES**

27. If a member fails to pay any call, or instalment of a call, on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or instalment remains unpaid, serve a notice on him requiring payment of so much of the call or instalment as is unpaid, together with any interest which may have accrued.
28. The notice aforesaid shall --
- (a) name a further day (not being earlier than the expiry of fourteen days from the date of service of the notice) on or before which the payment required by the notice is to be made; and
  - (b) state that, in the event of non-payment on or before the day so named, the shares in respect of which the call was made shall be liable to be forfeited.
29. If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may, at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect.
30. (i) A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit.
- (ii) At any time before a sale or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.
31. (i) A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall, notwithstanding the forfeiture, remain liable to pay to the company all monies which, at the date of forfeiture, were presently payable by him to the company in respect of the shares.
- (ii) The liability of such person shall cease if and when the company shall have received payment in full of all such monies in respect of the shares.
32. (i) A duly verified declaration in writing that the declarant is a director, the manager or the secretary, of the company, and that a share in the company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share;
- (ii) The company may receive the consideration, if any, given for the share on any sale or disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of;
- (iii) The transferee shall thereupon be registered as the holder of the share; and
- (iv) The transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share.
33. The provisions of these regulations as to forfeiture shall apply in the case of nonpayment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

#### **ALTERATION OF CAPITAL**

34. The company may, from time to time, by ordinary resolution increase the share capital by such sum, to be divided into shares of such amount, as may be specified in the resolution.



35. Subject to the provisions of section 61, the company may, by ordinary resolution, --
- (a) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;
  - (b) convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination;
  - (c) sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum;
  - (d) cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person.
36. Where shares are converted into stock, --
- (a) the holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same regulations under which, the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit:  
  
Provided that the Board may, from time to time, fix the minimum amount of stock transferable, so, however, that such minimum shall not exceed the nominal amount of the shares from which the stock arose.
  - (b) the holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the company, and other matters, as if they held the shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.
  - (c) such of the regulations of the company as are applicable to paid-up shares shall apply to stock and the words "share" and "shareholder" in those regulations shall include "stock" and "stock-holder" respectively.
37. The company may, by special resolution, reduce in any manner and with, and subject to, any incident authorised and consent required by law, --
- (a) its share capital;
  - (b) any capital redemption reserve account; or
  - (c) any share premium account.

#### **CAPITALIZATION OF PROFITS**

38. (i) The company in general meeting may, upon the recommendation of the Board, resolve --
- (a) that it is desirable to capitalise 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 (ii) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.
- (ii) The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in clause (iii), either in or towards --
- (A) paying up any amounts for the time being unpaid on any shares held by such members respectively;
  - (B) 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;
  - (C) partly in the way specified in sub-clause (A) and partly in that specified in sub-clause (B);

(D) A securities premium account and a capital redemption reserve account may, for the purposes of this regulation, be applied in the paying up of unissued shares to be issued to members of the company as fully paid bonus shares;

(E) The Board shall give effect to the resolution passed by the company in pursuance of this regulation.

39. (i) Whenever such a resolution as aforesaid shall have been passed, the Board shall -

(a) make all appropriations and applications of the undivided profits resolved to be capitalised thereby, and all allotments and issues of fully paid shares if any; and

(b) generally do all acts and things required to give effect thereto.

(ii) The Board shall have power --

(a) to make such provisions, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, for the case of shares becoming distributable in fractions; and

(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 capitalisation, or as the case may require, for the payment by the company on their behalf, by the application thereto of their respective proportions of profits resolved to be capitalised, of the amount or any part of the amounts remaining unpaid on their existing shares;

(iii) Any agreement made under such authority shall be effective and binding on such members.

#### **BUY-BACK OF SHARES**

40. 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.

#### **GENERAL MEETINGS**

41. All general meetings other than annual general meeting shall be called extraordinary general meeting.

42. (i) The Board may, whenever it thinks fit, call an extraordinary general meeting.

(ii) If at any time directors capable of acting who are sufficient in number to form a quorum are not within India, any director or any two members of the company may call an extraordinary general meeting in the same manner, as nearly as possible, as that in which such a meeting may be called by the Board.

#### **PROCEEDINGS AT GENERAL MEETINGS**

43. (i) No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business.

(ii) Save as otherwise provided herein, the quorum for the general meetings shall be as provided in section 103.

44. The chairperson, if any, of the Board shall preside as Chairperson at every general meeting of the company.

45. If there is no such Chairperson, or if he is not present within fifteen minutes after the time appointed for holding the meeting, or is unwilling to act as chairperson of the meeting, the directors present shall elect one of their members to be Chairperson of the meeting.

46. If at any meeting no director is willing to act as Chairperson or if no director is present within fifteen minutes after the time appointed for holding the meeting, the members present shall choose one of their members to be Chairperson of the meeting.

#### **ADJOURNMENT OF MEETING**

47. (i) 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.
- (ii) No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.
- (iii) 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.
- (iv) 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.

#### **VOTING RIGHTS**

48. Subject to any rights or restrictions for the time being attached to any class or classes of shares, --
- (a) on a show of hands, every member present in person shall have one vote; and
- (b) on a poll, the voting rights of members shall be in proportion to his share in the paid-up equity share capital of the company.
49. A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once.
50. (i) 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.
- (ii) For this purpose, seniority shall be determined by the order in which the names stand in the register of members.
51. A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee or other legal guardian, and any such committee or guardian may, on a poll, vote by proxy.
52. Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll.
53. No member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the company have been paid
54. (i) 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.
- (ii) Any such objection made in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive.

#### **PROXY**

55. 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.
56. An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105.
57. A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the shares in respect of which the proxy is given:

Provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the company at its office before the commencement of the meeting or adjourned meeting at which the proxy is used.

## **BOARD OF DIRECTORS**

58. The number of the directors and the names of the first directors shall be determined in writing by the subscribers of the memorandum or a majority of them.

The First Directors of the Company shall be:

1. Mr. Amit Rai Arora
2. Mr. Rakesh Arora
3. Mr. Manoj Arora

59. (i) The remuneration of the directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day-to-day.
- (ii) In addition to the remuneration payable to them in pursuance of the Act, the directors may be paid all travelling, hotel and other expenses properly incurred by them –
- (a) in attending and returning from meetings of the Board of Directors or any committee thereof or general meetings of the company; or
- (b) in connection with the business of the company.

60. The Board may pay all expenses incurred in getting up and registering the company.

61. The company may exercise the powers conferred on it by section 88 with regard to the keeping of a foreign register; and the Board may (subject to the provisions of that section) make and vary such regulations as it may think fit respecting the keeping of any such register.

62. All cheques, promissory notes, drafts, hundis, bills of exchange and other negotiable instruments, and all receipts for monies paid to the company, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, by such person and in such manner as the Board shall from time to time by resolution determine.

63. Every director present at any meeting of the Board or of a committee thereof shall sign his name in a book to be kept for that purpose.

64. (i) Subject to the provisions of section 149, the Board shall have power at any time, and from time to time, to appoint a person as an additional director, provided the number of the directors and additional directors together shall not at any time exceed the maximum strength fixed for the Board by the articles.
- (ii) Such person shall hold office only up to the date of the next annual general meeting of the company but shall be eligible for appointment by the company as a director at that meeting subject to the provisions of the Act.

## **PROCEEDINGS OF THE BOARD**

65. (i) The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings, as it thinks fit.

- (ii) A director may, and the manager or secretary on the requisition of a director shall, at any time, summon a meeting of the Board.

66. (i) Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of votes.

- (ii) In case of an equality of votes, the Chairperson of the Board, if any, shall have a second or casting vote.

67. 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.

68. (i) The Board may elect a Chairperson of its meetings and determine the period for which he is to hold office.

- (ii) 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 directors present may choose one of their number to be Chairperson of the meeting.
69. (i) The Board may, subject to the provisions of the Act, delegate any of its powers to committees consisting of such member or members of its body as it thinks fit.
- (ii) Any committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may be imposed on it by the Board.
70. (i) A committee may elect a Chairperson of its meetings.
- (ii) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of their members to be Chairperson of the meeting.
71. (i) A committee may meet and adjourn as it thinks fit.
- (ii) Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present, and in case of an equality of votes, the Chairperson shall have a second or casting vote.
72. All acts done in any meeting of the Board or of a committee thereof or by any person acting as a director, shall, notwithstanding that it may be afterwards discovered that there was some defect in the appointment of any one or more of such directors or of any person acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such director or such person had been duly appointed and was qualified to be a director.
73. Save as otherwise expressly provided in the Act, a resolution in writing, signed by all the members of the Board or of a committee thereof, for the time being entitled to receive notice of a meeting of the Board or committee, shall be valid and effective as if it had been passed at a meeting of the Board or committee, duly convened and held.

#### **CHIEF EXECUTIVE OFFICER, MANAGER, COMPANY SECRETARY OR CHIEF FINANCIAL OFFICER**

74. Subject to the provisions of the Act, --
- (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;
  - (ii) A director may be appointed as chief executive officer, manager, company secretary or chief financial officer
75. 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.

#### **THE SEAL**

76. (i) The Board shall provide for the safe custody of the seal.
- (ii) 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 authorised 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.

#### **DIVIDENDS AND RESERVE**

77. The company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.

78. 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.
79. (i) 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.
- (ii) The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve
80. (i) 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.
- (ii) 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.
- (iii) 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.
81. The Board may deduct from any dividend payable to any member all sums of money, if any, presently payable by him to the company on account of calls or otherwise in relation to the shares of the company.
82. (i) 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.
- (ii) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.
83. Any one of two or more joint holders of a share may give effective receipts for any dividends, bonuses or other monies payable in respect of such share.
84. 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.
85. No dividend shall bear interest against the company.

#### **ACCOUNTS**

86. (i) 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.
- (ii) 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.

#### **WINDING UP**

87. Subject to the provisions of Chapter XX of the Act and rules made thereunder --
- (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.

- (ii) For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members.
- (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.

#### **INDEMNITY**

88. Every officer of the company shall be indemnified out of the assets of the company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in which relief is granted to him by the court or the Tribunal.

#### **OTHERS**

89. **DEMATERIALIZATION OF SHARES** The Company shall be entitled to admit securities issued by the Company to any Depository and to offer securities in a dematerialized form in pursuance to the Depositories Act 1996 Every person subscribing to securities offered by the Company and every Member Debenture Holder or Debenture Stockholder shall have the option to either hold the securities in the form of security certificates or to hold the securities with a Depository. Where any Member or Debenture Holder or Debenture Stockholder surrenders his certificate of securities held in the Company in accordance with Section 6 of the Depositories Act 1996 and the Securities Exchange Board of India (Depositories and Participants) Regulations 1996 the Company shall cancel the certificate and substitute in its records the name of the relevant Depository and inform the Depository accordingly. The Company shall maintain a record of certificates of securities that have been so dematerialized. Such persons who hold their securities with a Depository can at any time opt out of the Depository if permitted by the law and the Company shall in such manner and within such time as prescribed law issue to such persons the requisite certificates of securities. If a person opts to hold his Security with a Depository the Company shall intimate such Depository the details of allotment of the Security and on receipt of the information the Depository shall enter in its record the name of the allottee as the Beneficial Owner of the Security.



S. No.	Name, Address, Description and Occupation of each Subscriber	Signature of Subscribers	Name, Address, Description, Signatures and occupation of Witness
1.	<b>AMRIT RAI ARORA</b> S/o Sh. Hardiyal Arora R/o S-244, Greater Kailash, Part-1, New Delhi-110048 (Business)	Sd/-	<p style="text-align: center;">I, J. L. Kumar, Chartered Accountant, hereby stand witness for all the subscribers</p> <p style="text-align: center;">Sd/- ( J. L. KUMAR ) S/o Late Sh. M. R. Kumar 3A/3, Asaf Ali Road, New Delhi-110002</p>
2.	<b>RAKESH ARORA</b> S/o Sh. Amrit Rai Arora R/o S-244, Greater Kailash, Part-1, New Delhi-110048 (Business)	Sd/-	
3.	<b>MANOJ ARORA</b> S/o Sh. Amrit Rai Arora R/o S-244, Greater Kailash, Part-1, New Delhi-110048 (Business)	Sd/-	
4.	<b>SANGEETA ARORA</b> W/o Sh. Rakesh Arora R/o S-244, Greater Kailash, Part-1, New Delhi-110048 (Business)	Sd/-	
5.	<b>ALKA ARORA</b> W/o Sh. Manoj Arora R/o S-244, Greater Kailash, Part-1, New Delhi-110048 (Business)	Sd/-	
6.	<b>SATYA RANI ARORA</b> W/o Sh. Amrit Rai Arora R/o S-244, Greater Kailash, Part-1, New Delhi-110048 (Housewife)	Sd/-	
7.	<b>UMA RANI</b> W/o Sh. J.L. Arora R/o 8/102, Ramesh Nagar, New Delhi-110015 (Housewife)	Sd/-	

Place: New Delhi

Dated: 05-06-1992

## **SECTION X - OTHER INFORMATION**

### **MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION**

The copies of the following contracts which have been entered or are to be entered into by our Company (not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two years before the date of this Draft Red Herring Prospectus) which are or may be deemed material will be attached to the copy of the Red Herring Prospectus which will be delivered to the ROC for filing. Copies of the contracts and also the documents for inspection referred to hereunder, may be inspected at the Registered office of our company located at Y-4 Okhla Industrial Area-II, New Delhi, Delhi, India, 110020 and Corporate Office at F-89-4-2 Okhla Industrial Area, Phase-I, New Delhi, Delhi, Okhla Industrial Area Phase-I, South Delhi, New Delhi, India, 110020, between 10 a.m. and 5 p.m. on all Working Days from date of the Draft Red Herring Prospectus until the Issue Closing Date and it shall also made available for inspection on website of the company i.e www.sacheerome.com

Any of the contracts or documents mentioned in this Draft Red Herring 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, without reference to the Shareholders, subject to compliance of the provisions contained in the Companies Act and other applicable law.

#### **1. Material Contracts for the Issue**

- (i). Issue Agreement dated September 27, 2024 entered into between our Company and the Book Running Lead Manager.
- (ii). Registrar Agreement dated September 27, 2024 entered into amongst our Company and the Registrar to the Issue.
- (iii). Tripartite Agreement dated November 5<sup>th</sup>, 2024 between our Company, NSDL and the Registrar to the Issue.
- (iv). Tripartite Agreement dated November 11, 2024 between our Company, CDSL and the Registrar to the Issue.
- (v). Syndicate Agreement dated [●] executed between our Company, Book Running Lead Manager and Syndicate Member.
- (vi). Banker to the Issue Agreement dated [●] among our Company, Book Running Lead Manager, Banker to the Issue and the Registrar to the Issue.
- (vii). Market Making Agreement dated [●] between our Company, Book Running Lead Manager and Market Maker.
- (viii). Underwriting Agreement dated [●] amongst our Company and the Underwriters.

#### **2. Material Documents**

- (i) Certified true copies of the Memorandum and Articles of Association of our Company, as amended from time to time.
- (ii) Certificate of Incorporation dated June 19, 1992 under the Companies Act, 1956 issued by Registrar of Companies, Delhi & Haryana in the name of "Sachee Fragrances Limited".
- (iii) Fresh Certificate of Incorporation dated February 13, 1995 under the Companies Act, 1956 issued by Registrar of Companies, Delhi & Haryana consequent upon change in name from "Sachee Fragrances Limited" to "Sachee Cosmetics Limited".
- (iv) Fresh Certificate of Incorporation dated April 03, 1997 under the Companies Act, 1956 issued by Registrar of Companies, Delhi & Haryana consequent upon change in name from "Sachee Cosmetics Limited" to "Sachee Aromatics Limited".
- (v) Fresh Certificate of Incorporation dated March 14, 2012 under the Companies Act, 1956 issued by Registrar of Companies, Delhi & Haryana consequent upon change in name from "Sachee Aromatics Limited" to "Sachee Aromatics Private Limited".
- (vi) Fresh Certificate of Incorporation dated April 17, 2012 under the Companies Act, 1956 issued by Registrar of Companies, Delhi & Haryana consequent upon change in name from "Sachee Aromatics Private Limited" to "Sacheerome Private Limited".
- (vii) Fresh Certificate of Incorporation dated July 22, 2024 under the Companies Act, 2013 issued by Registrar of Companies, Delhi & Haryana consequent upon conversion of our Company from a private limited company to a public limited company and subsequent change of name to "*Sacheerome Limited*".
- (viii) Resolution of the Board of Directors dated August 20, 2024 in relation to the Issue.
- (ix) Shareholders' resolution dated August 22, 2024 in relation to the Issue.
- (x) Resolution of the Board of Directors of the Company dated December 17, 2024 taking on record and approving this Draft Red Herring Prospectus.
- (xi) The examination reports dated November 16, 2024 of the Statutory Auditor, on our Company's Restated Financial Statements, included in this Draft Red Herring Prospectus.

- (xii) Copies of the annual reports of our Company for the Fiscals 2024, 2023 and 2022.
- (xiii) Consent of the Promoters, Directors, the Book Running lead Manager, Legal Counsel, Registrar to the Issue, Bankers to our Company, Company Secretary and Compliance Officer and Chief Financial Officer as referred to in their specific capacities.
- (xiv) Consent letter dated 11<sup>th</sup> December, 2024 of the Statutory Auditor to include their names as experts in relation to their report dated November 16, 2024 on the Restated Financial Information and the Statement of Tax Benefits dated 11<sup>th</sup> December, 2024 included in this Draft Red Herring Prospectus.
- (xv) Key Performance Indicator Certificate dated December 11, 2024 from the Statutory Auditor included in this Draft Red Herring Prospectus.
- (xvi) In principle listing approvals dated [●] issued by National Stock Exchange of India Limited.

Any of the contracts or documents mentioned in this Draft Red Herring 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, without reference to the shareholders subject to compliance of the provisions contained in the Companies Act, 2013 and other relevant statutes.

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## **DECLARATION**

We, the undersigned, hereby certify and declare that all the relevant provisions of the Companies Act, 2013 and the guidelines issued by the Government of India or the regulations issued by Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities and Exchange Board of India Act, 1992 or rules made there under or regulations issued there under, as the case may be. We further certify that all statements in this Draft Red Herring Prospectus are true and correct.

### **SIGNED BY THE DIRECTOR OF OUR COMPANY**

**S/d**  
**Manoj Arora**  
**Chairman and Managing Director**  
**(DIN: 01811530)**

**Date:** 17-12-2024

**Place:** Delhi

## **DECLARATION**

We, the undersigned, hereby certify and declare that all the relevant provisions of the Companies Act, 2013 and the guidelines issued by the Government of India or the regulations issued by Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities and Exchange Board of India Act, 1992 or rules made there under or regulations issued there under, as the case may be. We further certify that all statements in this Draft Red Herring Prospectus are true and correct.

### **SIGNED BY THE DIRECTORS AND KMP OF OUR COMPANY**

**S/d**  
**Dhruv Arora**  
**Whole-time Director**  
**(DIN: 03166931)**

**Date:** 17-12-2024  
**Place:** Delhi

## **DECLARATION**

We, the undersigned, hereby certify and declare that all the relevant provisions of the Companies Act, 2013 and the guidelines issued by the Government of India or the regulations issued by Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities and Exchange Board of India Act, 1992 or rules made there under or regulations issued there under, as the case may be. We further certify that all statements in this Draft Red Herring Prospectus are true and correct.

### **SIGNED BY THE DIRECTOR OF OUR COMPANY**

**S/d**  
**Alka Arora**  
**Non-Executive Director**  
**(DIN: 01819475)**

**Date:** 17-12-2024  
**Place:** Delhi

## **DECLARATION**

We, the undersigned, hereby certify and declare that all the relevant provisions of the Companies Act, 2013 and the guidelines issued by the Government of India or the regulations issued by Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities and Exchange Board of India Act, 1992 or rules made there under or regulations issued there under, as the case may be. We further certify that all statements in this Draft Red Herring Prospectus are true and correct.

**SIGNED BY THE INDEPENDENT DIRECTOR OF OUR COMPANY**

**S/d**  
**Sunil Suri**  
**Independent Director**  
**(DIN: 10736965)**

**Date:** 17-12-2024

**Place:** Delhi



## **DECLARATION**

We, the undersigned, hereby certify and declare that all the relevant provisions of the Companies Act, 2013 and the guidelines issued by the Government of India or the regulations issued by Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities and Exchange Board of India Act, 1992 or rules made there under or regulations issued there under, as the case may be. We further certify that all statements in this Draft Red Herring Prospectus are true and correct.

**SIGNED BY THE INDEPENDENT DIRECTOR OF OUR COMPANY**

**S/d**  
**Sanjay Roye**  
**Independent Director**  
**(DIN: 10746841)**

**Date:** 17-12-2024

**Place:** Delhi

## **DECLARATION**

We, the undersigned, hereby certify and declare that all the relevant provisions of the Companies Act, 2013 and the guidelines issued by the Government of India or the regulations issued by Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities and Exchange Board of India Act, 1992 or rules made there under or regulations issued there under, as the case may be. We further certify that all statements in this Draft Red Herring Prospectus are true and correct.

### **SIGNED BY THE INDEPENDENT DIRECTOR OF OUR COMPANY**

S/d

**Indu Agrawal**  
**Executive Director**  
**(DIN: 05154418)**

**Date:** 17-12-2024

**Place:** Delhi

## **DECLARATION**

We, the undersigned, hereby certify and declare that all the relevant provisions of the Companies Act, 2013 and the guidelines issued by the Government of India or the regulations issued by Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities and Exchange Board of India Act, 1992 or rules made there under or regulations issued there under, as the case may be. We further certify that all statements in this Draft Red Herring Prospectus are true and correct.

**SIGNED BY THE KMP OF OUR COMPANY**

**S/d**  
**Harpreet Kaur**  
**Company Secretary & Compliance Officer**

**Date:** 17-12-2024

**Place:** Delhi

## **DECLARATION**

We, the undersigned, hereby certify and declare that all the relevant provisions of the Companies Act, 2013 and the guidelines issued by the Government of India or the regulations issued by Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities and Exchange Board of India Act, 1992 or rules made there under or regulations issued there under, as the case may be. We further certify that all statements in this Draft Red Herring Prospectus are true and correct.

**SIGNED BY THE KMP OF OUR COMPANY**

**S/d**  
**Aarti Kashyap**  
**Chief Financial Officer**

**Date:** 17-12-2024

**Place:** Delhi