



(Please scan this QR code to view the DRHP)

**RIKHAV
SECURITIES LTD****RIKHAV SECURITIES LIMITED
CIN: U99999MH1995PLC086635**

| REGISTERED OFFICE | CORPORATE OFFICE | CONTACT PERSON | EMAIL AND TELEPHONE | WEBSITE |
|--|--|---|--|---|
| Office No. 922 - A, 9 th Floor, P. J. Towers, Dalal Street, Fort, Mumbai - 400 001, Maharashtra, India. | B Wing, Office No. 501 & 502, O2 Commercial Building, Asha Nagar Park Road, Mulund West, Mumbai - 400 080, Maharashtra, India. | Ms. Sona Jain, Company Secretary & Compliance Officer | Email: investor@rikhav.in Telephone: 022 - 69078300 | https://www.rikhav.net/ |

THE PROMOTERS OF OUR COMPANY ARE MR. HITESH HIMATLAL LAKHANI, MR. RAJENDRA N SHAH, MS. BHARTI HITESH LAKHANI, MS. VAISHALI R SHAH, MR. DEEP HITESH LAKHANI, MR. MONIL RAJENDRA SHAH AND M/S. HITESH HIMATLAL LAKHANI HUF

DETAILS OF OFFER TO PUBLIC, PROMOTER/SELLING SHAREHOLDER

| TYPE | FRESH ISSUE | SIZE OF OFFER FOR SALE | TOTAL OFFER SIZE | ELIGIBILITY AND SHARE RESERVATION AMONG QIBs, NIIs AND RIIs |
|------------------------------|---|---|---|---|
| Fresh Offer & Offer for Sale | 83,28,000 Equity Shares aggregating to ₹7,162.08 Lakhs. | 20,00,000 Equity Shares aggregating to ₹1,720.00 Lakhs. | 1,03,28,000 Equity Shares aggregating to ₹8,882.08 Lakhs. | The Offer is being made in Terms of Regulation 229 (2) and 253 (1) of the SEBI ICDR Regulations. For details in relation to share reservation among QIBs, Non-Institutional Bidders and Retail Individual Bidder, see "Offer Structure" beginning on page 269 of this Prospectus. |

OFS: Offer for Sale

DETAILS OF OFFER FOR SALE, SELLING SHAREHOLDER, AND THEIR WEIGHTED AVERAGE COST OF ACQUISITION

| NAME | CATEGORY OF SHAREHOLDER | NO. OF SHARES OFFERED | WACA PER EQUITY SHARE (IN ₹)* |
|--|----------------------------|--|-------------------------------|
| Mr. Harshil Mahesh Shah & Mr. Harsh Mahesh Shah on behalf of M/s. Ashapura Trading | Public Selling Shareholder | 3,51,000 Equity Shares aggregating to ₹301.86 Lakhs. | 5.00 |
| Mr. Darshan Vikram Shah, Mr. Dhruvil Vikram Shah on behalf of M/s. Giriraj Trading | Public Selling Shareholder | 3,51,000 Equity Shares aggregating to ₹301.86 Lakhs. | 5.00 |
| Ms. Daksha Sharad Maniyar | Public Selling Shareholder | 90,000 Equity Shares aggregating to ₹77.4 Lakhs. | 18.20 |
| Mr. Jayesh Mulchand Maniyar | Public Selling Shareholder | 90,000 Equity Shares aggregating to ₹77.4 Lakhs. | 18.20 |
| Mr. Mukesh Jayantilal Sanghavi | Public Selling Shareholder | 90,000 Equity Shares aggregating to ₹77.4 Lakhs. | 18.20 |
| Ms. Virali Girish Maniyar | Public Selling Shareholder | 90,000 Equity Shares aggregating to ₹77.4 Lakhs. | 18.20 |
| Mr. Yash Jayesh Maniyar | Public Selling Shareholder | 90,000 Equity Shares aggregating to ₹77.4 Lakhs. | 18.20 |
| Ms. Naity Sharad Maniyar | Public Selling Shareholder | 90,000 Equity Shares aggregating to ₹77.4 Lakhs. | 18.20 |
| Mr. Sharad Mulchand Maniyar | Public Selling Shareholder | 90,000 Equity Shares aggregating to ₹77.4 Lakhs. | 18.20 |
| Ms. Bharti Mukesh Sanghavi | Public Selling Shareholder | 90,000 Equity Shares aggregating to ₹77.4 Lakhs. | 18.20 |
| Ms. Nirmalaben Fatechand Sanghavi | Public Selling Shareholder | 90,000 Equity Shares aggregating to ₹77.4 Lakhs. | 24.80 |
| Mr. Bhaven Vinod Pandya | Public Selling Shareholder | 90,000 Equity Shares aggregating to ₹77.4 Lakhs. | 24.80 |
| Mr. Ketanbhai Arvindray Shah | Public Selling Shareholder | 90,000 Equity Shares aggregating to ₹77.4 Lakhs. | 24.80 |
| Mr. Kishore Paramdas Vora | Public Selling Shareholder | 90,000 Equity Shares aggregating to ₹77.4 Lakhs. | 24.80 |
| Mr. Nisarg Pradip Shah | Public Selling Shareholder | 80,000 Equity Shares aggregating to ₹68.8 Lakhs. | 24.80 |
| Ms. Nita Chandrakant Lakhani | Public Selling Shareholder | 80,000 Equity Shares aggregating to ₹68.8 Lakhs. | 24.80 |
| Ms. Aneri Manish Lakhani | Public Selling Shareholder | 58,000 Equity Shares aggregating up to ₹49.88 Lakhs. | 24.80 |

*As certified by M/s. AHSP & Co LLP, Chartered Accountants, by way of their certificate dated September 23, 2024.

RISKS IN RELATION TO THE FIRST OFFER

This being the first public offer of our Company, there has been no formal market for the Equity Shares. The face value of Equity Shares is ₹5/- each. The Floor Price, Cap Price and Offer Price (determined by our Company and the selling shareholders in consultation with the Book Running Lead Manager, in accordance with the SEBI ICDR Regulations), and on the basis of the assessment of market demand for the Equity Shares by way of Book Building Process as stated in "Basis for Offer Price" beginning on page 105, should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active and/or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISKS

Investments in equity and equity-related securities involve a degree of risk and bidders should not invest any funds in the offer unless they can afford to take the risk of losing their investment. Bidders are advised to read the risk factors carefully before taking an investment decision in the offer. For taking an investment decision, Bidders must rely on their own examination of our company and the offer, including the risks involved. The equity shares in the offer have not been recommended or approved by the Securities and Exchange Board of India ("SEBI"), nor does SEBI guarantee the accuracy or adequacy of the contents of this Prospectus. Specific attention of the investors is invited to "Risk Factors" on page 30 of this Prospectus.

COMPANY'S AND PROMOTERS, SELLING SHAREHOLDER'S ABSOLUTE RESPONSIBILITY


Our company, having made all reasonable inquiries, accepts responsibility for and confirms that this Prospectus contains all information with regard to our company and the offer, which is material in the context of the offer, that the information contained in this Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect. Each of the selling shareholders, severally and not jointly, accepts responsibility for and confirms only the statements expressly and specifically made by them in this Prospectus to the extent of information

specifically pertaining to them and their respective portion of the offered Shares and assumes responsibility that such statements are true and correct in all material respects and not misleading in any material respect. Each of the Selling Shareholders assume no responsibility, as a Selling Shareholder, for any other statement in this Prospectus, including, inter alia, any of the statements made by or relating to our company or our company's business or any other selling shareholders or any other person(s).


LISTING

The equity shares offered through the Prospectus are proposed to be listed on SME Platform of BSE Limited ("BSE SME"). Our company has received "In-Principle" approval from the BSE SME for using its name in the offer document for the listing of the Equity Shares, pursuant to letter dated December 23, 2024. For the purpose of the offer, the designated stock exchange shall be BSE Limited.

BOOK RUNNING LEAD MANAGER TO THE OFFER

| Name and Logo | Contact Person | Email & Telephone |
|--|----------------|---|
|  Smart Horizon Capital Advisors Private Limited | Mr. Parth Shah | E-mail: director@shcapl.com Telephone: 022 - 28706822 |

REGISTRAR TO THE OFFER

| Name and Logo | Contact Person | Email & Telephone |
|---|--------------------------|---|
|  LINK INTIME INDIA PRIVATE LIMITED | Ms. Shanti Gopalkrishnan | E-mail: rikhav.smeipo@linkintime.co.in Telephone: +91 8108114949 |

BID/OFFER PROGRAMME

| | | |
|--|---|---------------------------------------|
| ANCHOR INVESTOR BID/ OFFER PERIOD: JANUARY 14, 2025 | BID/OFFER OPENS ON: JANUARY 15, 2025 | BID/OFFER CLOSES ON: JANUARY 17, 2025 |
|--|---|---------------------------------------|

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RIKHAV SECURITIES LTD

RIKHAV SECURITIES LIMITED

Our Company was originally incorporated under the name *"Brijmohan Sagarmal Finance Limited"* under the provisions of the Companies Act, 1956 vide Certificate of Incorporation dated March 21, 1995, issued by the Additional, Registrar of Companies, Maharashtra. Subsequently the name of the company was changed to *"Rikhav Securities Limited"* vide special resolution passed by the shareholders at the Extra Ordinary General Meeting held on November 12, 2005 and a Fresh Certificate of Incorporation pursuant to change of name dated February 13, 2006, was issued by Registrar of Companies, Maharashtra, Mumbai. The Corporate Identification Number of our Company is U99999MH1995PLC086635.

Registered Office: Office No. 922 - A, 9th Floor, P. J. Towers, Dalal Street, Fort, Mumbai - 400 001, Maharashtra, India.

Corporate Office: B - Wing, Office No. 501 & 502, O2 Commercial Building, Asha Nagar Park Road, Mulund West, Mumbai - 400 080, Maharashtra, India.

Telephone: + 91 022 - 69078300; **Email:** investor@rikhav.in; **Website:** <https://www.rikhav.net/>;

Contact Person: Ms. Sona Jain, Company Secretary and Compliance Officer;

THE PROMOTERS OF OUR COMPANY ARE MR. HITESH HIMATLAL LAKHANI, MR. RAJENDRA N SHAH, MS. BHARTI HITESH LAKHANI, MS. VAISHALI R SHAH, MR. DEEP HITESH LAKHANI, MR. MONIL RAJENDRA SHAH AND MS. HITESH HIMATLAL LAKHANI HUF

INITIAL PUBLIC OFFER OF 1,03,28,000 EQUITY SHARES OF FACE VALUE OF ₹5/- EACH (THE "EQUITY SHARES") OF RIKHAV SECURITIES LIMITED ("OUR COMPANY" OR "RIKHAV" OR "THE OFFEROR") AT AN OFFER PRICE OF ₹86/- PER EQUITY SHARE FOR CASH, AGGREGATING TO ₹8,882.08 LAKHS COMPRISING OF FRESH OFFER OF 83,28,000 EQUITY SHARES AGGREGATING TO ₹7,162.08 LAKHS ("FRESH OFFER") AND AN OFFER FOR SALE OF 20,00,000 EQUITY SHARES BY M/S. ASHAPURA TRADING, M/S. GIRIRAJ TRADING, MS. NIRMALABEN FATECHAND SANGHAVI, MS. DAKSHA SHARAD MANIYAR, MR. JAYESH MULCHAND MANIYAR, MR. MUKESH JAYANTILAL SANGHAVI, MS. VIRALI GIRISH MANIYAR, MR. YASH JAYESH MANIYAR, MS. NAITY SHARAD MANIYAR, MR. SHARAD MULCHAND MANIYAR, MS. BHARTI MUKESH SANGHAVI, MR. BHAVEN VINOD PANDYA, MR. KETANBHAI ARVINDRAY SHAH, MR. KISHORE PARAMDAS VORA, MR. NISARG PRADIP SHAH, MS. NITA CHANDRAKANT LAKHANI AND MS. ANERI MAHESH LAKHANI ("SELLING SHAREHOLDERS") AGGREGATING TO ₹1,720.00 LAKHS ("OFFER FOR SALE") ("PUBLIC OFFER"). THE OFFER INCLUDES A RESERVATION OF 5,24,800 EQUITY SHARES OF FACE VALUE OF ₹5/- EACH, AT AN OFFER PRICE OF ₹86/- PER EQUITY SHARE FOR CASH, AGGREGATING ₹451.33 LAKHS WILL BE RESERVED FOR SUBSCRIPTION BY THE MARKET MAKER TO THE OFFER (THE "MARKET MAKER RESERVATION PORTION"). THE PUBLIC OFFER LESS MARKET MAKER RESERVATION PORTION I.E. NET OFFER OF 98,03,200 EQUITY SHARES OF FACE VALUE OF ₹5/- EACH, AT AN OFFER PRICE OF ₹86/- PER EQUITY SHARE FOR CASH, AGGREGATING UPTO ₹8,430.75 LAKHS IS HEREIN AFTER REFERRED TO AS THE "NET OFFER". THE PUBLIC OFFER AND NET OFFER WILL CONSTITUTE 26.97 % AND 25.60 % RESPECTIVELY OF THE POST- OFFER PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY.

THE FACE VALUE OF EQUITY SHARES IS ₹5/- EACH. THE OFFER PRICE IS 17.2 TIMES THE FACE VALUE OF THE EQUITY SHARES. THE PRICE BAND AND THE MINIMUM BID LOT WILL BE DECIDED BY OUR COMPANY AND THE SELLING SHAREHOLDERS IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGER, AND WILL BE ADVERTISED IN FINANCIAL EXPRESS, ALL EDITIONS OF ENGLISH NATIONAL DAILY NEWSPAPER, JANSATTA, ALL EDITIONS OF HINDI NATIONAL DAILY NEWSPAPER AND PRATAHKAL, ALL EDITIONS OF THE DAILY REGIONAL NEWSPAPER (WHERE OUR REGISTERED OFFICE IS LOCATED) EACH WITH WIDE CIRCULATION, AT LEAST TWO WORKING DAYS PRIOR TO THE BID/OFFER OPENING DATE AND SHALL BE MADE AVAILABLE TO SME PLATFORM OF BSE ("BSE SME"), FOR THE PURPOSE OF UPLOADING ON THEIR RESPECTIVE WEBSITE IN ACCORDANCE WITH THE SEBI ICDR REGULATIONS, AS AMENDED.

In case of any revision in the Price Band, the Bid/Offer Period shall be extended for at least three additional working days after such revision of the Price Band, subject to the total Bid/Offer Period not exceeding 10 working Days. In cases of force majeure, banking strike or similar circumstances, our Company and the Selling Shareholders in consultation with the Book Running Lead Manager for reasons to be recorded in writing extend the Bid/Offer Period for a minimum of one working Days, subject to the Bid/Offer Period not exceeding 10 working Days. Any revision in the Price Band, and the revised Bid/Offer Period, if applicable, shall be widely disseminated by notification to the Stock Exchange by issuing a press release and also by indicating the change on the website of the Book Running Lead Manager and at the terminals of the Syndicate Members and by intimation to Self-Certified Syndicate Banks ("SCSBs"), other Designated Intermediaries and the Sponsor Banks, as applicable.

THE FACE VALUE OF THE EQUITY SHARES IS ₹ 5/- EACH AND THE OFFER PRICE IS 17.2 TIMES OF THE FACE VALUE

This offer is being made through the Book Building Process, in terms of Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended (the "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 Offer shall be available for allocation on a proportionate basis to Qualified Institutional Buyers ("QIBs") (the "QIB Portion"), provided that our Company and the selling shareholder in consultation with the BRLMs may allocate up to 60.00% of the QIB Portion to Anchor Investors on a discretionary basis ("Anchor Investor Portion"). One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from the domestic Mutual Funds at or above the Anchor Investor Allocation Price in accordance with the SEBI ICDR Regulations. In the event of under-subscription or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the QIB Portion (other than the Anchor Investor Portion) ("Net QIB Portion"). Further, 5.00% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders, other than Anchor Investors, including Mutual Funds, subject to valid Bids being received at or above the Offer Price. However, if the aggregate demand from Mutual Funds is less than 5.00% of the Net QIB Portion, the balance Equity Shares available for allocation in the Mutual Fund Portion will be added to the remaining Net QIB Portion for proportionate allocation to QIBs. Further, not less than 15.00% of the Net Offer shall be available for allocation on a proportionate basis to Non-Institutional Investors and not less than 35.00% of the Net Offer shall be available for allocation to Retail Individual Investors in accordance with the SEBI ICDR Regulations, subject to valid Bids being received from them at or above the Offer Price. All Potential Bidders, other than Anchor Investors, are required to participate in the Offer by mandatorily utilising the Application Supported by Blocked Amount ("ASBA") process by providing details of their respective ASBA Account (as defined hereinafter) in which the corresponding Bid Amounts will be blocked by the Self-Certified Syndicate Banks ("SCSBs") or under the UPI Mechanism, as the case may be, to the extent of respective Bid Amounts. Anchor Investors are not permitted to participate in the Offer through the ASBA process. For details, please refer to the chapter titled "Offer Procedure" on page 273 of this Prospectus.

RISK IN RELATION TO THE FIRST OFFER

This being the first public offer of our Company, there has been no formal market for the Equity Shares. The face value of the Equity Shares is ₹5/- each. The Floor Price, Cap Price and Offer Price (determined by our Company and the selling shareholder in consultation with the Book Running Lead Manager, in accordance with the SEBI ICDR Regulations), and on the basis of the assessment of market demand for the Equity Shares by way of the Book Building Process as stated in "Basis for Offer Price" beginning on page 105 should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active and/or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISKS

Investments in equity and equity-related securities involve a degree of risk and Bidders should not invest any funds in the offer unless they can afford to take the risk of losing their investment. Bidders are advised to read the risk factors carefully before taking an investment decision in the offer. For taking an investment decision, Bidders must rely on their own examination of our Company and the offer, including the risks involved. The equity shares in the offer have not been recommended or approved by the Securities and Exchange Board of India ("SEBI"), nor does SEBI guarantee the accuracy or adequacy of the contents of this Prospectus. Specific attention of the investors is invited to "Risk Factors" on page 30 of this Prospectus.

COMPANY'S AND PROMOTERS, SELLING SHAREHOLDER'S ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Prospectus contains all information with regard to our company and the offer, which is material in the context of the offer, that the information contained in this Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect. Each of the selling shareholders assume no responsibility, as a selling shareholder, for any other statement in this Prospectus, including, inter alia, any of the statements made by or relating to our company or our company's business or any other selling shareholders or any other person(s).

LISTING

The equity shares offered through the Prospectus are proposed to be listed on SME Platform of BSE Limited ("BSE SME"). Our company has received "In-Principle" approval from the BSE SME for using its name in the offer document for the listing of the Equity Shares, pursuant to letter dated December 23, 2024. For the purpose of the offer, the designated stock exchange shall be BSE Limited.

BOOK RUNNING LEAD MANAGER TO THE OFFER

REGISTRAR TO THE OFFER

SMART HORIZON
CAPITAL ADVISORS PVT. LTD.

LINK Intime

Smart Horizon Capital Advisors Private Limited
(Formerly Known as Shreni Capital Advisors Private Limited)
B/908, Western Edge II, Kanakia Space, Behind Metro Mall, Off Western Express Highway,
Magathane, Borivali East, Mumbai - 400066, Maharashtra, India.
Tel No: 022 - 28706822
Investor Grievance E-mail: investor@shcapl.com
Email: director@shcapl.com
Website: www.shcapl.com
Contact Person: Mr. Parth Shah
SEBI Registration No.: INM000013183

Link Intime India Private Limited
C-101, 1st Floor, 247 Park, Lal Bahadur
Shastri Marg, Vikhroli (West) Mumbai,
Maharashtra - 400083, India.
Tel: +91 8108114949
Email: rikhav.smeipo@linkintime.co.in
Investor Grievance ID: rikhav.smeipo@linkintime.co.in
Website: www.linkintime.co.in
Contact person: Mr. Shanti Gopalkrishnan
SEBI registration number: INR000004058

OFFER PROGRAMME

ANCHOR INVESTOR BID/ OFFER PERIOD: JANUARY 14, 2025

BID/OFFER OPENS ON: JANUARY 15, 2025

BID/OFFER CLOSES ON: JANUARY 17, 2025

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SECTION I – GENERAL

DEFINITIONS AND ABBREVIATIONS

This Prospectus uses certain definitions and abbreviations which, unless the context otherwise indicates or implies, or unless otherwise specified, shall have the meaning as provided below. References to any legislations, acts, regulations, rules, directions, guidelines, circulars, notifications, clarifications or policies shall be to such legislations, acts, regulations, rules, directions, guidelines, circulars, notifications, clarifications or policies as amended, updated, supplemented, re-enacted or modified, from time to time, and any reference to a statutory provision shall include any subordinate legislation made, from time to time, under such provision.

The words and expressions used in this Prospectus, but not defined herein shall have the meaning ascribed to such terms under the SEBI ICDR Regulations, SEBI Listing Regulations, the Companies Act, the SCRA, and the Depositories Act and the rules and regulations made thereunder. Further, the Offer related terms used but not defined in this Prospectus shall have the meaning ascribed to such terms under the General Information Document (as defined below). In case of any inconsistency between the definitions given below and the definitions contained in the General Information Document, the definitions given below shall prevail.

The terms not defined herein but used in “Basis for Offer Price”, “Statement of Special Tax Benefits”, “Industry Overview”, “Key Regulations and Policies”, “History and Certain Corporate Matters”, “Restated Financial Information”, “Our Group Companies”, “Outstanding Litigation and Material Developments”, “Offer Procedure” and “Main Provisions of the Articles of Association” beginning on pages 105, 117, 120, 156, 166, 197, 244, 223, 273 and 296 respectively, shall have the meanings ascribed to such terms in these respective sections.

General Terms

| Term | Description |
|--|---|
| “Rikhav”, “the Company”, “our Company” and Rikhav Securities Limited | Rikhav Securities Limited, a company incorporated in India under the Companies Act, 1956 having its Registered office at Office No. 922 - A, 9 th Floor, P. J. Towers, Dalal Street, Fort, Mumbai - 400 001, Maharashtra, India. |
| “we”, “us” and “our” | Unless the context otherwise indicates or implies, refers to our Company together with our Subsidiary on a consolidated basis. |
| “you”, “your” or “yours” | Prospective investors in this Offer |

Company Related Terms

| Term | Description |
|--|---|
| “Articles of Association” or “AoA” or “Articles” | Articles of Association of our Company, as amended, from time to time |
| “Audit Committee” | Audit committee of our Board, as described in “Our Management – Committees of the Board – Audit Committee” on page 174. |
| “Auditors” or “Statutory Auditors” | The Statutory Auditors of our Company, currently being M/s. AHSP & Co. LLP, Chartered Accounts. |
| “Bankers to the Company” | HDFC Bank Limited, ICICI Bank Limited, SBM Bank (India) Limited and Axis Bank Limited |
| “Board” or “Board of Directors” | The board of directors of our Company, as constituted from time to time. For further information, see “Our Management- Board of Directors” on page 174. |
| “Chairman” or “Chairperson” | The Chairman of Board of Directors of our Company being Mr. Hitesh Himatlal Lakhani |
| “Chief Financial Officer” or “CFO” | The Chief Financial Officer of our Company being Mr. Hemant Hasmukh Shah |
| “Committee(s)” | Duly constituted committee(s) of our Board of Directors, as described in “Our Management – Committees of the Board” on page 174. |
| “Company Secretary and Compliance Officer” | The Company Secretary and Compliance Officer of our Company being Ms. Sona Jain |
| “Corporate Office” | B - Wing, Office No. 501 & 502, O2 Commercial Building, Asha Nagar Park Road, Mulund West, Mumbai - 400 080, Maharashtra, India. |
| “Corporate Social Responsibility Committee” | Corporate social responsibility committee of our Board, as described in “Our Management – Committees of the Board – Corporate Social Responsibility Committee” on page 174. |

| Term | Description |
|---|--|
| or “CSR Committee” | |
| “Director(s)” | The Director(s) of our Company, unless otherwise specified. |
| “Equity Shares” | Equity Shares of our Company of Face Value of ₹5/- each fully paid-up |
| “Executive Directors” | Executive directors of our Company, being Mr. Monil Rajendra Shah |
| “Group Company” | Group companies of our Company in accordance with the SEBI ICDR Regulations. For details, see “ <i>Our Group Companies</i> ” beginning on page 244. |
| “Independent Director(s)” | Independent director(s) of our Board, as described in “ <i>Our Management</i> ” beginning on page 174. |
| “Individual Promoter(s)” | Our individual Promoters are Mr. Hitesh Himatlal Lakhani, Mr. Rajendra N Shah, Ms. Bharti Hitesh Lakhani, Ms. Vaishali R Shah, Mr. Deep Hitesh Lakhani and Mr. Monil Rajendra Shah |
| “Key Managerial Personnel” | Key managerial personnel of our Company in terms of Regulation 2(1)(bb) of the SEBI ICDR Regulations and Section 2(51) of the Companies Act, as described in “ <i>Our Management – Key Managerial Personnel of our Company</i> ” on page 174. |
| “Key Performance Indicators” or “KPIs” | Key financial and operational performance indicators of our Company, as included in “ <i>Basis for Offer Price</i> ” beginning on page 105. |
| “Materiality Policy” | The policy on identification of group companies, material creditors and material litigation, adopted by our Board on in accordance with the requirements of the SEBI (ICDR) Regulations, 2018. |
| “MD” or “Managing Director” | The Managing Director of our Company, namely, Mr. Hitesh Himatlal Lakhani |
| “Material Subsidiary” | The material subsidiary of our Company, namely, M/s. RSL IFSC Private Limited, for further details see “ <i>Our Subsidiary</i> ” on page 171. |
| “Memorandum of Association” or “MoA” | The Memorandum of Association of our Company, as amended from time to time |
| “Nomination and Remuneration Committee” | Nomination and remuneration committee of our Board, as described in “ <i>Our Management – Committees of the Board – Nomination and Remuneration Committee</i> ” on page 174. |
| “Non-Executive Directors” | Non-executive directors (other than the Independent Directors) of our Company, as set out in “ <i>Our Management</i> ” beginning on page 174. |
| “Non-Individual Promoter” | Our non-individual Promoter are M/s. Hitesh Himatlal Lakhani HUF |
| “Promoters” | Collectively, Individual Promoters and Non-Individual Promoter |
| “Promoter Group” | Entities constituting the promoter group of our Company in terms of Regulation 2(1)(pp) of the SEBI ICDR Regulations, as described in “ <i>Our Promoter and Promoter Group – Promoter Group</i> ” on page 188. |
| “Peer Review Auditors” | Auditor having a valid Peer Review certificate in our case being M/s. Mundra & Co., Chartered Accountants. |
| “Registered Office” | The Registered Office of our Company situated at Office No. 922 - A, 9 th Floor, P. J. Towers, Dalal Street, Fort, Mumbai - 400 001, Maharashtra, India. |
| “Registrar of Companies” or “RoC” | Registrar of Companies, Mumbai, Maharashtra, situated at 100, Everest, Marine Drive, Mumbai – 400002, Maharashtra, India. |
| “Restated Financial Information” | Collectively, Restated Consolidated Financial Information of our company |
| “Restated Consolidated Financial Information” | Restated Consolidated Financial Information of our Company and its Subsidiary comprising of the Restated Consolidated Statement of Assets and Liabilities for the six months ended September 30, 2024 and for the year ended March 31, 2024, March 31, 2023 and March 31, 2022, the Restated Consolidated Statement of Profit and Loss (including other comprehensive income), the Restated Consolidated Statement of changes in equity and, the Restated Consolidated Statement of Cash Flows for the six month ended September 30, 2024 and for the year ended March 31, 2024, March 31, 2023 and March 31, 2022, and notes to the Restated Consolidated Financial Information, prepared in accordance with the requirements of Section 26 of the Companies Act 2013, as amended, the SEBI ICDR Regulations, as amended and the Guidance Note on “ <i>Reports in Company Prospectuses (Revised 2019)</i> ” issued by the Institute of Chartered Accountants of India as amended from time to time, which comprises the Restated Consolidated Summary Statements have been compiled from Audited Consolidated Financial |

| Term | Description |
|---------------------------------------|---|
| | Statements of our Company as at and for the year ended March 31, 2024, March 31, 2023 and March 31, 2024, which were in accordance with AS. |
| “Selling Shareholder(s)” | M/s. Ashapura Trading, M/s. Giriraj Trading, Ms. Nirmalaben Fatechand Sanghavi, Ms. Daksha Sharad Maniyar, Mr. Jayesh Mulchand Maniyar, Mr. Mukesh Jayantilal Sanghavi, Ms. Virali Girish Maniyar, Mr. Yash Jayesh Maniyar, Ms. Naity Sharad Maniyar, Mr. Sharad Mulchand Maniyar, Ms. Bharti Mukesh Sanghavi, Mr. Bhaven Vinod Pandya, Mr. Ketanbhai Arvindray Shah, Mr. Kishore Paramdas Vora, Mr. Nisarg Pradip Shah, Ms. Nita Chandrakant Lakhani and Ms. Aneri Manish Lakhani. |
| “Shareholder(s)” | Equity shareholder(s) of our Company from time to time |
| “Stakeholders Relationship Committee” | Stakeholders relationship committee of our Board, as described in “ <i>Our Management – Committees of the Board – Stakeholders Relationship Committee</i> ” on page 174. |
| “Senior Management Personnel” | Senior management personnel of our Company in terms of Regulation 2(1)(bbbb) of the SEBI ICDR Regulations as described in “ <i>Our Management – Senior Management Personnel of our Company</i> ” on page 174. |
| “Subsidiary” or “RSL IFSC” | The Subsidiary of our Company, namely, M/s. RSL IFSC Private Limited, for further details see “ <i>Our Subsidiary</i> ” on page 171. |
| “Whole-time Director” | Whole Time Director of our Company being Mr. Rajendra N Shah |

Offer Related Terms

| Term | Description |
|--|--|
| “Abridged Prospectus” | A memorandum containing such salient features of a Prospectus as may be specified by the SEBI in this regard |
| “Acknowledgement Slip” | The slip or document to be issued by the relevant Designated Intermediary(ies) to a Bidder as proof of registration of the Bid cum Application Form. |
| “Allot” or “Allotment” or “Allotted” | Unless the context otherwise requires, allotment (in case of the Fresh Issue) or transfer (in case of the Offer for Sale), of the Equity Shares by the Company and the Selling Shareholders, respectively pursuant to the Offer to in each case to successful Bidders. |
| “Allotment Advice” | A note or advice or intimation of Allotment sent to each of the successful Bidders who have been or are to be Allotted the Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchange. |
| “Allottee” | A successful Bidder to whom the Equity Shares are Allotted |
| “Anchor Investor(s)” | A Qualified Institutional Buyer, applying under the Anchor Investor Portion in accordance with the requirements specified in the SEBI ICDR Regulations and the Prospectus and who has Bid for an amount of at least ₹ 200.00 Lakhs |
| “Anchor Investor Allocation Price” | The price at which Equity Shares will be allocated to the Anchor Investors during the Anchor Investor Bid Period in terms of the Prospectus and the Prospectus, which will be determined by our Company, in consultation with the Book Running Lead Manager |
| “Anchor Investor Application Form” | The application form used by an Anchor Investor to make a Bid in the Anchor Investor Portion in accordance with the requirements specified under the SEBI ICDR Regulations and the Red Herring Prospectus and this Prospectus. |
| “Anchor Investor Bidding Date” or “Anchor Investor Bid/Offer Period” | The day, being one Working Day prior to the Bid / Offer Opening Date, on which Bids by Anchor Investors shall be submitted, prior to and after which the Book Running Lead Manager will not accept any Bids from Anchor Investors, and allocation to Anchor Investors shall be completed |
| “Anchor Investor Offer Price” | The final price at which the Equity Shares will be Allotted to the Anchor Investors in terms of the Red Herring Prospectus and this Prospectus, which price will be equal to or higher than the Offer Price but not higher than the Cap Price. The Anchor Investor Offer Price will be determined by our Company, in consultation with the Book Running Lead Manager |
| “Anchor Investor Pay-in Date” | With respect to Anchor Investor(s), the Anchor Investor Bid/Offer Period, and in the event the Anchor Investor Allocation Price is lower than the Anchor Investor Offer Price, not later than two Working Days after the Bid/ Offer Closing Date |
| “Anchor Investor Portion” | Up to 60% of the QIB Portion which may be allocated by our Company, in consultation with the Book Running Lead Manager, to the Anchor Investors on a discretionary basis |

| Term | Description |
|---|---|
| | <p>by our Company, in consultation with the Book Running Lead Manager in accordance with the SEBI ICDR Regulations</p> <p>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</p> |
| “Application Supported by Blocked Amount” or “ASBA” | An application, whether physical or electronic, used by ASBA Bidders, to make a Bid and authorising an SCSB to block the Bid Amount in the ASBA Account and will include applications made by UPI Bidders using UPI Mechanism where the Bid Amount will be blocked upon acceptance of UPI Mandate Request by the UPI Bidders using the UPI Mechanism. |
| “ASBA Account” | A bank account maintained by an ASBA Bidder with an SCSB and specified in the ASBA Form submitted by such ASBA Bidder in which funds will be blocked by such SCSB to the extent of the amount specified in the ASBA Form submitted by such ASBA Bidder and includes a bank account maintained by a UPI Bidders linked to a UPI ID, which will be blocked by the SCSB upon acceptance of the UPI Mandate Request in relation to a Bid by a UPI Bidders Bidding through the UPI Mechanism |
| “ASBA Bid” | A Bid made by an ASBA Bidder |
| “ASBA Bidders” | All Bidders except Anchor Investors |
| “ASBA Form” | An application form, whether physical or electronic, used by ASBA Bidders to submit Bids, which will be considered as the application for Allotment in terms of the Prospectus and the Prospectus |
| “Banker(s) to the Offer” | Collectively, the Escrow Collection Bank, Refund Bank, Public Offer Account Bank and Sponsor Bank(s) in this case being Axis Bank Limited |
| “Basis of Allotment” | The basis on which Equity Shares will be Allotted to successful Bidders under the Offer. For details, see “ <i>Offer Procedure</i> ” beginning on page 273. |
| “Bid Amount” | The highest value of optional Bids indicated in the Bid cum Application Form and, in the case of RIBs Bidding at the Cut off Price, the Cap Price multiplied by the number of Equity Shares Bid for by such Retail Individual Bidder and mentioned in the Bid cum Application Form and payable by the Bidder or blocked in the ASBA Account of the Bidder, as the case may be, upon submission of the Bid in the Offer. |
| “Bid cum Application Form” | Anchor Investor Application Form or the ASBA Form, as the context requires |
| “Bid Lot” | 1,600 Equity Shares and in multiples of 1,600 Equity Shares thereafter |
| “Bid(s)” | An indication to make an offer during the Bid/Offer Period by an ASBA Bidder pursuant to submission of the ASBA Form, or during the Anchor Investor Bid/Offer 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, in terms of the Red Herring Prospectus and the Bid cum Application Form. The term “Bidding” shall be construed accordingly. |
| “Bid/Offer Closing Date” | <p>Except in relation to any Bids received from the Anchor Investors, the date on which the Designated Intermediaries shall start accepting Bids, which shall be notified in all editions of Financial Express (a widely circulated English national daily newspaper), all and editions of Jansatta (a widely circulated Hindi national daily newspaper) and all editions of the Pratahkal, a Marathi daily newspaper (Marathi being the regional language of Maharashtra, where our Registered Office is located), each with wide circulation.</p> <p>In case of any revisions, the revised Bid/ Offer Closing Date will be widely disseminated by notification to the Stock Exchanges, by issuing a public notice, and also by indicating the change on the websites of the Book Running Lead Manager and at the terminals of the other members of the Syndicate and by intimation to the Designated Intermediaries and the Sponsor Bank(s). Our Company, in consultation with the Book Running Lead Manager, may consider closing the Bid/Offer Period for QIBs one Working Day prior to the Bid/Offer Closing Date in accordance with the SEBI ICDR Regulations</p> |

| Term | Description |
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| “Bid/Offer Opening Date” | <p>Except in relation to any Bids received from the Anchor Investors, the date on which the Designated Intermediaries shall start accepting Bids, which shall be notified in all editions of Financial Express (a widely circulated English national daily newspaper), all and editions of Jansatta (a widely circulated Hindi national daily newspaper) and all editions of the Pratahkal, a Marathi daily newspaper (Marathi being the regional language of Maharashtra, where our Registered Office is located), each with wide circulation</p> <p>In case of any revision, the revised Bid/ Offer Opening Date will also be widely disseminated by notification the Stock Exchanges, by issuing a public notice, and also by indicating the change on the websites of the Book Running Lead Manager and at the terminals of the other members of the Syndicate and by intimation to the Designated Intermediaries and the Sponsor Bank(s).</p> |
| “Bid/Offer Period” | <p>Except in relation to Anchor Investors, the period between the Bid/Offer Opening Date and the Bid/Offer Closing Date, inclusive of both days, during which Bidders can submit their Bids, including any revisions thereof, in accordance with the SEBI ICDR Regulations, provided that such period shall be kept open for a minimum of three Working Days</p> <p>Our Company, in consultation with the Book Running Lead Manager, may consider closing the Bid/Offer Period for QIBs one Working Day prior to the Bid/Offer Closing Date in accordance with the SEBI ICDR Regulations</p> |
| “Bidder” or “Applicant” | Any prospective investor who makes a Bid pursuant to the terms of the Red Herring Prospectus and the Bid cum Application Form and unless otherwise stated or implied, which includes an ASBA Bidder and an Anchor Investor |
| “Bidding Centres” | The centres at which the Designated Intermediaries shall accept the Bid cum Application Forms, being the Designated Branches for SCSBs, Specified Locations for the Syndicate, Broker Centres for Registered Brokers, Designated RTA Locations for RTAs and Designated CDP Locations for CDPs |
| “Book Building Process” | Book building process, as provided in Part A of Schedule XIII of the SEBI ICDR Regulations, in terms of which the Offer is being made |
| “Book Running Lead Manager” or “BRLM” | The Book Running Lead Manager to the Offer namely, Smart Horizon Capital Advisors Private Limited (<i>Formerly Known as Shreni Capital Advisors Private Limited</i>) |
| “Broker Centres” | <p>Broker centres notified by the Stock Exchange where ASBA Bidders can submit the ASBA Forms to a Registered Broker.</p> <p>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 Exchange (www.bseindia.com)</p> |
| “Cap Price” | The higher end of the Price Band, subject to any revisions thereto, above which the Offer Price and Anchor Investor Offer Price will not be finalised and above which no Bids will be accepted. The Cap Price shall be at least 105% of the Floor Price and less than or equal to 120% of the Floor Price |
| “Cash Escrow and Sponsor Bank Agreement” | The cash escrow and sponsor bank agreement dated January 05, 2025 entered into between our Company, the Selling Shareholders, the Book Running Lead Manager, the Registrar to the Offer and the Banker(s) to the Offer for, <i>inter alia</i> , collection of the Bid Amounts from the Anchor Investors, transfer of funds to the Public Offer Account and where applicable, refunds of the amounts collected from the Anchor Investors, on the terms and conditions thereof, in accordance with the UPI Circulars |
| “Client ID” | The client identification number maintained with one of the Depositories in relation to demat account |
| “Collecting Depository Participant” or “CDP” | A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Bids from relevant Bidders at the Designated CDP Locations in terms of SEBI circular number CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 as per the list available on the respective websites of the Stock Exchanges, as updated from time to time |
| “Confirmation of Allocation Note” or “CAN” | A notice or intimation of allocation of the Equity Shares sent to Anchor Investors, who have been allocated Equity Shares, on or after the Anchor Investor Bid/Offer Period |

| Term | Description |
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| “Cut-off Price” | The Offer Price finalised by our Company, in consultation with the Book Running Lead Manager which shall be any price within the Price Band. Only Retail Individual Bidders Bidding in the Retail Portion are entitled to Bid at the Cutoff Price. QIBs (including the Anchor Investors) and Non-Institutional Bidders are not entitled to Bid at the Cut-off Price |
| “Demographic Details” | The demographic details of the Bidders including the Bidders’ address, name of the Bidders’ father or husband, investor status, occupation, bank account details, PAN and UPI ID, where applicable |
| “Designated Branches” | Such branches of the SCSBs which shall collect the ASBA Forms from relevant Bidders, a list of which is available on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35 , or at such other website as may be prescribed by SEBI from time to time |
| “Designated Locations” | CDP Such locations of the CDPs where relevant ASBA Bidders can submit the ASBA Forms. The details of such Designated CDP Locations, along with the names and contact details of the CDPs eligible to accept ASBA Forms are available on the websites of the Stock Exchange (www.bseindia.com) |
| “Designated Date” | The date on which the Escrow Collection Bank(s) transfer funds from the Escrow Account to the Public Offer Account or the Refund Account, as the case may be, and the instructions are issued to the SCSBs (in case of UPI Bidders using UPI Mechanism, instruction issued through the Sponsor Bank(s)) for the transfer of amounts blocked by the SCSBs in the ASBA Accounts to the Public Offer Account or the Refund Account, as the case may be, in terms of the Red Herring Prospectus and this Prospectus after finalization of the Basis of Allotment in consultation with the Designated Stock Exchange, following which the Equity Shares will be Allotted in the Offer |
| “Designated Intermediary(ies)” | Collectively, the members of the Syndicate, sub-syndicate or agents, SCSBs (other than in relation to RIBs using the UPI Mechanism), Registered Brokers, CDPs and RTAs, who are authorised to collect Bid cum Application Forms from the relevant Bidders, in relation to the Offer. In relation to ASBA Forms submitted by RIBs Bidding in the Retail Portion by 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 Market Maker” | Market Shreni Shares Limited will act as the Market Maker and has agreed to receive or deliver the specified securities in the market making process for a period of three years from the date of listing of our Equity Shares or for a period as may be notified by amendment to SEBI ICDR Regulations |
| “Designated Locations” | RTA Such locations of the RTAs where relevant ASBA Bidders 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 websites of the Stock Exchange (www.bseindia.com) |
| “Designated Exchange” | Stock BSE Limited (SME Exchange) (“ BSE SME ”) |
| “Draft Red Herring Prospectus” or “DRHP” | The Draft Red Herring Prospectus dated September 30, 2024 issued in accordance with the SEBI ICDR Regulations, which does not contain complete particulars of the price at which the Equity Shares will be Allotted and the size of the offer, including any addenda or corrigenda thereto |
| “Eligible FPI(s)” | FPI(s) that are eligible to participate in the Offer in terms of applicable law and from such jurisdictions outside India where it is not unlawful to make an offer / invitation under the |

| Term | Description |
|---|--|
| | Offer and in relation to whom the Bid cum Application Form and the Red Herring Prospectus constitutes an invitation to purchase the Equity Shares |
| “Eligible NRI(s)” | NRI(s) eligible to invest under Schedule 3 and Schedule 4 of the FEMA Rules, from jurisdictions outside India where it is not unlawful to make an offer or invitation under the Offer and in relation to whom the Bid cum Application Form and the Red Herring Prospectus will constitute an invitation to purchase the Equity Shares |
| “Escrow Account(s)” | The ‘no-lien’ and ‘non-interest bearing’ account(s) opened with the Escrow Collection Bank and in whose favour the Bidders (excluding the ASBA Bidders) will transfer money through direct credit/NEFT/RTGS/NACH in respect of the Bid Amount when submitting a Bid |
| “Escrow Collection Bank(s)” | Bank(s), which are clearing members and registered with SEBI as a banker to an issue under the SEBI BTI Regulations and with whom the Escrow Account will be opened, in this case being, Axis Bank Limited |
| “First Bidder” or “Sole Bidder” | The Bidder whose name shall be mentioned in the Bid cum Application Form or the Revision Form and in case of joint Bids, whose name also appears as the first holder of the beneficiary account held in joint names |
| “Floor Price” | The lower end of the Price Band, subject to any revision thereto, not being less than the face value of the Equity Shares at or above which the Offer Price and the Anchor Investor Offer Price will be finalised and below which no Bids will be accepted |
| “Fraudulent Borrower” | Fraudulent borrower as defined under Regulation 2(1)(III) of the SEBI ICDR Regulations |
| “Fresh Issue” | Fresh issue of 83,28,000 Equity Shares aggregating ₹7,162.08 Lakhs by our Company |
| “Fugitive Economic Offender” | An individual who is declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018 |
| “General Information Document” or “GID” | The General Information Document for investing in public issues, prepared and issued in accordance with the SEBI circular (SEBI/HO/CFD/DIL1/CIR/P/2020/37) dated March 17, 2020, suitably modified and updated pursuant to, among others, the SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2020/50) dated March 30, 2020. The General Information Document shall be available on the websites of the Stock Exchanges, and the Book Running Lead Manager |
| “Gross Proceeds” | The gross proceeds of the Fresh Issue which will be available to our Company |
| “Market Maker Reservation Portion” | The Reserved portion of 5,24,800 Equity shares of ₹5/- each at an Offer Price of ₹86/- aggregating to ₹451.33 Lakhs for Designated Market Maker in the Public Issue of our Company |
| “Market Making Agreement” | The agreement dated December 18, 2024 entered amongst our Company, Designated Market Maker and the Book Running Lead Manager, pursuant to the requirements of the SEBI ICDR Regulations, based on which certain market making arrangements are agreed to in relation to the Offer |
| “Materiality Policy” | The policy adopted by our Board on August 31, 2024, for identification of Group Companies, material outstanding litigation and outstanding dues to material creditors, in accordance with the disclosure requirements under the SEBI ICDR Regulations |
| “Mobile Applications” | The mobile applications listed on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43 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 Fund Portion” | 5% of the Net QIB Portion or 99,200 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 Offer Price |
| “Net Offer” | The Offer less than Market Maker Reservation Portion. |
| “Net Proceeds” | Proceeds from the Fresh Issue less our Company’s share of the Offer expenses. For further details, see “ <i>Objects of the Offer</i> ” beginning on page 94. |
| “Mutual Funds” | Mutual funds registered with SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996 |
| “Net QIB Portion” | The portion of the QIB Portion less the number of Equity Shares Allotted to the Anchor Investors |

| Term | Description |
|---------------------------------------|--|
| “Non-Institutional Bidders” or “NIBs” | All Bidders that are not QIBs or RIBs and who have Bid for Equity Shares, for an amount of more than ₹ 200,000 (but not including NRIs other than Eligible NRIs) |
| “Non-Institutional Portion” | The portion of the Offer being not more than 15% of the Offer comprising of 14,80,000 Equity Shares which shall be available for allocation to NIBs in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price. |
| “Non-Resident” | A person resident outside India, as defined under FEMA and includes NRIs, FPIs and FVCIs |
| “Non-Resident Indians” or “NRI(s)” | A non-resident Indian as defined under the FEMA Rules |
| “Offer” | The Initial Public Offer of 1,03,28,000 Equity Shares of face value of ₹5/- each for cash at a price of ₹86/- per Equity shares (including premium of ₹81/- per Equity Share) aggregating to ₹ 8,882.08 Lakhs |
| “Offer for Sale” | Offer for Sale of 20,00,000 Equity Shares aggregating ₹1,720.00 Lakhs by the Selling Shareholders |
| “Offer Agreement” | The offer agreement dated September 20, 2024 and addendum to offer Agreement dated January 17, 2025 entered into between our Company, the Selling Shareholders, and the Book Running Lead Manager, pursuant to which certain arrangements are agreed upon in relation to the Offer |
| “Offer Price” | The final price at which Equity Shares will be Allotted to ASBA Bidders in terms of the Red Herring Prospectus and this Prospectus. Equity Shares will be Allotted to Anchor Investors at the Anchor Investor Offer Price in terms of the Red Herring Prospectus and this Prospectus The Offer Price and discount (if any) will be decided by our Company, in consultation with the Book Running Lead Manager, on the Pricing Date in accordance with the Book Building Process and the Red Herring Prospectus and this Prospectus |
| “Offer Proceeds” | The proceeds of the Fresh Issue which shall be available to our Company and the proceeds of the Offer for Sale which shall be available to each of the Selling Shareholders in proportion to the respective portion of the Offered Shares. For further information about use of the Offer Proceeds, see “ <i>Objects of the Offer</i> ” beginning on page 94. |
| “Offered Shares” | 20,00,000 Equity Shares aggregating ₹1,720.00 Lakhs offered by the Selling Shareholders in the Offer for Sale |
| “Price Band” | The price band of a minimum price of ₹82/- per Equity Share (Floor Price) and the maximum price of ₹86/-per Equity Share (Cap Price) including revisions thereof. The Price Band and the minimum Bid Lot for the Offer has been decided by our Company, in consultation with the Book Running Lead Manager, and has been advertised in Financial Express (a widely circulated English national daily newspaper), all and editions of Jansatta (a widely circulated Hindi national daily newspaper) and all editions of the Pratahkal, a Marathi daily newspaper (Marathi being the regional language of Maharashtra, where our Registered Office is located), each with wide circulation at least two Working Days prior to the Bid/Offer Opening Date and shall be available to the Stock Exchange for the purpose of uploading on their respective websites |
| “Pricing Date” | The date on which our Company, in consultation with the Book Running Lead Manager, will finalise the Offer Price |
| “Promoters Contribution” | Aggregate of 20% of the post-offer Equity Share capital of our Company that is eligible to form part of the minimum promoters’ contribution, as required under the provisions of the SEBI ICDR Regulations, held by our Promoters, which shall be locked-in for a period of 3 years from the date of Allotment |
| “Prospectus” | This prospectus to be filed with the RoC on or after the Pricing Date in accordance with Section 26 of the Companies Act, and the SEBI ICDR Regulations containing, inter alia, the Offer Price that is determined in accordance with the Book Building Process, the size of the Offer and certain other information, including any addenda or corrigenda thereto |
| “Public Offer Account(s)” | The ‘no-lien’ and ‘non-interest bearing’ bank account to be opened, in accordance with Section 40(3) of the Companies Act, with the Public Offer Account Bank to receive monies from the Escrow Account and the ASBA Accounts on the Designated Date. |

| Term | Description |
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| “Public Offer Account Bank(s)” | Bank(s) which are a clearing member and registered with SEBI as a banker to an issue, and with whom the Public Offer Account for collection of Bid Amounts from Escrow Accounts and ASBA Accounts will be opened, in this case being Axis Bank Limited |
| “QIBs” or “QIB Bidders” or “Qualified Institutional Buyers” | Qualified institutional buyers as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations |
| “QIB Portion” | The portion of the Net Offer (including the Anchor Investor Portion) being not more than 50% of the Net Offer consisting of 48,75,200 Equity Shares, available for allocation to QIBs (including Anchor Investors) on a proportionate basis (in which allocation to Anchor Investors shall be on a discretionary basis, as determined by our Company in consultation with the BRLM), subject to valid Bids being received at or above the Offer Price |
| “Red Herring Prospectus” or “RHP” | <p>The Red Herring Prospectus dated January 09, 2025, to be issued by our Company in accordance with Section 32 of the Companies Act, and the provisions of the SEBI ICDR Regulations, which will not have complete particulars of the price at which the Equity Shares will be offered and the size of the Offer, including any addenda or corrigenda thereto.</p> <p>The Red Herring Prospectus has been filed with the RoC at least three Working Days before the Bid / Offer Opening Date and will become the Prospectus upon filing with the RoC after the Pricing Date</p> |
| “Refund Account(s)” | 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)” | The Banker(s) to the Offer with whom the Refund Account(s) will be opened, in this case being Axis Bank Limited |
| “Registered Brokers” | The stockbrokers registered with the stock exchanges having nationwide terminals, other than the members of the Syndicate and eligible to procure Bids in terms of circular no. CIR/CFD/14/2012 dated October 4, 2012 and the UPI Circulars, issued by SEBI |
| “Registrar Agreement “ | Registrar agreement dated September 20, 2024 entered into between our Company, the Selling Shareholders and the Registrar to the Offer, in relation to the responsibilities and obligations of the Registrar to the Offer pertaining to the Offer |
| “Registrar to the Offer” or “Registrar” | Link Intime India Private Limited |
| “Retail Individual Bidder(s)” or “Retail Individual Investor(s)” or “RII(s)” or “RIB(s)” | Individual Bidders submitting Bids, who have Bid for the Equity Shares for an amount not more than ₹200,000 in any of the bidding options in the Offer (including HUFs applying through their Karta) and Eligible NRIs |
| “Resident Indian” | A person resident in India, as defined under FEMA |
| “Retail Portion” | The portion of the Net Issue being not less than 35% of the Net Issue consisting of 34,48,000 Equity Shares, 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 the remaining Equity Shares to be Allotted on a proportionate basis. |
| “Revision Form” | The form used by Bidders to modify the quantity of the Equity Shares or the Bid Amount in any of their Bid cum Application Forms or any previous Revision Form(s), as applicable. QIB Bidders and Non-Institutional Bidders are not allowed to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage. Retail Individual Bidders, Eligible Employees Bidding in the Employee Reservation Portion and Eligible HMCL Shareholders Bidding in the Shareholder Reservation Portion (subject to the Bid Amount being up to ₹200,000) can revise their Bids during the Bid/ Offer Period and withdraw their Bids until Bid/Offer Closing Date. |
| “RTAs” or “Registrar and Share Transfer Agents” | The registrar and share transfer agents registered with SEBI and eligible to procure Bids from relevant Bidders at the Designated RTA Locations in terms of SEBI circular number CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI and available on the websites of the Stock Exchange at www.bseindia.com |
| “SCORES” | SEBI Complaints Redress System |

| Term | Description |
|---|---|
| “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 https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34 and https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35 , 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 https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40 , or such other website as may be prescribed by SEBI from time to time. In relation to Bids (other than Bids by Anchor Investor) submitted to a member of the Syndicate, the list of branches of the SCSBs at the Specified Locations named by the respective SCSBs to receive deposits of Bid cum Application Forms from the members of the Syndicate is available on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35 and updated from time to time. For more information on such branches collecting Bid cum Application Forms from the Syndicate at Specified Locations, see the website of the SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35 as updated from time to time. In accordance with SEBI RTA Master Circular, UPI Bidders Bidding using the UPI Mechanism may apply through the SCSBs and mobile applications whose names appears on the website of the 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 respectively, as updated from time to time |
| “Share Escrow Agent” | The Share Escrow Agent appointed pursuant to the Share Escrow Agreement namely, Link Intime India Private Limited |
| “Share Escrow Agreement” | Share escrow agreement dated December 25, 2024 entered into between our Company, the Selling Shareholders and the Share Escrow Agent in connection with the transfer of the Offered Shares by the Selling Shareholders for the purposes of credit of such Equity Shares to the demat accounts of the Allottees in accordance with the Basis of Allotment. |
| “Specified Locations” | The Bidding centres where the Syndicate shall accept Bid cum Application Forms from relevant Bidders, a list of which is available on the website of SEBI (www.sebi.gov.in), and updated from time to time |
| “Sponsor Banks” | Bankers to the Offer registered with SEBI, appointed by our Company to act as a conduit between the Stock Exchange and NPCI in order to push the mandate collect requests and / or payment instructions of the UPI Bidders using the UPI Mechanism, and carry out any other responsibilities in terms of the UPI Circulars, in this case being Axis Bank Limited |
| “Stock Exchanges” | BSE Limited (SME Exchange) (“ BSE SME ”) |
| “Sub-Syndicate Members” | The sub-syndicate members, if any, appointed by the Book Running Lead Managers and the Syndicate Members, to collect ASBA Forms and Revision Forms |
| “Syndicate Agreement” | Syndicate agreement dated December 25, 2024 entered into between our Company, the Selling Shareholders and the members of the Syndicate in relation to collection of Bid cum Application Forms by the Syndicate |
| “Syndicate Member(s)” | Intermediaries (other than the Book Running Lead Manager) registered with SEBI who are permitted to carry out activities as an underwriter, namely Shreni Shares Limited |
| “Underwriter” | The Underwriter in this case is Smart Horizon Capital Advisors Private Limited |
| “Underwriting Agreement” | The Underwriting Agreement dated December 18, 2024 and Addendum to the Underwriting Agreement dated January 17, 2025 entered into between our Company, the Selling Shareholders, the Underwriter and the Book Running Lead Manager, on or after the Pricing Date, but prior to filing the Prospectus with the RoC |
| “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 a Bid size of up to ₹5.00 lakhs in the Non-Institutional Portion, and applying under the UPI Mechanism through ASBA Form(s) |

| Term | Description |
|-----------------------|---|
| | 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 using UPI Mechanism, shall provide their UPI ID in the bid-cum-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 website 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 Circulars” | SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, SEBI circular number SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, SEBI circular number SEBI/HO/CFD/DIL-2/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 number SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 (to the extent these circulars are not rescinded by the SEBI RTA Master Circular), SEBI RTA Master Circular (to the extent it pertains to UPI), SEBI circular number 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 number SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, SEBI circular number SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023, along with the circular issued by the National Stock Exchange of India Limited having reference no. 25/2022 dated August 3, 2022 and the circular issued by BSE Limited having reference no. 20220803-40 dated August 3, 2022 and any subsequent circulars or notifications issued by SEBI or the Stock Exchanges in this regard. |
| “UPI ID” | ID created on the UPI for single-window mobile payment system developed by the NPCI |
| “UPI Mandate Request” | A request (intimating the UPI Bidders by way of a notification on the UPI-linked mobile application and by way of an SMS on directing the UPI Bidders to such UPI mobile application) to the UPI Bidders initiated by the Sponsor Bank(s) to authorise blocking of funds on the UPI application equivalent to Bid Amount and subsequent debit of funds in case of Allotment |
| “UPI Mechanism” | Process for applications by UPI Bidders submitted with intermediaries with UPI as mode of payment, in terms of the UPI Circulars |
| “UPI PIN” | A password to authenticate a UPI transaction |
| “Wilful Defaulter” | Wilful defaulter as defined under Regulation 2(1)(III) of the SEBI ICDR Regulations |
| “Working Day” | All days on which commercial banks in Mumbai are open for business; provided however, with reference to (a) announcement of Price Band; and (b) Bid/Offer Period, the term Working Day shall mean all days, excluding Saturdays, Sundays and public holidays, on which commercial banks in Mumbai are open for business; and (c) the time period between the Bid/Offer Closing Date and the listing of the Equity Shares on the Stock Exchanges, “Working Day” shall mean all trading days of the Stock Exchanges, excluding Sundays and bank holidays, as per circulars issued by SEBI, including the UPI Circulars |

Technical or Industry Related Terms

| Term | Description |
|-------------|---|
| “4G” | Fourth Generation Wireless |
| “AAY” | Antodaya Ann Yojna |
| “ACC” | Advanced Chemistry Cell |
| “AEC” | Architecture, Engineering, And Construction |
| “AEs” | Advanced Economies |
| “AI” | Artificial Intelligence |

| Term | Description |
|-----------------|--|
| “AIDef” | Artificial Intelligence in Defence |
| “AIF” | Alternative Investment Fund |
| “AMC” | Asset Management Company |
| “AMFI” | Association of Mutual Funds in India |
| “Aps” | Authorized Persons |
| “ATM” | Automated Teller Machine |
| “AUM” | Asset Under Management |
| “BG” | Bank Guarantee |
| “BNPL” | Buy Now, pay later |
| “BOT” | Build-Operate-Transfer |
| “BPO” | Business Process Outsourcing |
| “BSE” | BSE Limited |
| “BSNL” | Bharat Sanchar Nigam Limited |
| “CAD” | Current Account Deficit |
| “CAGR” | Compound Annual Growth Rate |
| “CAZRI” | Central Arid Zone Research Institute |
| “CD” | Cash and Derivative |
| “CDSL” | Central Depository Services (India) Limited |
| “CEIC” | Committee on Electronic Information and Communication |
| “CEM” | Customer Experience Management |
| “CEPA” | Comprehensive Partnership Agreement |
| “CGSS” | Credit Guarantee Scheme for Start-ups |
| “CGST” | Central Goods and Services Tax |
| “CGTMSE” | Credit Guarantee Fund Trust for Micro and Small Enterprises |
| “COVID-19” | Coronavirus Disease of 2019 |
| “CPI” | Consumer Price Index |
| “CPI-C” | Common Programming Interface for Communication |
| “DeFi” | Decentralized Finance |
| “DHFL” | Dewan Housing Finance Corporation |
| “DII” | Domestic Institutional Investors |
| “DNTs SEED” | Scheme for Economic Empowerment of Denotified/Nomadic/SemiNomadic tribal communities |
| “DP” | Depository Participant |
| “DPA” | Deendayal Port Authority |
| “DPIIT” | Department for Promotion of Industry and Internal Trade |
| “E&Y” | Ernst & Young |
| “EBIT” | Earnings before interest and taxes |
| “EBITDA Margin” | Earnings Before Interest, Taxes, Depreciation, and Amortization Margin |
| “EBITDA” | Earnings Before Interest, Taxes, Depreciation, and Amortization |
| “EMDE” | Emerging Market and Developing Economy |
| “e-RUPI” | Electronic Rupee |
| “ESG” | Environmental, Social, and Governance |
| “ESO” | Engineering Services Outsourcing |
| “ETP” | Effluent Treatment Plant |
| “EUR” | Euro |
| “Euro area” | Consists of the following 19 countries in the EU: Austria, Belgium, Cyprus, Estonia, Finland, France, Germany, Greece, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, Netherlands, Portugal, Slovakia, Slovenia, and Spain. |
| “EY” | Ernst & Young |
| “F&O Trading” | Futures and options Trading |
| “F&O” | Futures and Options |
| “FDI” | Foreign Direct Investment |

| Term | Description |
|---------------|---|
| “FIA” | Futures Industry Association |
| “FPI” | Foreign Portfolio Investors |
| “FPOs” | Follow-on Public Offers |
| “FRE” | First Revised Estimates |
| “FTA” | Free Trade Agreement |
| “GBP” | Great British Pound |
| “GDP” | Gross Domestic Product |
| “G-secs” | Government Securities |
| “GST” | Goods and Services Tax |
| “HCL” | Hindustan Computers Limited |
| “HFI” | High-Frequency Indicators |
| “HNIs” | High Net Worth Individuals |
| “HNWI” | High Net Worth Individual |
| “HR” | Human Resource |
| “HSBC” | Hong Kong and Shanghai Banking Corporation |
| “ICAR” | Indian Council of Agricultural Research |
| “ICCL” | Indian Clearing Corporation Limited |
| “IDRCL” | India Debt Resolution Co. Ltd |
| “IFICC” | India-UAE-Israel Chamber of Commerce |
| “IFSC” | International Financial Service Centre |
| “IP” | Index of Industrial Production |
| “IISR” | Indian Institute of Spices Research |
| “IMPS” | Immediate Payment Service |
| “IndAus ECTA” | India-Australia Economic Cooperation and Trade Agreement |
| “Insurtech” | Insurance Technology |
| “IPOs” | Initial Public Offerings |
| “IT” | Information Technology |
| “Jan” | January |
| “JPY” | Japanese Yen |
| “KMS” | Kharif Marketing System |
| “KYC” | Know Your Customer |
| “LLC” | Limited Liability Company |
| “LLP” | Limited Liability Partnership |
| “LMT” | Lakh Metric Tonnes |
| “MCX” | Multi Commodity Exchange |
| “MFIs” | Micro-Finance Institutions |
| “MFP” | Mega Food Parks |
| “MoU” | Memorandum of Understanding |
| “MSCI-EM” | Morgan Stanley Capital International Emerging Markets |
| “MSME” | Micro, Small & Medium Enterprises |
| “MUDRA” | Micro Units Development and Refinance Agency |
| “MVP” | Minimum Viable Product |
| “MVP” | Most Valuable Player |
| “NABARD” | National Bank for Agriculture and Rural Development |
| “NaBFID” | National Bank for Financing Infrastructure and Development |
| “NARCL” | National Asset Reconstruction Company Ltd |
| “NASDAQ” | National Association of Securities Dealers Automated Quotations |
| “NBFC” | Non-Banking Financial Companies |
| “NCL” | NSE Clearing Limited |
| “NDHM” | National Digital Health Mission |
| “NIPL” | NPCI International Payments |
| “NPCI” | National Payments Corporation of India |

| Term | Description |
|------------------|---|
| “NSDL” | National Securities Depository Limited |
| “NSE” | National Stock Exchange of India |
| “ODIN” | Open Dealer Integrated Network |
| “OPEC” | Organization of the Petroleum Exporting Countries |
| “PAT Margin” | Profit After Tax Margin |
| “PAT” | Profit After Tax |
| “PE” | Private Equity |
| “PE-VC” | Private Equity - Venture Capital |
| “PHH” | Primary Household |
| “PLI” | Production Linked Incentive Scheme |
| “PM Vishwakarma” | Pradhan Mantri Vishwakarma Yojana |
| “PM-DevINE” | Prime Minister’s Development Initiative for North-East Region |
| “PMGKAY” | Pradhan Mantri Garib Kalyan Ann Yojana |
| “PMI” | Purchasing Managers Index |
| “PMI” | Purchasing Managers Index |
| “PMJDY” | Pradhan Mantri Jan Dhan Yojana |
| “PMKVY” | Pradhan Mantri Kaushal Vikas Yojana |
| “PoA” | Power of Attorney |
| “PPP” | Public-Private Partnership |
| “PR” | Public Relations |
| “Q” | Quarter |
| “QIPs” | Qualified Institutional Placements |
| “QR” | Quick Response |
| “R&D” | Research and Development |
| “RBI” | Reserve Bank of India |
| “Reg Tech” | Regulatory Technologies |
| “RMS” | Rabi Marketing System |
| “RSL” | Rikhav Securities Limited |
| “SAAR” | Seasonally Adjusted Annual Rate |
| “SDL” | State Development Loans |
| “SEBI” | Securities and Exchange Board of India |
| “SEBI” | Security Exchange of India |
| “SEC” | Securities and Exchange Commission |
| “SEZ” | Special Economic Zone |
| “SGST” | State Goods and Services Tax |
| “SIP” | Systematic Investment Plans |
| “SME” | Small and Medium Enterprises |
| “SMS” | Short Message Service |
| “SPI” | Strengthening of Pharmaceutical Industry |
| “TFP” | Total Factor Productivity |
| “TTDF” | Telecom Technology Development Fund |
| “UAE” | United Arab Emirates |
| “UGC” | University Grants Commission |
| “UI” | User Interface |
| “UK” | United Kingdom |
| “UPI” | Unified Payments Interface |
| “US” | United States |
| “USD” | United States Dollar |
| “USOF” | Universal Service Obligation Fund (USOF) |
| “VC” | Venture Capital |
| “WEO” | World Economic Outlook |
| “WFE” | World Federation of Exchanges |

| Term | Description |
|-------------|--------------------|
| “YoY” | Year-over-Year |

Abbreviations

| Term | Description |
|---|---|
| “₹” or “Rs.” Or “Rupees” or “INR” | Indian Rupees |
| “AIFs” | Alternative Investment Funds, as defined in, and registered under the SEBI AIF Regulations |
| “AGM” | Annual general meeting |
| “AS” or “Accounting Standards” | Accounting standards issued by the ICAI |
| “AUM” | Asset under the Company’s management |
| “Bn” or “bn” | Billion |
| “BSE” | BSE Limited |
| “Category I AIF” | AIFs who are registered as “Category I 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 AIF” | AIFs who are registered as “Category II Alternative Investment Funds” under the SEBI AIF Regulations |
| “Category II FPIs” | FPIs who are registered as “Category II foreign portfolio investors” under the SEBI FPI Regulations |
| “Category III AIF” | AIFs who are registered as “Category III Alternative Investment Funds” under the SEBI AIF Regulations |
| “CDSL” | Central Depository Services (India) Limited |
| “CIN” | Corporate Identity Number |
| “Civil Code” | Code of Civil Procedure, 1908 |
| “CIRP” | Corporate Insolvency Resolution Process |
| “Companies Act” or “Companies Act, 2013” | Companies Act, 2013, as applicable, along with the relevant rules, regulations, clarifications and modifications made thereunder |
| “Consolidated FDI Policy” | Consolidated Foreign Direct Investment Policy notified by the DPIIT under DPIIT File Number 5(2)/2020-FDI Policy dated the October 15, 2020, effective from October 15, 2020 |
| “CrPC” | Code of Criminal Procedure, 1973 |
| “Depositories” | Together, NSDL and CDSL |
| “Depositories Act” | Depositories Act, 1996 |
| “DIN” | Director Identification Number |
| “DP ID” | Depository Participant’s Identification |
| “DP” or “Depository Participant” | A depository participant as defined under the Depositories Act |
| “DPIIT” | Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India (formerly known as Department of Industrial Policy and Promotion) |
| “EGM” | Extraordinary general meeting |
| “EMI” | Equated Monthly Instalment |
| “EPS” | Earnings per equity share |
| “Factories Act” | Factories Act, 1948 |
| “FDI” | Foreign direct investment |
| “FEMA” | The Foreign Exchange Management Act, 1999, read with rules and regulations thereunder |
| “FEMA Rules” | Foreign Exchange Management (Non-debt Instruments) Rules, 2019 |
| “Financial Year” or “Fiscal” or “Fiscal Year” or “FY” | Unless stated otherwise, the period of 12 months ending March 31 of that particular year |

| Term | Description |
|---|---|
| “FPI” | Foreign portfolio investors as defined under the SEBI FPI Regulations |
| “FVCI” | Foreign venture capital investors as defined and registered under the SEBI FVCI Regulations |
| “GoI” or “Government” or “Central Government” | Government of India |
| “GDP” | Gross domestic product |
| “GST” | Goods and services tax |
| “ICAI” | The Institute of Chartered Accountants of India |
| “IFRS” | International Financial Reporting Standards |
| “Income Tax Act” | The Income-tax Act, 1961 |
| “Ind AS” | Indian Accounting Standards notified under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015 |
| “India” | Republic of India |
| “Indian GAAP” or “IGAAP” | Accounting Standards notified under Section 133 of the Companies Act, 2013, read together with Rule 7 of the Companies (Accounts) Rules, 2014 and Companies (Accounting Standards) Amendment Rules, 2016 |
| “Indian Securities Laws” | Indian Securities Laws include among others the SEBI Act, SEBI FUTP Regulations, SEBI ICDR Regulations, SEBI Listing Regulations, SEBI Takeover Regulations and SEBI PIT Regulations |
| “IPC” | Indian Penal Code, 1860 |
| “IPO” | Initial public offering |
| “IRDAI” | Insurance Regulatory and Development Authority of India |
| “IST” | Indian Standard Time |
| “IT” | Information Technology |
| “IT Act” | The Information Technology Act, 2000 |
| “KYC” | Know Your Customer |
| “MCA” | Ministry of Corporate Affairs, Government of India |
| “Mn” or “mn” | Million |
| “NACH” | National Automated Clearing House |
| “National Investment Fund” | National Investment Fund set up by resolution F. No. 2/3/2005-DD-II dated November 23, 2005 of the GoI, published in the Gazette of India |
| “NAV” | Net Asset Value |
| “NBFC” | Non-Banking Financial Companies |
| “NEFT” | National Electronic Fund Transfer |
| “Negotiable Instruments Act” | The Negotiable Instruments Act, 1881 |
| “NHB” | National Housing Board |
| “NHB Act” | The National Housing Bank Act, 1987 |
| “NPCI” | National Payments Corporation of India |
| “NRE” | Non- Resident External |
| “NRO” | Non-Resident Ordinary |
| “NSDL” | National Securities Depository Limited |
| “NSE” | National Stock Exchange of India Limited |
| “OCB” or “Overseas Corporate Body” | A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts, in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date had taken benefits under the general permission granted to OCBs under FEMA. OCBs are not allowed to invest in the Offer |
| “p.a.” | Per annum |
| “P/E Ratio” | Price to Earnings Ratio |
| “PAN” | Permanent Account Number |
| “RBI” | Reserve Bank of India |
| “RBI Act” | Reserve Bank of India Act, 1934 |

| Term | Description |
|--|---|
| “Regulation S” | Regulation S under the U.S. Securities Act |
| “RTGS” | Real Time Gross Settlement |
| “Rule 144A” | Rule 144A under the U.S. Securities Act |
| “SARFAESI Act” | Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 |
| “SCRA” | Securities Contracts (Regulation) Act, 1956 |
| “SCRR” | Securities Contracts (Regulation) Rules, 1957 |
| “SEBI” | Securities and Exchange Board of India constituted under the SEBI Act |
| “SEBI Act” | Securities and Exchange Board of India Act, 1992 |
| “SEBI AIF Regulations” | Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012 |
| “SEBI BTI Regulations” | Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994 |
| “SEBI FUTP Regulations” | Securities and Exchange Board of India (Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 2003 |
| “SEBI FPI Regulations” | Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019 |
| “SEBI FVCI Regulations” | Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000 |
| “SEBI ICDR Master Circular” | SEBI master circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023 |
| “SEBI ICDR Regulations” | Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 |
| “SEBI Listing Regulations” | Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 |
| “SEBI Merchant Bankers Regulations” | Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992 |
| “SEBI Mutual Fund Regulations” | Securities and Exchange Board of India (Mutual Funds) Regulations, 1996 |
| “SEBI RTA Master Circular” | SEBI master circular bearing reference number SEBI/HO/MIRSD/POD-1/P/CIR/2024/37 dated May 7, 2024 |
| “SEBI SBEB & SE Regulations” | Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 |
| “SEBI Takeover Regulations” | Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 |
| “SEBI VCF Regulations” | Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996 as repealed pursuant to the SEBI AIF Regulations |
| “State Government” | The government of a state in India |
| “Stock Exchanges” | BSE Limited |
| “STT” | Securities Transaction Tax |
| “Systemically Important NBFC” or “NBFC-SI” | Systemically important non-banking financial company as defined under Regulation 2(1)(iii) of the SEBI ICDR Regulations |
| “TAN” | Tax deduction account number |
| “U.S. QIBs” | “Qualified institutional buyers”, as defined in Rule 144A |
| “U.S. Securities Act” | U.S. Securities Act of 1933, as amended |
| “U.S.” or “USA” or “United States” | United States of America including its territories and possessions, any State of the United States, and the District of Columbia |
| “USD” or “US\$” | United States Dollars |
| “VCFs” | Venture capital funds as defined in and registered with the SEBI under the Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996 or the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012, as the case may be |

PRESENTATION OF FINANCIAL INDUSTRY AND MARKET DATA

Certain Conventions

All references to “India” contained in this 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. All references to the “U.S.”, “US”, “U.S.A” or “United States” are to the United States of America and its territories and possessions.

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

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

Financial Data

Unless stated otherwise or the context otherwise requires, the financial information in this Prospectus is derived from the Restated Financial Information. The Restated Financial Information of our Company comprises of the Restated Consolidated Financial Information of our company.

The Restated consolidated financial information of our Company and its Subsidiary comprising of the restated consolidated statement of assets and liabilities for the six months ended September 30, 2024 and for the year ended March 31, 2024, March 31, 2023 and March 31, 2022, the restated consolidated statement of profit and loss (including other comprehensive income), the restated consolidated statement of changes in equity and, the restated consolidated statement of cash flows for the six month ended September 30, 2024 and for the year ended March 31, 2024, March 31, 2023 and March 31, 2022, and notes to the restated consolidated financial information, prepared in accordance with the requirements of Section 26 of the Companies Act 2013; Paragraph (A) of Clause 11 (I) of Part A of Schedule VI of the SEBI ICDR Regulations and the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India as amended from time to time.

Our Company’s financial year commences on April 1 and ends on March 31 of the next year. Accordingly, all references in this Prospectus to a particular FY, Financial Year, Fiscal or Fiscal Year, unless stated otherwise, are to the 12-month period ended on March 31 of that particular calendar year.

There are significant differences between Ind AS, Generally Accepted Accounting Principles in the United States of America (the “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 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 Prospectus will provide meaningful information is entirely dependent on the reader’s level of familiarity with Indian accounting policies and practices, the Companies Act, IGAAP and the SEBI ICDR Regulations. Any reliance by persons not familiar with Indian accounting policies and practices on the financial disclosures presented in this Prospectus should, accordingly, be limited. For risks relating to significant differences between Ind AS and other accounting principles, see “*Risk Factors – Significant differences exist between Indian accounting standard and other accounting principles, such as international financial reporting standards and United States generally accepted accounting principles, which investors may be more familiar with and may consider material to their assessment of our financial condition.*” on page 30.

Unless the context otherwise indicates, any percentage amounts, as set forth in “*Risk Factors*”, “*Our Business*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” beginning on page 30, 144 and 201 respectively, of this Prospectus, and elsewhere in this Prospectus have been calculated on the basis of the “*Restated Financial Information*” of our Company as beginning on page 197 of this Prospectus.

Currency and Units of Presentation

All references to “Rupees”, “Rs.” or “₹” are to Indian Rupees, the official currency of the Republic of India. All references to “US\$” or “US Dollars” or “USD” are to United States Dollars, the official currency of the United States of America, EUR or “€” are Euro currency.

All references to the word “Lakh” or “Lac”, means “One hundred thousand” and the word “Million” means “Ten Lakhs” and the word “Crore” means “Ten Million” and the word “Billion” means “One thousand Million”.

In this Prospectus, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding off. All figures derived from our Restated Financial Information in decimals have been rounded off to the second decimal and all percentage figures have been rounded off to two decimal places.

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

Industry and Market Data

Unless stated otherwise, industry data used throughout this Prospectus has been obtained or derived from industry and government publications, publicly available information and sources.

Industry publications generally state that the information contained in those publications has been obtained from sources believed to be reliable but that their accuracy and completeness are not guaranteed and their reliability cannot be assured. Although our Company believes that industry data used in this Prospectus is reliable, it has not been independently verified by the Book Running Lead Manager or any of their affiliates or advisors. Data from these sources may also not be comparable. 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 and assumptions that may prove to be incorrect. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in “*Risk Factors*” beginning on pages 30. Accordingly, investment decisions should not be based solely on such information.

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

Exchange Rates

This Prospectus contains conversions of certain other currency amounts into Rupees that have been presented solely to comply with the requirements of SEBI ICDR Regulations. Such conversion should not be considered as a representation that such currency amounts have been, could have been or can be converted into 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 September 30, 2024 | Exchange Rate as on March 31, 2024 | Exchange Rate as on March 31, 2023 | Exchange Rate as on March 31, 2022 |
|----------|--|------------------------------------|------------------------------------|------------------------------------|
| 1 USD | 83.78 | 83.37 | 82.21 | 75.80 |
| 1 Euro | 93.53 | 90.21 | 89.61 | 84.66 |

Note: If the reference rate is not available on a particular date due to a public holiday, exchange rates of the previous Working Day has been disclosed. The reference rates are rounded off to two decimal places.

Source: www.fbil.org.in

FORWARD LOOKING STATEMENTS

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

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

Actual results may differ materially from those suggested by the forward-looking statements due to risks or uncertainties associated with our expectations with respect to, but not limited to, regulatory changes pertaining to the industry in which our Company operates 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, 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, regulations, taxes, changes in competition in our industry and incidents of any natural calamities and/or acts of violence.

- Disruption in the stock market in India or Globally.
- Failure to comply with laws and regulations prescribed by authorities of the jurisdictions in which we operate;
- Inability to successfully obtain registrations in a timely manner or at all;
- General economic and business conditions in the markets in which we operate and in the local, regional, national and international economies;
- Our ability to effectively manage a variety of business, legal, regulatory, economic, social and political risks associated with our operations;
- Disruption in the network connection and Internet services;
- Recession in the market;
- Changes in laws and regulations relating to the industries in which we operate;
- Effect of lack of infrastructure facilities on our business;
- Occurrence of Environmental Problems & Uninsured Losses;
- Our ability to successfully implement our growth strategy and expansion plans;
- Our ability to meet our capital expenditure requirements;
- Our ability to attract, retain and manage skilled qualified personnel;
- Failure to adapt to the changing technology in our industry of operation may adversely affect our business and financial condition;

- Failure to obtain any approvals, licenses, registrations and permits in a timely manner;
- Changes in political and social conditions in India or in countries that we may enter, the monetary and interest rate policies of India and other countries, inflation, deflation, unanticipated turbulence in interest rates, equity prices or other rates or prices;
- The occurrence of natural or man-made disasters could adversely affect our results of operations and financial condition;
- Any adverse outcome in the legal proceedings in which we are involved;
- Our ability to expand our geographical area of operation;

For further discussions of factors that could cause our actual results to differ, please refer the section titled “*Risk Factors*” and chapter titled “*Our Business*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” beginning on page 30, 144, and 201 of this Prospectus, respectively. By their nature, certain market risk disclosures are only estimating 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.

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

Forward-looking statements reflect the current views as of the date of this Prospectus and are not a guarantee of future performance.

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.

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

SECTION II - SUMMARY OF OFFER DOCUMENT

The following is a general summary of certain disclosures included in this Prospectus and is neither exhaustive, nor purports to contain a summary of all the disclosures in this Prospectus or the Prospectus, when filed, or all details relevant to prospective investors. This summary should be read in conjunction with, and is qualified in its entirety by, the more detailed information appearing elsewhere in this Prospectus, including “Risk Factors”, “The Offer”, “Capital Structure”, “Objects of the Offer”, “Industry Overview”, “Our Business”, “Our Promoters and Promoter Group”, “Restated Financial Information”, “Management’s Discussion and Analysis of Financial Condition and Results of Operations”, “Outstanding Litigation and Material Developments”, “Offer Procedure” and “Main Provisions of The Articles Of Association” on pages 30, 56, 73, 94, 120, 144, 188, 197, 201, 223, 273 and 296, respectively.

Summary of Our Business

Our company “Rikhav Securities Limited” (RSL), established in the year 1995, is engaged the business of equity broking, investing, and trading activities. Our services encompass a comprehensive range of financial activities such as, equity broking, we offer cash delivery, intra-day trading, futures, and options. We are actively involved in trading across various derivative and commodity segments. Additionally, as a Self-Clearing Member of both the Indian Clearing Corporation Limited (ICCL) and NSE Clearing Limited (NCL), we ensure the smooth settlement of trades and assistance with IPO participation, and demat account management. As a mutual fund advisor and distributor, we guide clients through their investment options. Additionally, engage in market making for newly listed securities and make proprietary investments in tradable securities and derivatives.

For more details, please refer chapter titled “Our Business” beginning on page 144 of this Prospectus.

Summary of Our Industry

India has a diversified financial sector undergoing rapid expansion both in terms of strong growth of existing financial services firms and new entities entering the market. The sector comprises commercial banks, insurance companies, non-banking financial companies, co-operatives, pension funds, mutual funds and other smaller financial entities. The banking regulator has allowed new entities such as payment banks to be created recently, thereby adding to the type of entities operating in the sector. However, the financial sector in India is predominantly a banking sector with commercial banks accounting for more than 64% of the total assets held by the financial system.

For more details, please refer chapter titled “Industry Overview” beginning on page 120 of this Prospectus.

Our Promoters

The promoters of our company are Mr. Hitesh Himatlal Lakhani, Mr. Rajendra N Shah, Ms. Bharti Hitesh Lakhani, Ms. Vaishali R Shah, Mr. Deep Hitesh Lakhani, Mr. Monil Rajendra Shah and M/s. Hitesh Himatlal Lakhani HUF.

Size of the Offer

The following table summarizes the details of the Offer. For further details, see “The Offer” and “Offer Structure” beginning on pages 57 and 269, respectively.

| | |
|--|--|
| Offer of Equity Shares ⁽¹⁾ | 1,03,28,000 Equity shares of ₹5/- each for cash at a price of ₹86/- per Equity share (including a premium of ₹81/- per Equity Share) aggregating to ₹ 8,882.08 Lakhs |
| Out Of which: | |
| Fresh Issue ⁽²⁾ | 83,28,000 Equity Shares aggregating ₹ 7,162.08 Lakhs. |
| Offer for Sale ⁽³⁾ | 20,00,000 Equity Shares aggregating ₹ 1,720.00 Lakhs. |
| Of which: | |
| Market Maker Reservation Portion | 5,24,800 Equity Shares of face value of ₹5/- each fully-paid up for cash at a price of ₹86/- per Equity Share aggregating ₹451.33 Lakhs |
| Net Offer | 98,03,200 Equity Shares of having face value of ₹5/- each fully paid-up for cash at a price of ₹86/- per Equity Share aggregating ₹8,430.752 Lakhs |

⁽¹⁾ The Offer is being made in terms of Chapter IX of the SEBI ICDR Regulations, as amended from time to time. This Offer is being made by our company in terms of Regulation of 229 (2) of SEBI ICDR Regulations read with Rule 19(2)(b)(i) of SCRR wherein not less than 25% of the post – offer paid up equity share capital of our company are being offered to the public for subscription.

(2) The Offer has been authorized by the Board of Directors vide a resolution passed at its meeting held on August 31, 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 Annual General Meeting held on September 02, 2024.

(3) The Selling Shareholders has confirmed and authorized its participation in the offer for sale in relation to the offered Shares. The Selling Shareholders confirm that the offered shares have been held by it for a period of at least one year prior to the filing of this Prospectus with BSE SME in accordance with Regulation 8 of the SEBI ICDR Regulations or are otherwise eligible for being offered for sale in the offer in accordance with the provisions of the SEBI ICDR Regulations. For details on the authorisation and consent of the selling shareholder in relation to the offered shares, see “The Offer” and “Other Regulatory and Statutory Disclosures” on pages 56 and 244, respectively.

The Offer and Net Offer shall constitute 26.97% and 25.60% of the post-offer paid-up Equity Share capital of our Company.

Objects of The Offer

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

| | | (₹ in Lakhs) |
|--------|---|-----------------|
| Sr. No | Particulars | Amount |
| 1. | Funding working capital requirements of our company | 4,600.00 |
| 2. | Funding of capital expenditure requirements of our company towards purchase of IT Software, Computers & Laptops | 412.81 |
| 3. | General corporate purposes [#] | 1,276.19 |
| | Total* | 6,289.00 |

[#]The amount utilized for general corporate purpose shall not exceed 25% of the gross proceeds of the Offer.

For further details, please refer to chapter titled “Objects of the Offer” beginning on page 94 of this Prospectus.

Pre-Offer Shareholding of Our Promoters, Promoter Group and The Selling Shareholders as A Percentage of The Paid-Up Share Capital of The Company

Set forth is the Pre-Offer and Post-Offer shareholding of our Promoters, Promoter group and Selling Shareholders as a percentage of the paid-up share capital of the Company:

| Category of Promoter | Pre-Offer | | Post-Offer | |
|---|---------------|------------------------|---------------|------------------------|
| | No. of Shares | % of pre-offer Capital | No. of Shares | % of pre-offer Capital |
| Promoters | | | | |
| Mr. Hitesh Himatlal Lakhani | 22,89,720 | 7.64 | 22,89,720 | 5.98 |
| Ms. Vaishali R Shah | 19,77,876 | 6.60 | 19,77,876 | 5.17 |
| Mr. Deep Hitesh Lakhani | 19,29,960 | 6.44 | 19,29,960 | 5.04 |
| Mr. Rajendra N Shah | 14,36,496 | 4.79 | 14,36,496 | 3.75 |
| M/s. Hitesh Himatlal Lakhani HUF | 13,14,600 | 4.39 | 13,14,600 | 3.43 |
| Ms. Bharti Hitesh Lakhani | 12,23,760 | 4.08 | 12,23,760 | 3.20 |
| Mr. Monil Rajendra Shah | Nil | 0.00 | Nil | 0.00 |
| Promoter Group | | | | |
| Mr. Vikram Navalchand Shah | 20,07,876 | 6.70 | 20,07,876 | 5.24 |
| Mr. Mahesh Navalchand Shah | 19,77,876 | 6.60 | 19,77,876 | 5.17 |
| Mr. Dharmesh Navalchand Shah | 19,77,876 | 6.60 | 19,77,876 | 5.17 |
| M/s. PJS Securities LLP | 12,72,000 | 4.25 | 12,72,000 | 3.32 |
| Ms. Nidhi Hitesh Lakhani | 12,69,000 | 4.24 | 12,69,000 | 3.31 |
| M/s. Himatlal Jethalal Lakhani HUF | 10,95,000 | 3.65 | 10,95,000 | 2.86 |
| M/s. Dharmesh Navalchand Shah HUF | 4,38,000 | 1.46 | 4,38,000 | 1.14 |
| M/s. Rajendra Navalchand Shah HUF | 3,72,000 | 1.24 | 3,72,000 | 0.97 |
| M/s. Navalchand Virchand Shah HUF | 3,60,000 | 1.20 | 3,60,000 | 0.94 |
| Mr. Monil Rajendra Shah & Mr. Rajendra N Shah on Behalf of M/s. R M Shah | 3,51,830 | 1.17 | 3,51,830 | 0.92 |
| Mr. Dhairyra Dharmesh Shah, Mr. Dharmesh Navalchand Shah on behalf of M/s. D D Shah | 3,51,830 | 1.17 | 3,51,830 | 0.92 |

| Category of Promoter | Pre-Offer | | Post-Offer | |
|--|--------------------|------------------------|--------------------|------------------------|
| | No. of Shares | % of pre-offer Capital | No. of Shares | % of pre-offer Capital |
| M/s. Vikram Navalchand Shah HUF | 3,42,000 | 1.14 | 3,42,000 | 0.89 |
| M/s. Mahesh Navalchand Shah HUF | 3,30,000 | 1.10 | 3,30,000 | 0.86 |
| M/s. Chhaya Jayesh Maniyar | 2,70,000 | 0.90 | 2,70,000 | 0.71 |
| Mr. Hitesh Manilal Shah | 2,40,000 | 0.80 | 2,40,000 | 0.63 |
| Mr. Manilal Ragunath Shah | 1,80,000 | 0.60 | 1,80,000 | 0.47 |
| Selling Shareholder | | | | |
| Mr. Harshil Mahesh Shah & Mr. Harsh Mahesh Shah on behalf of M/s. Ashapura Trading | 3,51,830 | 1.17 | 830 | 0.01 |
| Mr. Darshan Vikram Shah, Mr. Dhruvil Vikram Shah on behalf of M/s. Giriraj Trading | 3,51,830 | 1.17 | 830 | 0.01 |
| Ms. Daksha Sharad Maniyar | 2,70,000 | 0.90 | 1,80,000 | 0.47 |
| Mr. Jayesh Mulchand Maniyar | 2,70,000 | 0.90 | 1,80,000 | 0.47 |
| Mr. Mukesh Jayantilal Sanghavi | 2,70,000 | 0.90 | 1,80,000 | 0.47 |
| Ms. Virali Girish Maniyar | 2,70,000 | 0.90 | 1,80,000 | 0.47 |
| Mr. Yash Jayesh Maniyar | 2,70,000 | 0.90 | 1,80,000 | 0.47 |
| Ms. Naity Sharad Maniyar | 2,70,000 | 0.90 | 1,80,000 | 0.47 |
| Mr. Sharad Mulchand Maniyar | 2,70,000 | 0.90 | 1,80,000 | 0.47 |
| Ms. Bharti Mukesh Sanghavi | 2,70,000 | 0.90 | 1,80,000 | 0.47 |
| Ms. Nirmalaben Fatechand Sanghavi | 1,80,000 | 0.60 | 90,000 | 0.24 |
| Mr. Bhaven Vinod Pandya | 1,80,000 | 0.60 | 90,000 | 0.24 |
| Mr. Ketanbhai Arvindray Shah | 1,80,000 | 0.60 | 90,000 | 0.24 |
| Mr. Kishore Paramdas Vora | 1,80,000 | 0.60 | 90,000 | 0.24 |
| Mr. Nisarg Pradip Shah | 1,80,000 | 0.60 | 1,00,000 | 0.26 |
| Ms. Nita Chandrakant Lakhani | 1,80,000 | 0.60 | 1,00,000 | 0.26 |
| Ms. Aneri Manish Lakhani | 1,80,000 | 0.60 | 1,22,000 | 0.32 |
| Total | 2,71,31,360 | 90.55 | 2,51,31,360 | 65.63 |

For further details of the Offer, see “Capital Structure” beginning on page 73.

Summary of Restated Consolidated Financial Information

The following details are derived from the Restated Consolidated Financial Information for the six months ended September 30, 2024 and March 31, 2024, March 31, 2023 and March 31, 2022.

(₹ in lakhs other than share data)

| Particulars | For the period/ year ended March 31 st | | | |
|--|---|-----------|----------|----------|
| | 30.09.2024 | 2024 | 2023 | 2022 |
| Equity Share capital | 1,498.20 | 1,498.20 | 1,498.20 | 499.40 |
| Net worth [#] | 18,845.06 | 13,807.74 | 9,496.21 | 7,585.94 |
| Total Income ^{\$} | 9,615.80 | 11,134.26 | 5,452.43 | 4,298.31 |
| Restated profit/(loss) after tax | 5,037.32 | 4,264.63 | 1,910.27 | 1,762.47 |
| Earnings per share (Basic & diluted) (Post Bonus & Split) (₹) [@] | 16.81 | 14.23 | 6.38 | 5.88 |
| Net Asset Value per Equity Share (Post Bonus & Split) (₹) [*] | 62.89 | 46.08 | 31.69 | 25.32 |
| Total borrowings [^] | 2,598.06 | 4,806.11 | 994.27 | 1,506.12 |

[#]Net Worth = Restated Equity Share Capital plus Restated Reserves & Surplus

^{\$}Total Revenue = Restated Revenue from operations plus Restated Other Income

[@] Earnings per share (Basic & diluted) = Restated profit after tax for the period divided by Restated weighted average number of Equity Shares outstanding during the period

^{*}Net Asset Value per Equity Share = Restated Net worth divided by Restated weighted average number of Equity Shares outstanding during the period

[^]Total Borrowings = Restated Long-Term Borrowings plus Restated Short-Term Borrowings

Qualifications of Auditors

There are no qualifications included by the Statutory Auditors in their audit reports and hence no effect is required to be given in the Restated Consolidated Financial Information.

Summary of Outstanding Litigations & Material Developments

A summary of pending legal proceedings and other material litigations involving our Company, our Promoters, our Directors and our Group Companies as on the date of this Prospectus is provided below:

| Name of Entity | Criminal Proceedings | Tax Proceedings | Statutory or Regulatory Proceedings | Disciplinary actions by the SEBI or Stock Exchanges against our Promoters | Material Civil Litigations | Aggregate amount involved (₹ in Lakhs) |
|-------------------------|----------------------|-----------------|-------------------------------------|---|----------------------------|--|
| Company | | | | | | |
| By the Company | NA | NA | NA | NA | NA | NA |
| Against the Company | NA | 10 | NA | NA | 1 | 673.18 |
| Directors | | | | | | |
| By our Directors | NA | NA | NA | NA | NA | NA |
| Against the Directors | NA | NA | NA | NA | NA | NA |
| Promoters* | | | | | | |
| By Promoters | NA | NA | NA | NA | NA | NA |
| Against Promoters | NA | 3 | NA | NA | NA | 3.63 |
| Subsidiaries | | | | | | |
| By Subsidiaries | NA | NA | NA | NA | NA | NA |
| Against Subsidiaries | NA | NA | NA | NA | NA | NA |
| Group Companies | | | | | | |
| By Group Companies | NA | NA | NA | NA | NA | NA |
| Against Group Companies | NA | 7 | NA | NA | NA | 13.04 |

*Our Promoters are also the director of the Company. Hence litigations against them have not been included under the heading of director to avoid repetition.

Brief details of top 5 Criminal Case against our Promoters:

| Sr. No. | Particulars | Litigation filed by | Current status | Amount involved |
|---------|-------------|---------------------|----------------|-----------------|
| 1. | NA | NA | NA | NA |

For further details, please refer chapter titled “Outstanding Litigations and Material Developments” beginning on page 223 of this Prospectus.

Summary of Contingent Liabilities of Our Company

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

(₹ in Lakhs)

| Particulars | For the period/ year ended March 31 st | | | |
|--|---|-----------|-----------|----------|
| | 30.09.2024 | 2024 | 2023 | 2022 |
| Contingent liabilities in respect of: | | | | |
| Guarantees given on Behalf of the Company | 12,500.00 | 11,500.00 | 12,475.00 | 8,475.00 |

| Particulars | For the period/ year ended March 31 st | | | |
|---|---|------------------|------------------|-----------------|
| | 30.09.2024 | 2024 | 2023 | 2022 |
| TDS Defaults with respect to Delay filing fee, Short Deduction and Interest thereon | 0.07 | 0.73 | 0.16 | 0.16 |
| Income Tax Outstanding Demand | 475.80 | 475.10 | 475.10 | 475.10 |
| Service Tax Demand | 94.45 | 43.27 | 43.27 | 43.27 |
| Total | 13,070.32 | 12,019.10 | 12,993.53 | 8,993.53 |

For details, please refer to Section titled “*Restated Financial Information*” beginning on page 197 of this Prospectus.

Summary of Related Party Transactions

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

List of Related Parties where Control exists and Relationships:

| Particulars | Names of related parties | Nature of Relationship |
|---|--|--|
| Directors and Key Management Personnel (KMP) | Hitesh Himatlal Lakhani | Chairman & Managing Director |
| | Rajendra Navalchand Shah | Whole Time Director |
| | Monil Rajendra Shah | Director |
| | Manish Lalitkumar Jain | Director |
| | Tarang Madanjit Mehta | Director |
| | Bharati Hitesh Lakhani | Director |
| | Hemant Shah | CFO |
| | Sona Jain | Company Secretary |
| Relatives of KMP | Vaishali R Shah | Wife of Rajendra N Shah |
| | Mahesh Navalchand Shah | Brother of Rajendra Navalchand Shah |
| | Deep Hitesh Lakhani | Son of Hitesh Himatlal Lakhani |
| Enterprises in which KMP/Relatives of KMP can exercise significant influence | Virang Enterprises Private Limited | Relatives of key management personnel and their enterprises where transaction have taken place |
| | AHL Investment Consultants Private Limited | |
| | Anukriti Reality Private Limited | |
| | Dweep Enterprises Private Limited | |
| | Viranchi Trading LLP | |
| | Rikhav Insurance Brokers Private Limited | |
| | Rikhav BPO & Software Services Private Limited | |
| | Rajendra N Shah HUF | HUF Entity of Rajendra N Shah |
| | Hitesh Himatlal Lakhani HUF | HUF Entity Firm of Hitesh Himatlal Lakhani |
| | M/s. B D Lakhani | Partnership Firm of Son of Hitesh Himatlal Lakhani |
| | M/s. H J Lakhani | Partnership Firm of Son of Hitesh Himatlal Lakhani |
| | M/s. N D Lakhani | Partnership Firm of Son of Hitesh Himatlal Lakhani |
| | M/s. R H Lakhani | Partnership Firm of Son of Hitesh Himatlal Lakhani |
| | M/s. K J SHAH | Partnership Firm of Son of Rajendra N Shah |
| M/s. R M Shah | Partnership Firm of Son of Rajendra N Shah | |

| Particulars | Names of related parties | Nature of Relationship |
|-------------|------------------------------|--|
| | M/s. S M Shah | Partnership Firm of Son of Rajendra N Shah |
| | Navalchand Virchand Shah HUF | HUF Entity of Father of Rajendra N Shah |
| | Mahesh Navalchand Shah HUF | HUF Entity of Brother of Rajendra N Shah |
| | RSL ISFC Private Limited | Subsidiary |

Transactions carried out with Related Party in ordinary course of business:

(₹ in Lakhs)

| Transactions with Related Parties | 30.09.2024 | 31-Mar-24 | 31-Mar-23 | 31-Mar-22 |
|--|------------|-----------|-----------|-----------|
| 1. Director Remuneration | | | | |
| Hitesh Himatlal Lakhani | 4.50 | 6.50 | -- | 12.00 |
| Rajendra Navalchand Shah | 4.50 | -- | -- | -- |
| 2. Director Sitting Fees | | | | |
| Hitesh Himatlal Lakhani | 1.50 | 3.25 | 7.00 | -- |
| Manish Jain | 2.50 | 5.00 | -- | -- |
| Monil Rajendra Navalchand Shah | 2.50 | 4.50 | 0.50 | - |
| Sarthak Kothari | -- | 1.75 | -- | -- |
| Tarang Mehta | 2.50 | 5.00 | -- | -- |
| Bharti Hitesh Lakhani | 0.75 | -- | -- | -- |
| Rajendra Navalchand Shah | 1.50 | -- | -- | -- |
| 3. Professional Fees | | | | |
| Arpit Lodaya | 12.65 | 11.62 | -- | - |
| B D Lakhani | 8.90 | 19.05 | -- | - |
| Bharti Hitesh Lakhani | 4.70 | 18.75 | -- | - |
| H J Lakhani | 9.06 | 21.44 | 18.00 | -- |
| K J Shah | 9.40 | 18.15 | -- | -- |
| Manish Jain | 3.55 | 8.15 | -- | -- |
| Monil Rajendra Shah | 4.45 | 15.25 | -- | -- |
| N D Lakhani | 9.13 | 19.20 | -- | -- |
| R H Lakhani | 9.35 | 18.30 | -- | -- |
| Rajendra Navalchand Shah | 4.35 | 18.00 | -- | -- |
| S M Shah | 9.25 | 18.40 | -- | -- |
| Tarang Mehta | 0.80 | 2.87 | 0.75 | -- |
| Viranchi Trading LLP | 8.93 | 18.45 | -- | -- |
| Virang Enterprises Private Limited | -- | 19.15 | -- | -- |
| 4. Salary | | | | |
| Deep Hitesh Lakhani | 1.29 | 2.09 | -- | 4.80 |
| Rajendra Navalchand Shah | -- | 7.50 | -- | -- |
| Mahesh Navalchand Shah | 4.50 | -- | -- | -- |
| 5. Rent & Amenities | | | | |
| AHL Investment Consultants Private Limited | -- | -- | 47.20 | 70.80 |
| Bharti Hitesh Lakhani | -- | 12.00 | -- | 2.20 |
| Garvita Developers Private Limited | -- | - | 2.20 | 2.20 |
| Hitesh Himatlal Lakhani HUF | -- | 9.30 | -- | -- |
| Hitesh Himatlal Lakhani | -- | -- | -- | 2.20 |
| Rajendra Navalchand Shah | -- | -- | 2.20 | 2.20 |
| Rikhav Insurance Brokers Private Limited | 24.78 | 49.56 | 49.56 | 38.98 |
| Anukriti Reality Private Limited | -- | -- | 2.20 | 2.20 |
| 6. Brokerage & Commission | | | | |
| Arpit Lodaya | -- | 1.46 | 2.82 | 1.49 |
| Mahesh Navalchand Shah HUF | 4.30 | 18.56 | -- | -- |

| Transactions with Related Parties | 30.09.2024 | 31-Mar-24 | 31-Mar-23 | 31-Mar-22 |
|--|-------------------|------------------|------------------|------------------|
| Monil Rajendra Shah | -- | - | -- | 0.70 |
| Navalchand Virchand Shah HUF | 4.70 | 16.62 | -- | -- |
| Vaishali R Shah | -- | 3.03 | -- | -- |
| | | | | |
| 7. Contract Charges | | | | |
| Anukriti Reality Private Limited | -- | 19.30 | -- | -- |
| Dweep Enterprises Private Limited | -- | 19.30 | -- | -- |
| Mahesh Navalchand Shah HUF | -- | 9.30 | -- | -- |
| Mahesh Navalchand Shah | 4.65 | -- | | |
| R M Shah | 9.58 | 19.10 | -- | -- |
| Rajendra Navalchand Shah HUF | 4.65 | 18.35 | -- | -- |
| Hitesh Himatlal Lakhani HUF | 4.55 | -- | -- | -- |

For details, please refer to chapter titled “*Restated Financial Information*” beginning on page 197 of this Prospectus.

Financing Arrangements

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

Weighted average price at which Equity Shares were acquired by our Promoters and the Selling Shareholders in the last one year preceding the date of this Prospectus.

There have been no equity shares that were acquired in the last one year preceding the date of this Prospectus by our Promoters or the Selling Shareholders.

Average Cost of Acquisition of Promoters and Selling Shareholders

The average cost of acquisition of Equity Shares by our Promoters and the Selling Shareholders as on the date of this Prospectus, is:

| Name of Promoters and Selling Shareholders | No of Equity Shares held | Average cost of Acquisition (in ₹)* |
|--|---------------------------------|--|
| Promoters | | |
| Mr. Hitesh Himatlal Lakhani | 22,89,720 | 3.30 |
| Ms. Vaishali R Shah | 19,77,876 | 13.57 |
| Mr. Deep Hitesh Lakhani | 19,29,960 | 3.81 |
| Mr. Rajendra N Shah | 14,36,496 | 6.43 |
| M/s. Hitesh Himatlal Lakhani HUF | 13,14,600 | 7.74 |
| Ms. Bharti Hitesh Lakhani | 12,23,760 | 7.66 |
| Mr. Monil Rajendra Shah | Nil | -- |
| Selling Shareholders | | |
| Mr. Harshil Mahesh Shah & Mr. Harsh Mahesh Shah on behalf of M/s. Ashapura Trading | 3,51,830 | 5.00 |
| Mr. Darshan Vikram Shah, Mr. Dhruvil Vikram Shah on behalf of M/s. Giriraj Trading | 3,51,830 | 5.00 |
| Ms. Daksha Sharad Maniyar | 2,70,000 | 18.20 |
| Mr. Jayesh Mulchand Maniyar | 2,70,000 | 18.20 |
| Mr. Mukesh Jayantilal Sanghavi | 2,70,000 | 18.20 |
| Ms. Virali Girish Maniyar | 2,70,000 | 18.20 |
| Mr. Yash Jayesh Maniyar | 2,70,000 | 18.20 |
| Ms. Naity Sharad Maniyar | 2,70,000 | 18.20 |
| Mr. Sharad Mulchand Maniyar | 2,70,000 | 18.20 |
| Ms. Bharti Mukesh Sanghavi | 2,70,000 | 18.20 |
| Ms. Nirmalaben Fatechand Sanghavi | 1,80,000 | 24.80 |

| Name of Promoters and Selling Shareholders | No of Equity Shares held | Average cost of Acquisition (in ₹)* |
|--|--------------------------|-------------------------------------|
| Mr. Bhaven Vinod Pandya | 1,80,000 | 24.80 |
| Mr. Ketanbhai Arvindray Shah | 1,80,000 | 24.80 |
| Mr. Kishore Paramdas Vora | 1,80,000 | 24.80 |
| Mr. Nisarg Pradip Shah | 1,80,000 | 24.80 |
| Ms. Nita Chandrakant Lakhani | 1,80,000 | 24.80 |
| Ms. Aneri Manish Lakhani | 1,80,000 | 24.80 |

**As certified by M/s. AHSP & Co. LLP, Chartered Accountants, by way of their certificate dated September 23, 2024.*

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

Weighted average cost of all Equity Shares transacted in the 18 months and one year preceding the date of this Prospectus.

There have been no equity shares that were transacted in the last 18 months and One year preceding the date of this Prospectus by our Promoters or the Selling Shareholders.

Details of Pre-IPO Placement

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

Issue of Equity Shares for Consideration other than Cash in The Last One (1) Year

Our Company has not issued any Equity Shares for consideration other than cash in the one year preceding the date of this Prospectus.

Split or consolidation of Equity Shares in the last one year

Our Company has not undertaken consolidation of the Equity Shares in the one year preceding the date of this Prospectus. However, there have been split of equity shares of face value of ₹10/- each to face value of ₹5/- each on September 02, 2024.

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

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

SECTION III – RISK FACTORS

An investment in Equity Shares involves a high degree of financial risk. Investors should carefully consider all information in this Prospectus, including the risks described below, before making an investment in our Equity Shares. If any of the following risks, or other risks that are not currently known or are now deemed immaterial, actually occur, our business, results of operations, cash flows and financial condition could suffer, the price of the Equity Shares could decline, and you may lose all or part of your investment. In making an investment decision, prospective investors must rely on their own examination of us and the terms of the Offer including the merits and risks involved. Investors should consult their tax, financial and legal advisors about particular consequences to them of an investment in the Offer. The risk factors set forth below do not purport to be complete or comprehensive in terms of all the risk factors that may arise in connection with our business or any decision to purchase, own or dispose of the Equity Shares. This section addresses general risks associated with the industry in which we operate and specific risks associated with our Company. However, there are certain risk factors where the financial impact is not quantifiable and, therefore, such financial impact cannot be disclosed in such risk factors. Unless specified or quantified in the relevant risk factors below, we are not in a position to quantify the financial or other implications of any of the risks described in this section. Any of the following risks, as well as the other risks and uncertainties discussed in this Prospectus, could have a material adverse effect on our business and could cause the trading price of our Equity Shares to decline and you may lose all or part of your investment.

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

To obtain a better understanding of our business, you should read this chapter in conjunction with other chapters of this Prospectus, including the chapters titled “Our Business”, “Management’s Discussion and Analysis of Financial Condition and Results of Operations”, “Industry Overview” and “Restated Financial Information” on page 144, 201, 120 and 197 respectively of this Prospectus, together with all other Restated Financial Information contained in this Prospectus. Our actual results could differ materially from those anticipated in these forward-looking as a result of certain factors, including the considerations described below and elsewhere in this Prospectus.

Unless otherwise stated, the financial data in this chapter is derived from our Restated Consolidated Financial Information for the financial years ended March 31, 2024, 2023, and 2022 as included in “Restated Financial Information” beginning on page 197 of this Prospectus.

INTERNAL RISKS

- 1. We have certain outstanding litigation against us, an adverse outcome of which may adversely affect our business, reputation and results of operations.***

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

Cases against our Company:

| Nature of Cases | No of Outstanding Cases | Amount involved (In Lakhs) |
|-----------------------------------|--------------------------------|-----------------------------------|
| Criminal Complaints | -- | -- |
| Statutory/ Regulatory Authorities | -- | -- |
| Taxation Matters | 10 | 673.18 |
| Other Litigation | 1 | Unascertained |

Cases against our Director and / or Promoters:

| Nature of Cases | No of Outstanding Cases | Amount involved (In Lakhs) |
|-----------------------------------|--------------------------------|-----------------------------------|
| Criminal Complaints | -- | -- |
| Statutory/ Regulatory Authorities | -- | -- |
| Taxation Matters | 3 | 3.36 |
| Other Litigation | -- | -- |

Cases filed against our Group Companies:

| Nature of Cases | No of Outstanding Cases | Amount involved (In Lakhs) |
|-----------------------------------|-------------------------|----------------------------|
| Criminal Complaints | -- | -- |
| Statutory/ Regulatory Authorities | -- | -- |
| Taxation Matters | 7 | 13.04 |
| Other Litigation | -- | -- |

The amounts claimed in these proceedings have been disclosed to the extent ascertainable and include amounts claimed jointly and severally. If any new developments arise, such as a change in Indian law or rulings against us by appellate courts or tribunals, we may need to make provisions in our financial statements that could increase our expenses and current liabilities.

We cannot assure you that any of the outstanding litigation matters will be settled in our favour or that no additional liabilities will arise out of these proceedings. In addition to the above, we could also be adversely affected by complaints, claims or legal actions brought by persons, including before consumer forums or sector-specific or other regulatory authorities in the ordinary course of business or otherwise, in relation to our business operations, our intellectual property, our branding or marketing efforts or campaigns or our policies. We may also be subject to legal action by our employees and/or former employees in relation to alleged grievances, such as termination of employment. We cannot assure you that such complaints, claims or requests for information will not result in investigations, enquiries or legal actions by any regulatory authority or third persons against us.

For further details of certain material legal proceedings involving our Company, our Promoter, our directors, see “*Outstanding Litigations and Material Developments*” beginning on page 223 of this Prospectus.

2. ***Our Company has been subject to certain penal actions from the Stock Exchanges and Regulatory Authority in the past in the past. There can be no assurance that we will not be subjected to such penalties in the future, which may in turn adversely affect our financial conditions, our operations and profitability.***

We have been penalized in past for not complying with regulations by the Stock Exchanges. For information regarding the penal actions taken by the Stock Exchanges and Regulatory Authority in the past. The details of such penalties are as under:

| Sr. No | Date | Description | Amount (₹ in Rupees) |
|--------|-------------------|--|----------------------|
| 1. | May 10, 2024 | Failure to report new demat accounts opened to the exchanges within the specified timelines March 2024/INV NON/DN/24-25/599 | 5,900 |
| 2. | May 13, 2024 | Penal charges for Not/Wrong uploading of IML/BOLT location details-charges of location code mismatch/INV NO25270500014529 | 236.00 |
| 3. | May 13, 2024 | Penalty for position violation in banned securities EDX - April 2024/INV NO25270500000760 | 1,36,360.80 |
| 4. | June 01, 2024 | Penalty for Non/Short allocation of client wise collateral EQ- Sept 23 to Feb 24/INV NO-25270500001322 | 22,146.37 |
| 5. | June 01, 2024 | Penalty for Non/Short allocation of client wise collateral CDX- Sept 23 - Feb 24/INV NO-25270500001456 | 22,146.37 |
| 6. | June 01, 2024 | Penalty for Non/short allocation of Client wise collateral EDX- Sept 23 - Feb 24/INV NO-25270500001403 | 22,146.37 |
| 7. | November 29, 2024 | Penalty under Section 15-I of the Securities and Exchange Board of India act, 1992 read with rule 5 of the securities and exchange board of India (procedure for holding inquiry and imposing penalties) rules, 1995 | 10,00,000 |

3. ***We are subject to extensive statutory and regulatory requirements and supervision, which have material influence on, and consequences for, our business operations.***

Our business activities are subject to extensive supervision and regulation by the Government and various regulatory authorities, such as SEBI, AMFI, CDSL and the exchanges. For details of our business activities and registrations with various regulatory authorities, please see the sections entitled “*Our Business*” and “*Government and other Approvals*” on pages 144 and 236, respectively. Further, to undertake some of our business activities, including for the launch of new services, we may need to obtain registrations and approvals under, and comply with, regulations issued by various regulatory authorities, including, SEBI, AMFI, CDSL and exchanges, including, NSE, BSE, MCX, from time to time. Such

regulations include the SEBI Portfolio Managers Regulations, the SEBI Depository Participant Regulations and the SEBI Stock Brokers Regulations, SEBI Mutual Funds Regulations, AMFI Guidelines. Additionally, we need to ensure compliance with various statutes, various rules, regulations, notifications and circulars issued under such statutes. In addition, our business operations are subject to regulatory limits on brokerage fee rates and net worth requirements imposed by the exchanges.

Further, we are subject to various laws relating to the prevention of insider trading, front running and other conflicts of interest. Conflicts of interest may exist between, (i) our departments; (ii) us and our clients; (iii) different clients serviced by us; (iv) our employees and us; (v) our clients and our employees; (vi) our intermediaries and us; (vii) our intermediaries and our clients or (viii) the Company and our Subsidiaries. Although we have internal controls and measures in place, we cannot assure you that we or our agents, intermediaries or employees will always manage such conflicts of interest, including compliance with various applicable laws and regulations.

Such controls and measures may be incorrectly implemented and fail to perform as expected. Any such failure to manage such conflicts could harm our reputation and erode client confidence in us. In addition, potential or perceived conflicts of interest may also give rise to litigation or regulatory actions. Any of the foregoing could materially and adversely affect our business, financial condition, and results of operations.

4. Our Company had negative cash flows in the past years from investing activities, details of which are given below. Sustained negative cash flow could impact our growth and business.

We have experienced negative cash flows in the past from investing activities which have been set out below as per the restated consolidated financial statements:

| (₹. in Lakhs) | | | | |
|------------------------------------|--------------------|----------------|----------------|----------------|
| Particulars | September 30, 2024 | March 31, 2024 | March 31, 2023 | March 31, 2022 |
| Net Cash from Operating Activities | 2,329.79 | 4,693.63 | (886.61) | (3,664.22) |
| Net Cash from Investing Activities | (1,309.90) | (6,833.98) | 79.81 | 7,626.90 |
| Net Cash from Financing Activities | (2,484.84) | 3,566.01 | (844.00) | (1,768.03) |

Cash flows of a company is a key indicator to show the extent of cash generated from the operations of a company to meet capital expenditure, pay dividends, repay loans and make new investments without raising finance from external resources. If we are not able to generate sufficient cash flows, it may adversely affect our business and financial operations. For further details, see section titled “Restated Financial Information” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on pages 197 and 203, respectively of this Prospectus.

5. Our Company is a SEBI registered intermediary and is into the business of primary and secondary capital market. The market is prone to fraudulent transactions which are at times beyond the control of the Company and any such transactions undertaken by the clients of the company may drag the company into litigation with regulatory authorities, which if proved against us in absence of adequate proofs, may pour heavily on the Company.

Our company is a SEBI registered intermediary and is into the business of Primary and secondary capital market. Since its inception, this segment of country’s economy has been prone to fraudulent transactions by few which are results of their desire to earn monies in short term with least efforts. Also, the capital market of the Country, although highly regulated by the regulating authorities, is a grey segment and since transactions occur in volume with involvement of mass, several persons keep innovating fraudulent tricks to manipulate the market and take a free ride on the monies of small investors. Our Company being an intermediary in the market, have at several instances been allegedly used by its clients to conduct such transactions and hence we have, at times, been enquired / investigated for such fraudulent transactions wherein we were not involved directly.

Further in the past, the Company had been debarred from acting as syndicate/sub-syndicate member, vide an interim order dated July 11, 2011 passed by the Securities and Exchange Board of India. The order was passed in the matter of Initial Public offer (IPO) of M/s. Vaswani Industries Limited (VIL), in respect of which M/s. Rikhav Securities Limited (hereinafter referred to as “Rikhav Securities”) was a Sub-Syndicate member. The said Order was passed on the basis of the *prima facie* findings that Rikhav Securities had inflated the bid book to a large extent in the IPO of VIL and thus appeared to have induced the investors in the Retail Individual Investor (RII) category to subscribe to the issue.

Later upon holding detailed enquiry in the matter, Rikhav Securities was found instrumental in inflating the bid book without actual inflow of funds from the application bid through their terminal and with the sole intention to falsely show a good response to the IPO, thereby violating the provisions of Section 12 A (a) (b) & (c) of the SEBI Act and Regulation 3 (b) & (d), 4 (1) and 4 (2) (a) & (b) of the PFUTP Regulations. Accordingly, SEBI vide its final order dated March 13, 2015 restrained Rikhav Securities from acting as syndicate/sub syndicate member for a period of four years. (The period of

prohibition already undergone by Rikhav Securities in terms of the aforesaid Interim Order dated July 11, 2011, was also to be taken into account for the purpose of computing the four-year period of prohibition as directed in the order dated March 13 2015). Accordingly, the effective period of debarment was for a period of 4 (Four) years from July 11, 2011 till July 10, 2015.

Further, vide an (**ADJUDICATION ORDER NO: EAD-3/AO/DRK/JP/ 507-51 to 510-54 of 2014**) dated **April 14, 2014**, penalties for an amount of Rs. 75,00,000/- was levied against M/s. Rikhav Brokers Pvt. Ltd. Rs. 25,00,000/- was levied against M/s. AHL Investment Consultants Pvt. Ltd and Rs. 50,00,000/- each against M/s. Manba Investments & Securities Pvt. Ltd. and M/s. Manba Broking Services Pvt. Ltd. However upon an appeal being filed against the aforementioned order, the Honb'le Securities Appellate Tribunal vide its orders dated August 10, 2016 and October 04, 2016 remanded back the order to Adjudication officer to re-consider the matter on the facts and merits upon which the Adjudication Officer vide its **ADJUDICATION ORDER: Order/MC/VS/2021-22/15158-15161 dated February 25, 2022**, having found that the alleged violations by the noticees could not be established, disposed of the adjudication proceedings initiated against the Noticees vide SCN dated March 21, 2013 without any penalty.

Further with respect to penalties levied against the group companies of Rikhav Securities in other matters, the details are as under;

| Name of the Group Entity | Order number | Issuing Authority | Penalty Levied |
|--|---|---|--|
| Rikhav Commodity Brokers Private Limited | QJA/MK/MIRSD/DOP/ 28904/2023-24 dated August 24, 2023 Further appeal: Misc. Application No. 1250 of 2023 And Misc. Application No. 1251 of 2023 And Appeal No. 810 of 2023 | EXECUTIVE DIRECTOR SECURITIES AND EXCHANGE BOARD OF INDIA | suspended the Certificate of Registration (bearing No. INZ000082537) of the Noticee i.e., Rikhav Commodity Brokers Private Limited for a period of three (3) months from the date of this Order or till the FIR filed against the Noticee by EOW ceases to be pending or the Noticee is discharged or acquitted by a Court in relation to the FIR, whichever is later. (SAT) vide its order dated October 17, 2023, stayed the effect and operation of its order dated August 24, 2023 in an appeal filed by several accused in the matter. |
| Parth Investments and Consultants Pvt. Ltd. | Order dated December 07, 2006 passed in the matter of scrip of M/s. Sun Infoways Limited | THE ADJUDICATING OFFICER SECURITIES AND EXCHANGE BOARD OF INDIA | The noticee was imposed with a penalty of Rs. 50,000/- |
| PJS Securities LLP | SO/AB/EFD2/2022-23/7162 dated March 08, 2023 | BEFORE THE SECURITIES AND EXCHANGE BOARD OF INDIA (SETTLEMENT ORDER) | Settlement order dated May 08, 2023 was passed in the matter wherein the notice herein, amongst others, was required to pay a settlement amount of Rs. 1,00,000/- |

Although we ensure to take all efforts to keep ourselves clean from such transactions, as a part of our business, we may be dragged into such litigations in which event, our attention towards the business may shift thus adversely affecting the business of our company.

For further details in respect of above matters, please refer the chapter "*Outstanding Litigations and Material Developments*" starting on page 223 of the Prospectus.

6. *The operation of our businesses is highly dependent on information technology and we are subject to risks arising from any failure of, or inadequacies in, our IT systems.*

Our operations rely heavily on the effectiveness of our IT systems and their ability to record and process accurately a large number of transactions on a daily basis and in a timely manner to provide a seamless digital experience to our clients. While we are compliant with the SEBI Circular on Cyber Security & Cyber Resilience framework for Stock Brokers / Depository Participants, we have recognised and continue to address the need to have sophisticated technology systems in place to meet our clients' requirements. A prolonged disruption of, or failure of, our information processing or communications systems would limit our ability to process transactions. For example, there have been instances in the past of failure of software, hardware, internet and intranet links. Any failure of, or inadequacies in our IT systems would impair our ability to service our clients and execute trades on behalf of clients, which could materially and adversely affect our competitiveness, financial condition, cash flows and results of operations.

Our system for processing securities transactions is automated and we rely heavily on the ability of our trading system to handle a large number of transactions. While we regularly monitor and upgrade the capacity of our trading system, in anticipation of high volumes of transactions, we cannot assure you that we will be able to process all trading orders at a time of increased demand, including due to increased market volatility. Further, majority of our workforce is working from their respective homes and accordingly, we may face difficulty in ensuring real-time connectivity and data integrity, experience difficulty in addressing significant volatility in indices with real time PMS reviews, maintaining uptime of all information technology infrastructure across all our locations and ensure adequate availability of financial resources to manage our business. While we believe that our risk management strategy and operations protocol have been successful for dealing with these issues until now, there can be no assurance we will be able to continue to do so. If we are unable to efficiently process all trading orders received, we may lose clients, become subject to client complaints, litigation or regulatory action, face financial losses and may adversely affect our reputation.

We although back up our business data regularly and have a contingency disaster recovery centre for our retail brokerage and distribution businesses, we cannot assure you that there will not be an unforeseen circumstance or that our disaster recovery planning is adequate for all eventualities.

The securities industry is characterized by rapidly changing technology and the future success of our business will depend in part on our ability to effectively adapt to technological advances and to emerging industry standards and practices on a cost-effective basis. Online trading platforms and mobile applications are popular among clients due to their convenience and user-friendliness. We rely heavily on technology and rely on our electronic brokerage platform and mobile apps to provide a wide range of brokerage and distribution services. Due to the rapid evolution in technology and AI, trades take place through machine-based algorithms within a few microseconds. This AI-based buying and selling system has changed the mechanism of supply and demand and it is now to estimate individualised pricing, based on individualised demand and supply. If we are unable to keep up with technological changes, especially adapting to the AI based trade system while our competitors invest in improved or better technologies or entry of new players who may be able to offer clients better products and user experience. If we are unable to effectively compete on IT-enabled offerings, it could have a material adverse effect on our business, financial condition, cash flows, results of operations and prospects.

Our technology operations are also vulnerable to disruptions from human error, catastrophic events including natural disasters, lack of capacity during peak trading times or times of unusual market volatility, power failure, computer viruses, spam attacks, ransom ware, distributed denial of services attacks, unauthorized access, data leakage and other similar events, and we may not be able to adapt to the evolving technology in the industry. An external information security breach, such as hacker attacks, frauds, virus or worm infestation of our IT systems, or an internal problem with information protection, such as failure to control access to sensitive systems, could materially interrupt our business operations or cause disclosure or modification of sensitive or confidential information. Disruptions to, or instability of, our technology or external technology, or failure to timely upgrade our online or mobile brokerage platforms could harm our business, reputation and prospects.

The proper functioning of our internet-based trading system, order routing system, back-office systems, settlement system, risk management system, financial controls, accounting, client database, client service and other data processing systems, together with the communications networks linking our IT systems with relevant exchanges, banks, depositories, registrar and transfer agents and client interfaces, is critical to our business and our ability to compete effectively. Our business activities would be materially disrupted in the event of a partial or complete failure of any of these IT systems, communication networks or their backup systems and procedures.

7. *We depend on the accuracy and completeness of information about clients and counterparties for our business. Any misrepresentation, errors in or incompleteness of such information could adversely affect our business and financial performance.*

We significantly rely on information furnished to us by, or on behalf of, clients (including in relation to their financial transactions and past credit history) for various aspects of our business operations, such as new client enrolment, appointing new authorised persons and servicing our clients. We may also rely on certain representations from our clients as to the

accuracy and completeness of the information provided by them. We may receive inaccurate or incomplete information as a result of negligence or fraudulent misrepresentation. Our risk management measures may not be adequate to prevent such activities or detect inaccuracies in such information in a timely manner, or at all, which may expose us to regulatory action or other risks, and may adversely affect our reputation, business prospects, financial condition and results of operations.

Difficulties in assessing credit risks associated with our day-to-day lending operations may lead to an increase in the level of our non-performing and restructured assets, which could materially and adversely affect our business prospects, financial condition and results of operations.

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

The Restated Financial Information of our Company as disclosed in section titled “*Restated Financial Information*” beginning on Page no. 197 of this Prospectus for the six months ended September 30, 2024 and for the financial year ended on March 31, 2024, March 31, 2023 and March 31, 2022 is furnished by Peer Reviewed Chartered Accountants i.e., M/s Mundra & Co., Chartered Accountants (having Peer Review Registration No. 014184) who is not the Statutory Auditor of our Company. While our Statutory Auditor possesses a valid peer-reviewed certificate, for the purpose of maintaining the independence, the task of providing the restated financial statements was entrusted to the aforementioned peer-reviewed chartered accountant.

9. *Our Company is a SEBI registered intermediary and is into the business of primary and secondary capital market. The laws in the segment keeps changing and evolving on regular basis and any non-compliance on our part may render our Company into penalties.*

Our company is a SEBI registered intermediary and is into the business of Primary and secondary capital market. As the market is directly linked to the economic growth of the country and involves of volatile movement of hard-earned money of small investors / retailers with a history of fraudulent trade practices, the authorities keep changing and evolving the law to protect the interest and monies of investors from being drawn up to the interest of a few fraudulent trade operators. With growing technical evolvement, the market regulators keep tightening the compliance and disclosure requirements to promote fair and transparent trade practice. Any non-compliance and or smallest of delays are levied with penalties/ debarments from the market, so as to ensure least loopholes for those responsible to adhere to such disclosure / compliance requirements. Although our Company takes all measures to ensure that it complies with all the applicable laws, there have been events in past where we missed adhering to such laws and have accordingly been levied with penalties. Also, the penalties levied in past were not big, we are not sure we shall not be levied with any such penalties in future or at all, in which event, our operations and reputation shall be adversely affected.

10. *We may extend credit to our clients for dealing in securities and any default by a client or any down turn in the market could result in substantial losses.*

We allow certain clients the option to engage in stock market trading, allowing them to initiate positions in specific stocks with an upfront margin deposit. These clients are then obligated to provide us with the remaining funds before the exchange's pay-in date. However, under certain circumstances, when clients are unable to meet this obligation on time, we may extend credit to facilitate the exchange pay-in. Given the inherent volatility of stock markets, during periods of significant market fluctuations or adverse movements in share prices, there is a risk that clients may not be able to fulfil their financial commitments. Allowing customers to purchase securities on margin exposes us to credit risk, particularly when the market experiences rapid declines, which could result in the collateral's value falling below the customer's debt. In the event of unforeseen significant events, our business may be negatively affected due to an increase in bad debts and concurrent losses.

11. *Error in Punching of trade orders.*

Some of the orders by our clients are placed over the phone. Thus, we sometimes face the risk of making errors in punching the orders. The entire risk/ loss incurred by our client due to error on our part are to be borne by us. In case of any such event could have an adverse effect on our business operations, profitability and operations.

12. *We have not made any provisions for decline in value of our investments*

We have not made provisions for a potential decrease in the value of our investments. While the value of certain stocks may initially decline, it is subject to fluctuations and may eventually surpass its original acquisition price based on market dynamics. Consequently, we may carry investments on our financial statements at values below their book values without recognizing a provision for the decline in their worth. Profits or losses on investments are recorded only upon the final sale of these assets and the realization of sale proceeds.

As of September 30, 2024, our investment in securities is valued at ₹ 15,601.33 Lakhs, encompassing current investments, and those categorized under Stock in trade. In the event that we are unable to realize the cost value and liquidate investments at a price below their cost value, there is a potential for incurring substantial losses in a specific period. Such occurrences could impact our share prices and financial conditions.

13. Our Company depends on third party vendors and service providers.

Our Company relies on third parties for some of our technological infrastructure that support our stock broking and market making businesses. Failure to continue to access these third-party technologies on commercially acceptable terms could limit our ability to offer competitive service offerings and adversely impact our future operating results. Our Company also rely on several local service providers for delivering our services and any failure to continue these arrangements on commercially acceptable terms could adversely impact our future operating results.

14. Significant security breaches in our computer systems and network infrastructure, fraud, systems failures and calamities would adversely impact our business.

We are required to protect our computer systems and network infrastructure from physical break-ins as well as security breaches and other disruptive problems caused by our increased internet connectivity. Computer break-ins and power disruptions could affect the security of information stored in and transmitted through these computer systems and networks. These concerns will intensify with our increased dependence on technology. We employ security systems, including firewalls and password encryption, designed to minimise the risk of security breaches but there can be no assurance that these security measures will be successful. Breaches of our security measures could affect the security of information stored in and transmitted through these computer systems and network infrastructure. A significant failure in security measures could have a material adverse effect on our business and our future financial performance.

15. Substantial portion of our revenues has been dependent upon few segments of our business. The loss from any one or more of our major segments would have a material adverse effect on our business operations and profitability.

Our Company is dependent on few segments for our operations as shown in the table below. As on September 30, 2024 our Revenue from Trading Income account for 69.48% of our total income, our F&O and Currency Trading Income account for 25.18% of the total income, our Brokerage & Commission Fees account for 4.17% of the total Income, our Market Making Annual Fees account for .048% of the total Income, our Demat Operation account for 0.35% of the total Income and others account for 0.35% of our total income.

As per Audited Financial Statement:

(₹ in Lakhs, otherwise mentioned)

| Particulars | Revenues Bifurcation* | | | | | | | |
|---------------------------------|-----------------------|---------------|------------------|---------------|-----------------|---------------|-----------------|---------------|
| | September 30, 2024 | | March 31, 2024 | | March 31, 2023 | | March 31, 2022 | |
| | Amount | % | Amount | % | Amount | % | Amount | % |
| Brokerage & Commission Fees | 387.61 | 4.17 | 781.21 | 7.51 | 707.08 | 14.56 | 618.61 | 17.54 |
| Market Making Annual Fees | 44.30 | 0.48 | 71.75 | 0.69 | 41.26 | 0.85 | 15.71 | 0.45 |
| Demat Operation | 32.30 | 0.35 | 31.79 | 0.31 | 26.55 | 0.55 | 53.49 | 1.52 |
| Revenue from Trading Income | 6,460.98 | 69.48 | 5,194.87 | 49.93 | 3,582.67 | 73.78 | 1,536.89 | 43.58 |
| F&O and Currency Trading Income | 2,341.41 | 25.18 | 4,279.39 | 41.13 | 441.78 | 9.10 | 1,249.18 | 35.42 |
| Others | 32.86 | 0.35 | 45.63 | 0.44 | 56.88 | 1.17 | 53.09 | 1.51 |
| Total | 9,299.46 | 100.00 | 10,404.64 | 100.00 | 4,856.21 | 100.00 | 3,526.96 | 100.00 |

We cannot assure you that we shall generate the same quantum of business from these segments, and loss of business from one or more of them may adversely affect our operations and profitability

The proper functioning of our internet-based trading system, order routing system, back-office systems, settlement system, risk management system, financial controls, accounting, client database, client service and other data processing systems, together with the communications networks linking our IT systems with relevant exchanges, banks, depositories, registrar and transfer agents and client interfaces, is critical to our business and our ability to compete effectively. Our business activities would be materially disrupted in the event of a partial or complete failure of any of these IT systems, communication networks or their backup systems and procedures.

16. *Downturns or disruptions in the securities markets could reduce transaction volumes, and could cause a decline in the business and impact our profitability.*

Our revenues, level of operations and, consequently, our profitability are dependent on favourable capital market conditions, regulatory and political environment, investor sentiment, price levels of securities and other factors that affect the volume of stock trading in India and the level of interest in Indian business developments. In recent years, the Indian and world securities markets have fluctuated considerably and a downturn in these markets could adversely affect our operating results. When markets are highly volatile, we run the risk of bad debts and losses and also litigation.

Revenues are likely to decline during sustained periods of reduced trading volumes and our profit margins may be adversely affected if we are unable to reduce our expenses at the same pace as the decline in revenues. When trading volume is low, our profitability will be adversely affected because our revenues will be reduced and some of our operating costs are fixed. Decreases in equity prices or decreased trading activity could have an adverse effect on our business, financial condition and operating results.

17. *The revenues earned from our investment and trading of securities business have been inconsistent in the past and may continue to be inconsistent due to the very nature of this business which is dependent on the overall volatility in the Capital Markets in India.*

We are engaged in the business of investments and trading in listed / unlisted securities and financial products. Despite our efforts to earn favorable returns on our capital employed in these uncertain and volatile financial markets we cannot assure that we will be able to anticipate or predict the move of the Stock market. We propose to continue to invest in this vertical and depending on the overall period to period overall volatility in the Capital Markets in India our future revenues from this vertical could be volatile and inconsistent.

18. *There are operational risks associated with the financial services industry which, if realized, may have a material adverse effect on our business, financial condition, cash flows, results of operations and prospects.*

Our business income is predominantly derived from our Broking business. We operate in financial services industry and offer various business services. There are various operational risks related to the business operations in the financial services industry, such as:

- Human and systems errors, including in the confirmation, entry or settlement of transactions, due to the complexity and high volume of transactions;
- Inadvertent deviations from defined processes and inadvertent errors due to the manual nature of processes;
- Delay or failure to timely transfer, pledge or un-pledge securities to and from depository participants;
- Failure to establish and maintain an effective controls and compliance oversight by our authorized person's network;
- Failure of technology in our processes, including risk management and settlement processes, causing errors or disrupting our operations;
- Inadequate technology infrastructure or inappropriate systems architecture;
- Inadequate due diligence, including client verification, non-adherence to anti-money laundering guidelines, KYC processes and client needs analysis, in the sales process; etc.
- Loss of Client, change in Industry dynamics, etc;
- Changing market trends, change in regulations, etc;
- Non-compliance with timelines mentioned in SEBI Regulations, time escalation etc.

If any of the foregoing were to occur, it could have a material adverse effect on our reputation, business, financial condition, cash flows, results of operations and prospects. Although we have implemented internal control measures to prevent against the risk of operational failure, we may not be able to completely avoid the occurrence of or timely detect any operational failure.

We also face the risk of regulatory penalties in our brokerage business from the exchanges/regulators for failures of routine operational processes. In the past, we have been, and in the future may be, penalized by the regulators and stock exchanges for non-compliance with regulatory rules and bye-laws relating to operational failure, including in connection with cases of operation failure beyond our control. Please see the section entitled “*Outstanding Litigation and Material Developments*” on page 223 for further details.

19. *In case our services to the clients are not satisfactory it may cause damage to our professional reputation and legal liability.*

We are into service industry and our business is dependent mainly on how we maintain our relationship with our existing clients who helps to retain existing clients and to attract the existing ones. Hence an unsatisfied client may be more damaging in our business than in other businesses. Our activities may subject us to the risk of significant legal liabilities to our clients and aggrieved third parties. In recent years, the volume of claims and amount of damages claimed in litigation and regulatory proceedings against financial intermediaries have been increasing due to strict regulations and investor awareness. These risks often may be difficult to assess or quantify and their existence and magnitude often remain unknown for substantial periods of time. Hence, we may incur significant legal expenses in defending against litigation. Substantial legal liability or significant regulatory action against us could have material financial effects on our Company or could even cause significant harm to our reputation, which could harm our business prospects.

20. *Financial services firms are subject to increased scrutiny concerning perceived conflicts of interest which could elevate the risk of financial liabilities and damage to our reputation arising from unfavourable regulatory actions. Inadequate identification and resolution of conflicts of interest could have adverse consequences on our business.*

We are bound by numerous laws aimed at preventing insider trading, front-running, and addressing other potential conflicts of interest. Conflicts of interest can arise within our various departments, between us and our clients, among our clients, between us and our employees, or among our clients and our employees. While we have established internal controls and measures, we cannot guarantee that we, or our agents and intermediaries, will consistently manage these conflicts of interest in full compliance with the relevant laws and regulations. Moreover, there is a possibility of mis-implementation or the controls and measures not functioning as intended. Failing to effectively address these conflicts could tarnish our reputation and undermine client trust. Furthermore, potential or perceived conflicts of interest may lead to legal actions or regulatory proceedings. Any of these scenarios could substantially and negatively impact our business, financial standing, and operational results.

21. *We rely on the Indian stock exchanges for a significant portion of our business.*

A significant portion of our brokerage operations relies on Indian stock exchanges, including the NSE and the BSE, as well as clearing corporations. We utilize these platforms to execute and settle our clients' transactions as well as our own transactions, whether through our electronic brokerage platform or institutional systems. All client orders are processed through these exchanges. Any disruption in their operations or our connectivity to these exchanges could significantly impact our business and financial performance.

To access these stock exchange services, we must maintain membership registration, making us subject to various exchange regulations and periodic inspections. We cannot guarantee full compliance with these regulations or that inspections won't uncover any violations. Non-compliance may result in fines, penalties, and in extreme cases, the termination of our registration. If our registration with the stock exchanges is terminated, we would be unable to offer brokerage services, resulting in a substantial adverse effect on our business, financial position, and operational results. Additionally, our business activities are governed by regulatory constraints on brokerage fee rates and net worth requirements set by the stock exchanges.

22. *We face intense competition in our businesses, which may limit our growth and prospect.*

Our Company faces significant competition from other stock brokers and market makers. In particular, our Company competes with other Indian and foreign brokerage and market makers operating in the markets in which our Company deals. Our Company competes on the basis of a number of factors, including execution, depth of service offerings, innovation, reputation and price. Our competitors may have advantages over us, including, but not limited to:

- Substantially greater financial resources;
- Longer operating history than in certain of our businesses;
- Greater brand recognition among consumers;

- Larger customer bases in and outside India; or
- More diversified operations which allow profits from certain operations to support others with lower profitability.

These competitive pressures may affect our business, and our growth will largely depend on our ability to respond in an effective and timely manner to these competitive pressures.

23. *A significant decrease in our liquidity could negatively affect our business and reduce client confidence in us.*

Our liquidity and profitability are dependent upon our timely access to, and costs associated with, raising capital. Our funding requirements historically have been met from a combination of term loans, Bank Guarantees and working capital facilities. As a financial services company, we face certain additional regulatory restrictions on our ability to obtain financing from banks.

Maintaining adequate liquidity is crucial to our brokerage operations, including key functions such as transaction settlement and other business activities with substantial cash requirements. Although we meet our liquidity needs primarily through cash generated from operating activities, internal accruals and debt financing, we are not permitted to raise debt beyond a specific limit. A reduction in our liquidity could affect our ability to trade on the exchanges, stunt the growth of our business and reduce the confidence of our clients in us, which may result in the loss of client accounts.

Factors that may adversely affect our liquidity position include a significant abrupt increase in our brokerage services, volatile markets, settlement of large transactions on behalf of our brokerage clients. We use cash generated from our operating activities and external financing to meet our liquidity or regulatory capital requirements. During periods of disruption in the credit and capital markets or changes in the regulatory environment, potential sources of external financing could be limited and our borrowing costs could increase. External financing may not be available to us on commercially acceptable terms, or at all, due to disruptions in the credit and capital markets, changes in regulations relating to capital raising activities, general market conditions for capital raising activities, and other economic and political conditions outside our control.

24. *The Company is yet to place orders for 100% of the purchase of office equipment for our proposed object, as specified in the Objects of the Offer. Any delay in placing orders, procurement of the same may delay our implementation schedule and may also lead to increase in price of these equipment, further affecting our revenue and profitability.*

Although we have identified the type of equipment required to be purchased at our corporate office however, we are yet to place orders for 100% of the IT Software, Computers and Laptops at our registered office worth ₹ 412.81 Lakhs as detailed in the “Objects of the Offer” beginning on page 94 of this Prospectus. These are based on our estimates and on third-party quotations, which are subject to a number of variables, including possible cost overruns, changes in management’s views of the desirability of current plans, change in supplier of equipment, which may have an adverse effect on our business and results of operations. Further, we cannot assure that we would be able to procure this equipment within budgeted costs and timelines. Delays in acquisition of the same could result in the cost and time overrun, which would have a material adverse effect on our business, results of operations and financial condition. For further details, please refer to the chapter titled “Objects of the Offer” beginning on page 94 of this Prospectus.

25. *Some of our corporate records including share transfer deeds and forms filed with Registrar of Companies not traceable.*

Our Company is unable to trace certain corporate and other documents in relation to the forms filed with Registrar of Companies prior to the year 2006. This may be due to change in registered office of the company, change in methods of record keeping on account of technological advancement and computerization. Certain forms filed with ROC prior to the year 2006 like Increase in Authorised Capital, Annual Return etc. could not be traced by our company. Further, online filing of Roc Documents was initiated in the year 2006 and all forms prior to the said year were physically filed, hence certain of these forms could not be retrieved from Ministry of Corporate Affairs (MCA) portal. Also, we are unable to trace share transfer deeds in records of the company. As such under the circumstances elaborated above, our Company cannot assure you that the filings were made in a timely manner. Also, our Company may not be in the position to attend to and / or respond appropriately to any legal matter due to lack of lost/ destroyed records and to that extend the same could affect our business operations, goodwill and profitability.

26. *We continue to explore the diversification of our business and the implementation of new services. These diversifications and our other strategic initiatives may not be successful, which may adversely affect our business and results of operations.*

In order to achieve our goal, we are constantly evaluating the possibilities of expanding our business through new models, or starting new services. Although we believe that there are synergies between our current business and our expansion plans, we do have experience or expertise in these new areas. These new businesses and modes of delivery and the implementation of our strategic initiatives may pose significant challenges to our administrative, financial and operational resources, and additional risks, including some of which we are not aware of. The early stages and evolving nature of some of our businesses also make it difficult to predict competition and consumer demand therein. Our strategic initiatives require capital and other resources, as well as management attention, which could place a burden on our resources and abilities. In addition, we cannot assure you that we will be successful implementing any or all of our key strategic initiatives. If we are unable to successfully implement some or all of our key strategic initiatives in an effective and timely manner, or at all, our ability to maintain and improve our leading market position may be negatively impacted, which may have an adverse effect on our business and prospects, competitiveness, market position, brand name, financial condition and results of operations.

27. *If our services fail to meet client expectations, it could harm our professional reputation and expose us to legal liabilities.*

As a service industry entity, our business heavily relies on maintaining strong client relationships to retain existing clients and attract new ones. Consequently, dissatisfied clients can have a more detrimental impact on our business compared to other industries. Our activities may expose us to the potential of facing substantial legal liabilities from clients and third parties who feel aggrieved.

In recent years, the service industry, especially financial intermediaries, has witnessed an increase in the volume of claims and the amounts sought in litigation and regulatory proceedings. This trend is attributable to stringent regulations and heightened investor awareness. Assessing or quantifying these risks can often prove challenging, with their extent and impact remaining uncertain for extended periods. Consequently, we may incur significant legal expenses when defending against legal actions. Substantial legal liabilities or significant regulatory actions against our company could have notable financial consequences and potentially damage our reputation, thus affecting our business operations.

28. *The success of our business depends on our ability to attract and retain senior management and employees in critical roles, and the loss of their services could have a material adverse effect on our business, financial condition, cash flows, results of operations and prospects.*

The success of our business depends on the continued service of our senior management and various professionals and specialists, information technology specialists, relationship managers and finance professionals (including tax and accounting specialists), legal professionals, risk management specialists, compliance specialists and specialists in other control functions. As a result of ever-increasing market competition, the market demand and competition for experienced management personnel, qualified professionals and specialists has intensified. Our business and financial condition could suffer if we are unable to retain our senior management, or other high-quality personnel, including management in professional departments of business, finance, internal controls and information technology, or cannot adequately and timely replace them upon their departure.

Moreover, we may be required to increase substantially the number of our professionals and specialists in connection with any future growth plans, and we may face difficulties in doing so due to the competition in the financial services industry for such personnel. Our failure to attract, hire, retain or replace competent personnel could materially impair our ability to implement any plan for growth and expansion. Competition for quality employees among business institutions may also require us to increase compensation, which would increase operating costs and reduce our profitability.

29. *We have not entered into any long-term contracts with any of our customers and typically operate on the basis of work orders, which could adversely impact our revenue and profitability.*

We do not have any long-term contracts with our customers and we provide services on basis of regular work order with our customers which could adversely affect the business of our company. We cater our services on an order-to-order basis. Our customers can terminate their relationship with us by giving notice and as such terms and conditions as mutually agreed upon, which could materially and adversely impact our business. Although we believe that we have satisfactory business relation with our customers and have received business from them in the past and will regularly receive the business in future also but there is no certainty that we will receive business in future from them and may affect our profitability.

30. *Certain of our Group companies and Subsidiaries have incurred losses in the past years.*

Our Subsidiary Company, RSL IFSC Private Limited and our Group Companies, Garvita Developers Private Limited, Virang Enterprises Private Limited, AHL Investment Consultants Private Limited, Anukriti Reality Private Limited, Dweep Enterprises Private Limited and Rikhav Insurance Brokers Private Limited have incurred losses in the following financial years for which their respective audited financial statements were available, as set forth in the table below:

RSL IFSC Private Limited

(₹ in Lakhs)

| Particulars | September 30, 2024 | March 31, 2024 | March 31, 2023 | March 31, 2022 |
|-----------------------|--------------------|----------------|----------------|----------------|
| Profit/Loss after tax | (25.32) | (16.35) | 24.30 | 6.25 |
| Net Worth | 155.84 | 177.69 | 194.04 | 169.74 |

Virang Enterprises Private Limited

(₹ in Lakhs)

| Particulars | March 31, 2024 | March 31, 2023 | March 31, 2022* |
|-----------------------|----------------|----------------|-----------------|
| Profit/Loss after tax | 7.07 | (0.05) | NA |
| Net Worth | 7.12 | (0.05) | NA |

*Virang Enterprises Private Limited is incorporated on August 16, 2022.

AHL Investment Consultants Private Limited

(₹ in Lakhs)

| Particulars | March 31, 2024 | March 31, 2023 | March 31, 2022 |
|-----------------------|----------------|----------------|----------------|
| Profit/Loss after tax | (6.25) | 30.82 | 27.43 |
| Net Worth | (40.79) | (34.53) | (70.70) |

Anukriti Reality Private Limited

(₹ in Lakhs)

| Particulars | March 31, 2024 | March 31, 2023 | March 31, 2022 |
|-----------------------|----------------|----------------|----------------|
| Profit/Loss after tax | 3.26 | (1.95) | 0.09 |
| Net Worth | 5.31 | 2.04 | 3.99 |

Dweep Enterprises Private Limited

(₹ in Lakhs)

| Particulars | March 31, 2024 | March 31, 2023 | March 31, 2022* |
|-----------------------|----------------|----------------|-----------------|
| Profit/Loss after tax | 7.03 | (0.05) | NA |
| Net Worth | 7.08 | 0.05 | NA |

*Dweep Enterprises Private Limited is incorporated on February 18, 2022.

Rikhav Insurance Brokers Private Limited

(₹ in Lakhs)

| Particulars | March 31, 2024 | March 31, 2023 | March 31, 2022 |
|-----------------------|----------------|----------------|----------------|
| Profit/Loss after tax | 20.22 | (230.64) | 5.72 |
| Net Worth | 330.16 | 309.95 | 540.59 |

Garvita Developers Private Limited

(₹ in Lakhs)

| Particulars | March 31, 2024 | March 31, 2023 | March 31, 2022 |
|-----------------------|----------------|----------------|----------------|
| Profit/Loss after tax | 9.10 | 0.02 | (0.83) |
| Net Worth | (42.25) | (51.54) | (51.56) |

We cannot assure you that our Group Companies and Subsidiary will not incur losses in the future or that such losses will not adversely affect our reputation or our business. For further details, see "Our Group Companies" on page 244 of this Prospectus.

31. We do not own the registered office, corporate office, branch office and our virtual branch office from where we are currently operating and the same has been taken on lease. Any failure on our part to meet the terms of those lease agreements, arrangements could affect our operations.

Our registered office, corporate office, branch office situated in Mumbai and virtual branch office situated in Vapi from where we carry out our business activities, are being taken by us on lease. In the event of termination/non-renewal of said agreements, we may be required to vacate the said premises which may cause disruption in our corporate affairs and business and impede our effective operations which could temporarily impact on our business operations until we get

suitable alternative premises. For details on the duration, owner and amount of existing rent/lease agreements for our premises, please refer to the section titled “*Our Business*” beginning on page 144 of this Prospectus.

In the event, certain terms and conditions that are unfavourable to us are imposed on us in relation to therefore referred to premises by the landlords, or if the rent amount for the said premises are increased, we may suffer adverse effect on our business and financial results.

In addition, agreements pertaining to the lease/rent may have irregularities of enforceability, such as non-registration of agreement and inadequate payment of stamp duty, which may affect the value of the relevant agreements in specific performance or other injunctive procedures in a court of law, and could impair our operations. Further, it may result in levy of penal charges, in case cognizance being taken by concerned authorities.

32. *Conflicts of interest may arise out of common business objects between our Company, our Subsidiary, our Group Companies and Promoter Group Entities.*

Conflicts may arise in the ordinary course of decision-making by the Promoters or Board of Directors. Our Promoters may have interest in our group companies, our subsidiary and our promoter group entities that undertake business similar to the business as our Company. Conflicts of interests may arise in the Promoters’ allocating or addressing business opportunities and strategies among our company, group companies, our subsidiary and promoter Group entities in circumstances where our respective interests diverge. In cases of conflict, there can be no assurance that our Promoter or Promoter Group will not favour their own interests over those of our Company. Our Company, Group Companies, our subsidiary or Promoter Group entities has not signed any non-compete agreement with our Company as of date. Any such present and future conflicts could have an effect on our business, reputation, financial condition and results of operations. For further details, please refer section titled “*Our Promoter and Promoter Group*” beginning on page 188 of this Prospectus.

33. *Our insurance coverage could prove inadequate to cover our losses. If we were to incur a serious uninsured loss or a loss that significantly exceed the limits of our insurance policies, it could have a material adverse effect on our business, results of operations and financial condition*

We have insurance policies providing coverage for Infidelity of Employees, Computer Crime Indemnity, Error and Omission, Legal Liability, Counterfeit Securities, Loss of Securities and/or cash and certain other risks. We maintain insurance coverage within a range consistent with industry practice to cover certain risks associated with our business and us. We cannot assure you that our current insurance policies will insure us fully against all risks and losses that may arise in the future. In addition, even if such losses are insured, we may be required to pay a significant deductible on any claim for recovery of such a loss, or the amount of the loss may exceed our coverage for the loss. In addition, our insurance policies are subject to annual review, and we cannot assure you that we will be able to renew these policies on similar or otherwise acceptable terms, if at all. If we were to incur a serious uninsured loss or a loss that significantly exceeds the limits of our insurance policies, it could have a material adverse effect on our business, financial condition, cash flows, results of operations and prospects.

34. *A significant portion of our revenue and income from our brokerage business is derived from relatively few clients.*

We had approximately 18,489 operational demat accounts as of September 30, 2024. Among active demat accounts significant income is generated from our Top Clients and the loss or financial difficulties of such clients, or significant decreases in the overall volumes of trading from such clients, could materially and adversely affect our business, results of operation, financial condition and cash flows.

If we lose such clients due to price competition or otherwise, or we have to offer them significant discounts to retain them, there could be a material and adverse effect on our business, results of operations, financial condition and cash flows. Any reduction in our brokerage fee could have material adverse effect on our business, financial condition, cash flows, results of operations and prospects.

35. *Our Company’s ability to pay dividends in the future will depend on our Company’s future results of operations, financial condition, cash flows and working capital and capital expenditure requirements*

Any dividends to be declared and paid by our Company in the future are required to be recommended by our Board and approved by our Shareholders, at their discretion, subject to the provisions of the Articles of Association and applicable law, including the Companies Act. Our Company’s ability to pay dividends in the future will depend on our Company’s future results of operations, financial condition, cash flows, sufficient profitability, working capital requirements and capital expenditure requirements. We cannot assure you that our Company will generate sufficient revenues to cover our Company’s operating expenses and, as such, pay dividends to our Shareholders in future consistent with our Company’s past practices, or at all.

36. *An investment in the Equity Shares is subject to general risk related to investments in Indian Companies.*

Our Company is incorporated in India and all of our assets and employees are located in India. Consequently, our business, results of operations, financial condition and the market price of the Equity Shares will be affected by changes in interest rates in India, policies of the Government of India, including taxation policies along with policies relating to industry, political, social and economic developments affecting India.

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

We intend to use entire Net Offer Proceeds for the purposes described in “*Objects of the Offer*”. For further details of the proposed objects of the Offer, please see chapter titled “*Objects of the Offer*” beginning on page 94 of this Prospectus. In accordance with Section 27 of the Companies Act, 2013, we cannot undertake any variation in the utilization of the Net Proceeds from the Offer as disclosed in this Prospectus without obtaining the shareholders’ approval through a special resolution. In the event of any such circumstances that requires us to undertake variation in the disclosed utilisation of the Net Proceeds, we may not be able to obtain the Shareholders’ approval in a timely manner, or at all. Any delay or inability in obtaining such Shareholders’ approval may adversely affect our business or operations. Further, our Promoter or controlling shareholders would be required to provide an exit opportunity to the shareholders who do not agree with our proposal to modify the objects of the Offer as prescribed in the SEBI ICDR Regulations. If our shareholders exercise such exit option, our business and financial condition could be adversely affected. Therefore, we may not be able to undertake variation of objects of the Offer to use any unutilized proceeds of the Offer, if any, even if such variation is in the interest of our Company, which may restrict our ability to respond to any change in our business or financial condition, and may adversely affect our business and results of operations.

38. *In case of our inability to obtain, renew or maintain the statutory and regulatory licenses, permits and approvals required to operate our business it may have a material adverse effect on our business.*

We are governed by various laws and regulations for our business and operations. We are required, and will continue to be required, to obtain and hold relevant licenses, approvals and permits at state and central government levels for doing our business. The approvals, licenses, registrations and permits obtained by us may contain conditions.

While we have obtained a significant number of approvals, licenses, registrations and permits from the relevant authorities, there can be no assurance that the relevant authority will issue or renew expired approvals within the applicable time period or at all. Any delay in receipt or non-receipt of such approvals, licenses, registrations and permits could result in cost and time overrun or which could affect our related operations.

These laws and regulations governing us are increasingly becoming stringent and may in the future create substantial compliance or liabilities and costs. While we endeavour to comply with applicable regulatory requirements, it is possible that such compliance measures may restrict our business and operations, result in increased cost and onerous compliance measures, and an inability to comply with such regulatory requirements may attract penalty. For further details regarding the material approvals, licenses, registrations and permits, see “*Government and Other Approvals*” on page 236 of this Prospectus.

Furthermore, we cannot assure you that the approvals, licenses, registrations and permits issued to us will not be suspended or revoked in the event of non-compliance or alleged non-compliance with any terms or conditions thereof, or pursuant to any regulatory action. Any suspension or revocation of any of the approvals, licenses, registrations and permits that has been or may be issued to us may affect our business and results of operations.

39. *The objects of the Offer include funding working capital requirements of our Company, which are based on certain assumptions and estimates.*

The objects of the Offer include funding working capital requirements of our Company, which are based on management estimates and certain assumptions in relation to inter alia required for the ordinary course of our business such as Margin Trading Facility (MTF) that contribute to our overall business enhancement. For details, see “*Objects for the Offer*” on page 94 of this Prospectus.

Our working capital requirements may be subject to change due to factors beyond our control including force majeure conditions, an increase in defaults by our customers, availability of funding from banks or financial institutions. Accordingly, such working capital requirements may not be indicative of the actual requirements of our Company in the future and investors are advised to not place undue reliance on such estimates of future working capital requirements

40. Our Company requires significant amounts of working capital for a continued growth. Our inability to meet our working capital requirements may have an adverse effect on our results of operations.

Our business is working capital intensive. Summary of our working capital position as per our Restated Standalone Financial Information is given below: -

| Sr. No. | Particulars | (₹ in Lakhs) | | | |
|------------|--|---------------------|---------------------|---------------------|-----------------------|
| | | Audited FY 21-22 | Audited FY 22-23 | Audited FY 23-24 | Audited 30.09.2024 |
| I | Current Assets | | | | |
| | Current Investments | 7,093.78 | 9,214.37 | 11,916.48 | 15,601.33 |
| | Trade Receivables | 648.22 | 483.80 | 364.97 | 182.61 |
| | Cash & Cash Equivalent | 2,314.52 | 650.22 | 2,073.00 | 619.65 |
| | Short Term Loans and Advances | 158.61 | 139.13 | 65.59 | 132.71 |
| | Other Current Assets | 99.41 | 179.99 | 180.10 | 60.76 |
| | Total (A) | 10,314.54 | 10,667.51 | 14,600.14 | 16,597.06 |
| II | Current Liabilities | | | | |
| | Trade payables | 8,154.57 | 7,216.63 | 10,521.70 | 10,915.26 |
| | Other Current Liabilities | 494.27 | 548.14 | 77.08 | 188.40 |
| | Short term provisions | 299.40 | 475.72 | 938.66 | 1,210.51 |
| | Total (B) | 8,948.24 | 8,240.49 | 11,537.44 | 12,314.17 |
| III | Total Working Capital Gap (A-B) | 1,366.30 | 2,427.02 | 3,062.70 | 4,282.89 |

We require a significant amount towards working capital requirements which is based on certain assumptions, and accordingly, any change of such assumptions would result in changes to our working capital requirements. Our working capital requirements may increase if we undertake larger or additional projects or if payment terms do not include advance payments or such contracts have payment schedules that shift payments toward the end of a project or otherwise increase our working capital burden.

41. Unsecured loans taken by us can be recalled at any time.

Our Company have currently availed unsecured loans which may be recalled by the lenders at any time. As on September 30, 2024, the unsecured loans of our Company that may be recalled at any time by the lenders aggregated to ₹2,469.88 Lakhs, which constituted approximately 95.07% of the total indebtedness of our Company. For further details, see “Financial Indebtedness” beginning on page 201. In the event that any lender seeks a repayment of any such loan, we would need to find alternative sources of financing, which may not be available on commercially reasonable terms, or at all. We may not have adequate working capital which may affect our business, cash flows, financial condition and results of operations.

| Name of Lender | Purpose | Rate of Interest p.a. | Repayment Schedule | Outstanding amount as on Sept 30, 2024 (as per Books) |
|---------------------------------------|--|-----------------------|--------------------|---|
| Total Holdings & Finvest Pvt. Ltd. | For acquisition of shares & securities and working capital | 12.00% p.a. | On Demand | 2,067.06 |
| Tata Capital Services Private Limited | For trading of shares & securities | 9.25% p.a. | On Demand | 241.87 |
| Anand Rathi Global Finance Limited | For acquisition of shares & securities and working capital | 12.00% p.a. | On Demand | 160.95 |
| Total Unsecured Borrowings | | | | 2,469.88 |

42. We have contingent liabilities, and our financial condition could be adversely affected if any of these contingent liabilities materializes.

The following table sets forth our contingent liabilities as derived from our Restated Financial Information;

(₹. in Lakhs)

| Particulars | For the period/ year ended March 31st | | | |
|---|---------------------------------------|------------------|------------------|-----------------|
| | 30.09.2024 | 2024 | 2023 | 2022 |
| Contingent liabilities in respect of: | | | | |
| Guarantees given on Behalf of the Company | 12,500.00 | 11,500.00 | 12,475.00 | 8,475.00 |
| TDS Defaults with respect to Delay filing fee, Short Deduction and Interest thereon | 0.07 | 0.73 | 0.16 | 0.16 |
| Income Tax Outstanding Demand | 475.80 | 475.10 | 475.10 | 475.10 |
| Service Tax Demand | 94.45 | 43.27 | 43.27 | 43.27 |
| Total | 13,070.32 | 12,019.10 | 12,993.53 | 8,993.53 |

43. Our Company has entered into related party transactions in the past and may continue to enter into related party transactions in the future, which may potentially involve conflicts of interest with the equity shareholders.

Our Company have entered into certain related party transactions with our Promoters, members of the promoter group, Directors and our Group Companies, our subsidiary in the past which are in compliance with applicable provisions of Companies Act, 2013 and all other applicable laws. For details, please see “ANNEXURE - Y: Restated Statement of Related Party Disclosures” under the chapter titled “Restated Financial Information” beginning on page 197 of this Prospectus. While our Company believes that all such transactions have been conducted on the arm’s length basis, there can be no assurance that it could not have been achieved on more favourable terms had such transactions not been entered into with unrelated parties. Further, it is likely that we may enter into related party transactions in the future and such transactions may potentially involve conflicts of interest. In terms of the Companies Act, 2013 and SEBI LODR Regulations, we are required to adhere to various compliance requirements such as obtaining prior approvals from our Audit Committee, Board and Shareholders for certain party transactions and our undertakes that such related party transactions shall not be done against the interests of the Company and its shareholders as prescribed in the SEBI LODR Regulations. 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.

44. Our Compliance with data privacy norms may require us to incur expenditure, which may adversely impact its financial condition and cash flows.

We are subject to data privacy laws, rules and regulations that regulate the use of customer data. Compliance with these laws, rules and regulations may restrict our business activities, require us to incur expense and devote considerable time to compliance efforts. The existing data privacy regulations limit the extent to which we can use personal identifiable information and limit our ability to use third-party firms in connection with customer data. Certain of these laws, rules and regulations are relatively new and their interpretation and application remain uncertain. Data privacy laws, rules and regulations are also subject to change and may become more restrictive in the future. For instance, the Personal Data Protection Bill, 2018 (“PDP Bill”), applies to processing of personal data, which has been collected, disclosed, shared or processed within India. It imposes restrictions and obligations on data fiduciaries, resulting from dealing with personal data and further, provides for levy of penalties for breach of obligations prescribed under the PDP Bill. Changes or further restrictions in data privacy laws, rules and regulations could have an adverse effect on our business, results of operations and financial performance. The cost and operational consequences of implementing further data protection measures could be significant and this may have an adverse effect on our business, results of operations and financial performance.

45. We cannot assure you that we will be able to secure adequate financing in the future on acceptable terms. Our failure to obtain sufficient financing could result in delay or abandonment of our business plans and this may have an adverse effect on our growth and operations.

We may require additional funds in connection with our future business operations. In addition to the Net Proceeds of this Offer and our internal accruals, we may need other sources of funding to meet these requirements, which may include entering into new debt facilities with lending institutions. Our ability to obtain external financing in the future is subject to a variety of uncertainties. Our ability to obtain additional financing on favourable terms, if at all, will depend on a number of factors, including our future financial condition, results of operations and cash flows, the amount and terms of our existing indebtedness, general market conditions and market conditions for financing activities and the economic, political and other conditions in the markets where we operate. If we decide to raise additional funds through the issuance of debt, our interest obligations will increase, and we may be subject to additional covenants. Such financing could cause our debt-to-equity ratio to increase or require us to create charges or liens on our assets in favour of lenders.

We cannot assure you that we will be able to secure adequate financing in the future on acceptable terms, in time, or at all. Our failure to obtain sufficient financing could result in delay or abandonment of our business plans and this may have an adverse effect on our future growth and operations.

46. Our inability to manage growth could disrupt our business and reduce our profitability.

A principal component of our strategy is to continue to grow by expanding the size and geographical scope of our businesses, as well as the development of our new business streams. This growth strategy will place significant demands on our management, financial and other resources. It will require us to continuously develop and improve our operational, financial and internal controls. Continuous expansion increases the challenges involved in financial management, recruitment, training and retaining high quality human resources, preserving our culture, values and entrepreneurial environment, and developing and improving our internal administrative infrastructure. Any inability on our part to manage such growth could disrupt our business prospects, impact our financial condition and adversely affect our results of operations.

47. An inability to comply with repayment and other covenants in the financing agreements or otherwise meet our debt servicing obligations could adversely affect our business, financial condition, cash flows and credit rating.

Our Company has entered into agreements in relation to financing arrangements with certain banks for working capital facilities, term loans and bank guarantees. As of September 30, 2024, we had total outstanding borrowings of ₹ 2,598.06 Lakhs. The agreements with respect to our borrowings contain restrictive covenants, including, but not limited to, requirements that we obtain consent from the lenders prior to undertaking certain matters including, among others, effecting a merger, amalgamation or scheme of arrangement, change in capital structure of our Company subject to the threshold prescribed for the shareholding of certain shareholders of our Company and effecting change in the constitutional documents or management of our Company. For further details, see “*Financial Indebtedness*” beginning on page 201.

As of September 30, 2024, our total secured borrowings amounted to ₹ 128.17 Lakhs, comprising of 4.93% of our total indebtedness. Under the terms of our secured borrowings, we are required to create a charge by way of hypothecation on the assets of our Company, together with cash in hand and bank accounts. As these assets are hypothecated in favour of lenders, our rights in respect of transferring or disposing of these assets are restricted.

Many of our financing agreements also include various conditions and covenants that require us to obtain lender consents prior to carrying out certain activities or entering into certain transactions. Typically, restrictive covenants under our financing documents relate to obtaining prior consent of the lender for, among others, change in the capital structure, availing additional borrowings, change in ownership or management control, changes in shareholding pattern and management set-up including its constitution and composition, amalgamation, demerger, merger, acquisition, corporate or debt restructuring or similar action. Our Company has obtained the necessary consents in relation to the Offer from aforementioned lenders prior to the filing of the Prospectus with the RoC, SEBI and Stock Exchanges. Undertaking the Offer without obtaining such consent would be in contravention of the conditions contained in the financing documents and would constitute default under such financing document and we may not be able to proceed with the Offer.

There can be no assurance that we will be able to comply with the financial or other covenants prescribed under the documentation for our financing arrangements or that we will be able to obtain consents necessary to take the actions that may be required to operate and grow our business. Further, if we fail to service our debt obligations, the lenders have the right to enforce the security created in respect of our secured borrowings. If the lenders choose to enforce security and dispose our assets to recover the amounts due from us, our business, results of operations and financial condition may be adversely affected.

48. Any increase in interest rates would have an adverse effect on our results of operations and will expose our Company to interest rate risks.

We are dependent upon the availability of equity, cash balances and debt financing to fund our operations and growth. Any fluctuations in interest rates may directly impact the interest costs of such loans and, in particular, any increase in interest rates could adversely affect our results of operations. Furthermore, our indebtedness means that a material portion of our expected cash flow may be required to be dedicated to the payment of interest on our indebtedness, thereby reducing the funds available to us for use in our general business operations. If interest rates increase, our interest payments will increase and our ability to obtain additional debt and non-fund-based facilities could be adversely affected with a concurrent adverse effect on our business, financial condition and results of operations. For further details, please refer chapter titled “*Financial Indebtedness*” beginning on page of this Prospectus.

49. *We have taken guarantees from our directors in relation to debt facilities provided to us.*

We have taken guarantees from our directors in relation to our secured debt facilities availed from our Bankers. In an event any of these persons withdraw or terminate its/their guarantees, the lender 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 lender and as a result may need to repay outstanding amounts under such facilities or seek additional sources of capital, which could adversely affect our financial condition. For more information, please see the chapter titled “*Financial Indebtedness*” beginning on page 201 of this Prospectus.

50. *We are subject to the restrictive covenants of banks in respect of the Loans/ Credit Limits and other banking facilities availed from them.*

We have entered into agreements for short term and long-term borrowings with certain lenders. As on September 30, 2024 an aggregate of ₹ 2,598.06 Lakhs were outstanding towards loans availed from banks and financial institutions. The credit facilities availed by our Company are secured by way of mortgage of fixed assets, hypothecation of assets. In case we are not able to pay our dues in time, the same may amount to a default under the loan documentation and all the penal and termination provisions therein would get triggered and the loans granted to the Company may be recalled with penal interest. This could severely affect our operations and financial condition. In addition to the above, our loan documentation includes certain conditions and covenants that require us to obtain consents from the aforesaid banks prior to carrying out certain activities like entering into any amalgamation, demerger, merger and corporate reconstruction, changing our management and operating structure, making any fresh borrowings or creating fresh charges on assets, etc. Any failure to comply with any condition or covenant under our financing agreements that is not waived by the lending banks or is not otherwise cured by us, may lead to a termination of our credit facilities, acceleration of all amounts due under the said credit facility, which may adversely affect our ability to conduct our business and operations or implement our business plans. Further, the said credit facilities can be renewed/enhanced/cancelled/suspended/reduced and the terms and conditions of the same can be altered by the lending banks, at their discretion. In the event, the lending banks refuse to renew / enhance the credit facilities and/or cancels / suspends / reduces the said credit facilities and/or alters the terms and conditions to the derogation of our Company, our existing operations as well as our future business prospects and financial condition may be severely affected.

51. *If we are unable to source business opportunities effectively, we may not achieve our financial objectives.*

Our ability to achieve our financial objectives will depend on our ability to identify, evaluate and accomplish business opportunities. To grow our business, we will need to hire, train, supervise and manage new employees and to implement systems capable of effectively accommodating our growth. However, we cannot assure you that any such employees will contribute to the success of our business or that we will implement such systems effectively. Our failure to source business opportunities effectively could have a material adverse effect on our business, financial condition and results of operations. It also is possible that the strategies used by us in the future may be different from those presently in use. No assurance can be given that our analyses of market and other data or the strategies we use or plans in future to use will be successful under various market conditions.

52. *We will not receive any proceeds from the sales sold under the Offer for sale by Selling Shareholder.*

This Offer includes an Offer for Sale of 20,00,000 Equity Shares by the Selling Shareholder and a Fresh Issue of 83,28,000 shares. The entire proceeds from the Offer for Sale will be paid to the Selling Shareholder and our company will not receive any proceeds from such Offer for Sale. For further details, refer to the Section titled “*Objects of the Offer*” on page 94 of this Prospectus.

53. *We are subject to risks associated with expansion into new geographic regions.*

Expansion into new geographic regions, including different states in India and overseas expansion, subjects us to various challenges, including those relating to our lack of familiarity with the culture, legal regulations and economic conditions of these new regions, language barriers, difficulties in staffing and managing such operations, and the lack of brand recognition and reputation in such regions. The risks involved in entering new geographic markets and expanding operations, may be higher than expected, and we may face significant competition in such markets. By expanding into new geographical regions, we could be subject to additional risks associated with establishing and conducting operations, including, laws and regulations, uncertainties and customer’s preferences, political and economic stability. By expanding into new geographical regions, we may be exposed to significant liability and could lose some or all of our investment in such regions, as a result of which our business, financial condition and results of operations could be adversely affected.

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

Since, the Proceeds from Offer is less than ₹ 10,000 lakh, there is no mandatory requirement of appointing an Independent Monitoring Agency for overseeing the deployment of utilization of funds raised through this Offer. However, as per the Section 177 of the Companies Act, 2013 and applicable laws, the Audit Committee of our Company would be monitoring the utilization of the Offer Proceeds. The deployment of these funds raised through this Offer, is hence, at the discretion of the management and the Board of Directors of our Company and will not be subject to monitoring by any independent agency. Any inability on our part to effectively utilize the Offer proceeds could adversely affect our financials.

55. *Within the parameters as mentioned in the chapter titled “Objects of this Offer” beginning on page 94 of this Prospectus, our Company’s management will have flexibility in applying the proceeds of the Offer. The fund requirement and deployment mentioned in the Objects of this Offer have not been appraised by any bank or financial institution.*

We intend to use Net Proceeds towards Funding Working Capital Requirements, Funding of capital expenditure requirements of our Company purchase of IT Software, Computers and Laptops capital requirements and General corporate purposes. We intend to deploy the Net Proceeds in financial year 2024-25 and 2025-26 such deployment is based on certain assumptions and strategy which our Company believes to implement in future. The funds raised from the Offer may remain idle on account of change in assumptions, market conditions, strategy of our Company, etc., For further details on the use of the Net Proceeds, please refer chapter titled “*Objects of the Offer*” beginning on page 94 of this Prospectus.

The deployment of funds for the purposes described above is at the discretion of our Company’s Board of Directors. The fund requirement and deployment are based on internal management estimates and has not been appraised by any bank or financial institution. Accordingly, within the parameters as mentioned in the chapter titled “*Objects of the Offer*” beginning on page 94 of this Prospectus, the Management will have significant flexibility in applying the proceeds received by our Company from the Offer. Our Board of Directors will monitor the proceeds of this Offer. However, Audit Committee will monitor the utilization of the proceeds of this Offer and prepare the statement for utilization of the proceeds of this Offer. However, in accordance with Section 27 of the Companies Act, 2013, and relevant provisions of SEBI ICDR Regulations, 2018, a company shall not vary the objects of the Offer without our Company being authorised to do so by our shareholders by way of special resolution and other compliances in this regard. Our Promoter and controlling shareholders shall provide exit opportunity to such shareholders who do not agree to the proposal to vary the objects, at such price, and in such manner, as may be prescribed by SEBI, in this regard.

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

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

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

We may retain all our future earnings, if any, for use in the operations and expansion of our business. As a result, we may not declare dividends in the foreseeable future. Any future determination as to the declaration and payment of dividends will be at the discretion of our Board of Directors and will depend on factors that our Board of Directors deem relevant, including among others, our results of operations, financial condition, cash requirements, business prospects and any other financing arrangements. Additionally, under some of our loan agreements, we may not be permitted to declare any dividends, if there is a default under such loan agreements or unless our Company has paid all the dues to the lender up to the date on which the dividend is declared or paid or has made satisfactory provisions thereof. 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. For details of our dividend history, see “*Dividend Policy*” on page 196 of this Prospectus.

58. *Our Promoters and Promoter Group will continue to retain significant control in our Company after the offer which will allow them to influence the outcome of matters submitted to shareholders for approval. Such a concentration of ownership may also have the effect of delaying, preventing or deterring a change in control.*

After the completion of this Offer, our Promoters and Promoter Group will continue to hold 60.08% of the equity share capital of our Company and will be in a position to exercise significant control, including being able to control the composition of our Board of Directors and determine decisions requiring simple or special majority voting, and our other shareholders will be unable to affect the outcome of such voting. Our Promoters and Promoter Group may take or block actions with respect to our business, which may conflict with our interests or the interests of our minority shareholders, such as actions which delay, defer or cause a change of our control or a change in our capital structure, merger, consolidation, takeover or other business combination involving us, or which discourage or encourage a potential acquirer from making a tender offer or otherwise attempting to obtain control of us. We cannot assure you that our Promoters and Promoter Group will act in our interest while exercising their rights in such entities, which may in turn materially and adversely affect our business and results of operations. We cannot assure you that our Promoters and Promoter Group will act to resolve any conflicts of interest in our favour. If our Promoters and Promoter Group sell a substantial number of the Equity Shares in the public market, or if there is a perception that such sale or distribution could occur, the market price of the Equity Shares could be adversely affected. No assurance can be given that such Equity Shares that are held by the Promoters will not be sold any time after the Offer, which could cause the price of the Equity Shares to decline.

59. *The average cost of acquisition of Equity Shares by our Promoters and Selling Shareholder could be lower than the price determined at time of registering the Prospectus.*

Our Promoters and selling shareholder's average cost of acquisition of Equity Shares in our Company could be lower than the Price as may be decided by the Company in consultation with the BRLM. For further details regarding average cost of acquisition of Equity Shares by our Promoters in our Company and build-up of Equity Shares by our Promoters and selling shareholder in our Company, please refer chapter title "*Capital Structure*" beginning on page 61 of this Prospectus.

60. *Our Promoters, certain of our Directors hold Equity Shares in our Company and are therefore interested in our Company's performance other than remuneration and reimbursement of expenses*

Certain of our Directors (including our Promoters) 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. For further details, see "*Our Management*" on page 174. There can be no assurance that our Directors (including our Promoters) will exercise their rights as shareholders to the benefit and best interest of our Company. Except for Directors who are also Key Managerial Personnel and to the extent that they hold equity shares in our Company, no other Key Management Personnel hold equity shares in our Company. Further, our Promoters will continue to exercise significant control over us, including being able to control the composition of our Board and determine decisions requiring simple or special majority voting of shareholders, and our other shareholders may be unable to affect the outcome of such voting. Our Promoters may take or block actions with respect to our business, which may conflict with the best interests of our Company or that of minority shareholders.

61. *Our employees may engage in misconduct or other improper activities, including non-compliance with regulatory standards and requirements.*

We are exposed to the risk of employee fraud or other misconduct. Misconduct by employees could include intentional failures to comply with any regulations applicable to us, to provide accurate information to regulatory authorities, to comply with manufacturing standards we have established, or to report financial information or data accurately or disclose unauthorized activities to us. In particular, sales, marketing and business arrangements in our industry are subject to laws and regulations intended to prevent fraud, misconduct, kickbacks, self-dealing and other abusive practices. These laws and regulations may restrict or prohibit a wide range of pricing, discounting, marketing and promotion, sales commission, customer incentive programs and other business arrangements. While we have not faced such instances in the past, there can be no assurance that we will be able to identify and deter such misconduct, and the precautions we take to detect and prevent this activity may not be effective in controlling unknown or unmanaged risk. If our employees engage in any such misconduct, we could face criminal penalties, fines, revocation of regulatory approvals and harm to our reputation, any of which could form a material adverse effect on our business.

62. *If we are unable to establish and maintain an effective internal controls and compliance system, our business and reputation could be adversely affected.*

We are responsible for establishing and maintaining adequate internal measures commensurate with the size and complexity of operations. We make an evaluation of the adequacy and effectiveness of internal systems on an ongoing basis so that our operations adhere to our policies, compliance requirements and internal guidelines. We periodically test and update our internal processes and systems and there have been no past material instances of failure to maintain effective internal

controls and compliance system. However, we are exposed to operational risks arising from the potential inadequacy or failure of internal processes or systems, and our actions may not be sufficient to ensure effective internal checks and balances in all circumstances. We take reasonable steps to maintain appropriate procedures for compliance and disclosure and to maintain effective internal controls over our financial reporting so that we produce reliable financial reports and prevent financial fraud. As risks evolve and develop, internal controls must be reviewed on an ongoing basis. Maintaining such internal controls requires human diligence and compliance and is therefore subject to lapses in judgment and failures that result from human error.

Further, our operations are subject to anti-corruption laws and regulations. These laws generally prohibit us and our employees and intermediaries from bribing, being bribed or making other prohibited payments to government officials or other persons to obtain or retain business or gain some other business advantage. We participate in collaborations and relationships with third parties whose actions could potentially subject us to liability under these laws or other local anti-corruption laws. While our code of conduct requires our employees to comply with all applicable laws, and we continue to enhance our policies and procedures in an effort to ensure compliance with applicable anti-corruption laws and regulations, these measures may not prevent the breach of such anti-corruption laws, as there are risks of such breaches in emerging markets, such as India. If we are not in compliance with applicable anti-corruption laws, we may be subject to criminal and civil penalties, disgorgement and other sanctions and remedial measures, and legal expenses, which could have an adverse impact on our business, results of operations and financial condition. Likewise, any investigation of any potential violations of anti-corruption laws by the relevant authorities could also have an adverse impact on our business and reputation.

63. *We are exposed to the risks of malfunctions or disruptions of information technology systems.*

We depend on information technology systems and accounting systems to support our business processes, including designing, planning, execution, procurement, inventory management, quality control, product costing, human resources and finance. Although these technology initiatives are intended to increase productivity and operating efficiencies, they may not achieve such intended results. These systems may be potentially vulnerable to outages due to fire, floods, power loss, telecommunications failures, natural disasters, computer viruses or malware, break-ins and similar events. Effective response to such disruptions or malfunctions will require effort and diligence on the part of our third-party distribution partners and employees to avoid any adverse effect to our information technology systems.

EXTERNAL RISKS

64. *The determination of the Price Band is based on various factors and assumptions and the Offer Price of the Equity Shares may not be indicative of the market price of the Equity Shares upon listing on the Stock Exchange.*

The determination of the Price Band is based on various factors and assumptions, and will be determined by our Company and the Selling Shareholder in consultation with the Book Running Lead Manager. Furthermore, the Offer Price of the Equity Shares will be determined by our Company and the Selling Shareholder in consultation with the Book Running Lead Manager through the Book Building Process. These will be based on numerous factors, including those described under “Basis for Offer Price” on page 105 of this Prospectus, and may not be indicative of the market price of the Equity Shares upon listing on the Stock Exchange. The price of our Equity Shares upon listing on the Stock Exchange will be determined by the market and may be influenced by many factors outside of our control.

65. *An investment in the Equity Shares is subject to general risk related to investments in Indian Companies.*

Our Company is incorporated in India and all of our assets and employees are located in India. Consequently, our business, results of operations, financial condition and the market price of the Equity Shares will be affected by changes in interest rates in India, policies of the Government of India, including taxation policies along with policies relating to industry, political, social and economic developments affecting India.

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

The Offer Price of our Equity Shares shall be determined by book building method. The price is based on numerous factors (For further information, please refer chapter titled “Basis for Offer Price” beginning on page 105 of this Prospectus) and may not be indicative of the market price of our Equity Shares after the Offer.

The market price of our Equity Shares could be subject to significant fluctuations after the Offer, and may decline below the Offer Price. We cannot assure you that you will be able to sell your Equity Shares at or above the Offer Price. Among the factors that could affect our share price include without limitation. The following:

- quarterly variations in the rate of growth of our financial indicators, such as earnings per share, net income and revenues;
- changes in revenue or earnings estimates or publication of research reports by analysts;
- results of operations that vary from those of our competitors;
- speculation in the press or investment community;
- new laws and governmental regulations applicable to our industry;
- future sales of the Equity Shares by our shareholders;
- general market conditions; and
- domestic and international economic, legal and regulatory factors unrelated to our performance.

67. *The Equity Shares have never been publicly traded, and, after the Offer, the Equity Shares may experience price and volume fluctuations, and an active trading market for the Equity Shares may not develop. Further, the price of the Equity Shares may be volatile, and you may be unable to resell the Equity Shares at or above the Offer Price, or at all.*

Prior to the Offer, there has been no public market for the Equity Shares, and an active trading market on the Stock Exchanges may not develop or be sustained after the Offer. Listing and quotation do not guarantee that a market for the Equity Shares will develop, or if developed, the liquidity of such market for the Equity Shares. The Offer Price of the Equity Shares is proposed to be determined through a Book Building Process in accordance with the SEBI ICDR Regulations and may not be indicative of the market price of the Equity Shares at the time of commencement of trading of the Equity Shares or at any time thereafter. The market price of the Equity Shares may be subject to significant fluctuations in response to, among other factors, variations in our operating results of our Company, market conditions specific to the industry we operate in, developments relating to India, volatility in securities markets in jurisdictions other than India, variations in the growth rate of financial indicators, variations in revenue or earnings estimates by research publications, and changes in economic, legal and other regulatory factors.

68. *There is no guarantee that the Equity Shares issued pursuant to the Offer will be listed on the BSE SME Platform 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 Offer 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 BSE SME. Any failure or delay in obtaining the approval would restrict your ability to dispose of your Equity Shares.

69. *Any future issuance of Equity Shares may dilute your shareholding and sale of our Equity Shares by our Promoters or other shareholders may adversely affect the trading price of the Equity Shares.*

Any future equity issuances by us, including in a primary offering, may lead to the dilution of investors' shareholdings in our Company. Any future equity issuances by us or sales of our Equity Shares by our Promoters or other major shareholders may adversely affect the trading price of the Equity Shares. In addition, any perception by investors that such issuances or sales might occur could also affect the trading price of our Equity Shares.

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

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

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

Under current Indian tax laws and regulations, unless specifically exempted, capital gains arising from the sale of equity shares in an Indian company are generally taxable in India. A securities transaction tax (“STT”) is levied on and collected by an Indian stock exchange on which equity shares are sold. Any capital gain exceeding ₹100,000, realized on the sale of equity shares held for more than 12 months immediately preceding the date of transfer, which are sold using any other platform other than on a recognized stock exchange and on which no STT has been paid, are subject to long-term capital gains tax in India.

The Finance Act, 2019 amended the Indian Stamp Act, 1899 with effect from July 1, 2020 and clarified that, in the absence of a specific provision under an agreement, the liability to pay stamp duty in case of sale of securities through stock exchanges will be on the buyer, while in other cases of transfer for consideration through a depository, the onus will be on the transferor. The stamp duty for transfer of securities other than debentures on a delivery basis is specified at 0.015% and on a non-delivery basis is specified at 0.003% of the consideration amount. The Finance Act, 2020, has, among others things, provided a number of amendments to the direct and indirect tax regime, including, without limitation, a simplified alternate direct tax regime and that dividend distribution tax will not be payable in respect of dividends declared, distributed or paid by a domestic company after March 31, 2020, and accordingly, that such dividends not be exempt in the hands of the shareholders, both resident as well as non-resident, and that such dividends likely be subject to tax deduction at source. The Company may or may not grant the benefit of a tax treaty (where applicable) to a non-resident shareholder for the purposes of deducting tax at source from such dividend. Investors should consult their own tax advisors about the consequences of investing or trading in the Equity Shares.

Further, any gain realized on the sale of listed equity shares held for a period of 12 months or less will be subject to short-term capital gains tax in India. In cases where the seller is a non-resident, capital gains arising from the sale of the equity shares will be partially or wholly exempt from taxation in India in cases where the exemption from taxation in India is provided under a treaty between India and the country of which the seller is resident. Historically, Indian tax treaties do not limit India’s ability to impose tax on capital gains. As a result, residents of other countries may be liable for tax in India as well as in their own jurisdiction on a gain upon the sale of the equity shares.

Further, we cannot predict whether any tax laws or other regulations impacting it will be enacted, or predict the nature and impact of any such laws or regulations or whether, if at all, any laws or regulations would have a material adverse effect on our business, financial condition, results of operations and cash flows. The Government of India had announced the union budget for financial year 2024 and the Finance Act, 2023 received assent from the President of India on March 31, 2023. There is no certainty on the impact that the Finance Act, 2023 may have on our business and operations or in the industry we operate in.

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

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

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

Under the exchange control regulations currently in force in India, transfers of shares between non-residents and residents are freely permitted (subject to certain restrictions) if they comply with the pricing guidelines and reporting requirements specified by the Reserve Bank of India. If the transfer of shares is not in compliance with such pricing guidelines or reporting requirements or falls under any of the exceptions referred to above, then the approval of the Reserve Bank of India will be required for such transaction to be valid.

Additionally, shareholders who seek to convert Rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India require a no-objection or a tax clearance certificate from the Indian income tax authorities. Further, in accordance with Press Note No. 3 (2020 Series), dated April 17, 2020 issued by the Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India (formerly known as Department of Industrial Policy and Promotion) 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 a land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country, will require prior approval of the Government of India, as prescribed in the Consolidated FDI Policy and the FEMA Rules. These investment restrictions shall also apply to subscribers of offshore derivative instruments. Neither the Consolidated FDI Policy nor the FEMA Rules provide a definition of the term “beneficial owner”. The interpretation of “beneficial owner” and enforcement of this regulatory change may differ in practice, which may have an adverse effect on our ability to raise foreign capital. We cannot assure you that any required approval from the Reserve Bank of India or any other governmental agency can be obtained on any particular terms or at all.

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

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

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

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

76. *Changing laws, rules and regulations and legal uncertainties, including adverse application or interpretation of corporate and tax laws, may adversely affect our business, prospects and results of operations.*

The regulatory and policy environment in which we operate is evolving and subject to change. Our business and financial performance could be adversely affected by unfavourable changes in or interpretations of existing, or the promulgation of new, laws, rules and regulations applicable to us and our business. In such instances, and including the instances mentioned below, our business, results of operations and prospects may be adversely impacted, to the extent that we are unable to suitably respond to and comply with any such changes in applicable law and policy. Any political instability in India, such as corruption, scandals and protests against certain economic reforms, which have occurred in the past, could slow the pace of liberalization and deregulation. The rate of economic liberalization could change, and specific laws and policies affecting foreign investment, currency exchange rates and other matters affecting investment in India could change as well.

Additionally, the Government of India has introduced (a) the Code on Wages, 2019; (b) the Code on Social Security, 2020; (c) the Occupational Safety, Health and Working Conditions Code, 2020; and (d) the Industrial Relations Code, 2020 which consolidate, subsume and replace numerous existing central labour legislations. While the rules for implementation under these codes have not been notified, the implementation of such laws could increase our employee and labour costs, thereby adversely impacting our results of operations, cash flows, business and financial performance.

The application of various Indian tax laws, rules and regulations to our business, currently or in the future, is subject to interpretation by the applicable taxation authorities. For instance, companies can voluntarily opt in favour of a concessional tax regime (subject to no other special benefits/exemptions being claimed), which reduces the rate of income tax payable to 22% subject to compliance with conditions prescribed, from the erstwhile 25% or 30% depending upon the total turnover or gross receipt in the relevant period. Any such future amendments may affect our other benefits such as exemption for income earned by way of dividend from investments in other domestic companies and units of mutual funds, exemption for interest received in respect of tax-free bonds, and long-term capital gains on equity shares if withdrawn by the statute in the future, and the same may no longer be available to us. Any adverse order passed by the appellate authorities/ tribunals/ courts would have an effect on our profitability.

Further, the GoI has announced the union budget for Fiscal 2024, pursuant to which the Finance Bill, 2023 (“Finance Bill”), has introduced various amendments. The Finance Bill has received assent from the President of India on March 31, 2023, and has been enacted as the Finance Act, 2023. We cannot predict whether any amendments made pursuant to the Finance Act, 2023 would have an adverse effect on our business, financial condition and results of operations. Furthermore, changes in capital gains tax or tax on capital market transactions or the sale of shares could affect investor returns. As a result, any such changes or interpretations could have an adverse effect on our business and financial performance.

There can be no assurance that the GoI will not implement new regulations and policies requiring us to obtain approvals and licenses from the GoI or other regulatory bodies, or impose onerous requirements and conditions on our operations. Any such changes and the related uncertainties with respect to the applicability, interpretation and implementation of any amendment or change to governing laws, regulation or policy, including by reason of an absence, or a limited body, of administrative or judicial precedent in the jurisdictions in which we operate may be time consuming as well as costly for us to resolve and may impact the viability of our current business or restrict our ability to grow our business in the future. It may also have a material adverse effect on our business, financial condition, cash flows and results of operations. In addition, we may have to incur expenditures to comply with the requirements of any new regulations, which could materially harm our results of operations or cash flows. Any unfavourable changes to the laws and regulations applicable to us could also subject us to additional liabilities.

We are unable to determine the impact of any changes in or interpretations of existing, or the promulgation of, new, laws, rules and regulations applicable to us and our business. If that was to occur it could result in us, our business, operations or group structure being deemed to be in contravention of such laws and/or may require us to apply for additional approvals. We may incur increased costs and other burdens relating to compliance with such new requirements, which may also require significant management time and other resources, and any failure to comply may adversely affect our business, results of operations and prospects. Uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy, including by reason of an absence, or a limited body, of administrative or judicial precedent may be time consuming as well as costly for us to resolve and may impact the viability of our current business or restrict our ability to grow our business in the future.

77. *Our business is substantially affected by prevailing economic, political and other conditions.*

We are incorporated in and substantially all our operations are located in India. As a result, we are highly dependent on prevailing economic conditions in India and our results of operations and cash flows are significantly affected by factors influencing the Indian economy. Factors that may adversely affect the Indian economy, and hence our results of operations and cash flows, may include:

- any increase in Indian interest rates or inflation;
- any exchange rate fluctuations;
- any scarcity of credit or other financing in India, resulting in an adverse impact on economic conditions in India and scarcity of financing for our expansions;
- prevailing income conditions among Indian consumers and Indian corporates;
- volatility in, and actual or perceived trends in trading activity on India's principal stock exchanges;
- changes in India's tax, trade, fiscal or monetary policies;
- political instability, terrorism or military conflict in India or in countries in the region or globally, including in India's various neighbouring countries;
- occurrence of natural or man-made disasters;
- prevailing regional or global economic conditions, including in India's principal export markets;
- any downgrading of India's debt rating by a domestic or international rating agency;
- financial instability in financial markets; and
- other significant regulatory or economic developments in or affecting India or its construction sector.

On February 24, 2022, Russian military forces invaded Ukraine. Although the length, impact and outcome of the ongoing military conflict in Ukraine is highly unpredictable, this conflict and responses from international communities could lead to significant market and other disruptions, including significant volatility in commodity prices and supply of energy resources, instability in financial markets, supply chain interruptions, political and social instability, changes in consumer or purchaser preferences as well as increase in cyberattacks and espionage.

To date, we have not experienced any material interruptions in our supply chain, manufacturing facility and distribution network in connection with these conflicts. We have no way to predict the progress or outcome of the conflict in Ukraine as the conflict, and any resulting government reactions, are rapidly developing and beyond our control. The extent and duration of the military action, sanctions and resulting market disruptions could be significant and could potentially have a substantial impact on the global economy and our business for an unknown period of time. Any of the abovementioned factors could affect our business, financial condition and results of operations.

In addition, any slowdown or perceived slowdown in the Indian economy, or in specific sectors of the Indian economy, could adversely affect our business, results of operations, cash flows and financial condition and the price of the Equity Shares.

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

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

79. *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.

80. *The ability of Indian companies to raise foreign capital may be constrained by Indian law.*

As an Indian Company, we are subject to exchange controls that regulate borrowing in foreign currencies, including those specified under FEMA. Such regulatory restrictions limit our financing sources for our projects under development and hence could constrain our ability to obtain financing on competitive terms and refinance existing indebtedness. In addition, we cannot assure you that the required approvals will be granted to us without onerous conditions, or at all. Limitations on foreign debt may adversely affect our business growth, results of operations and financial condition.

81. *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 Investors are not permitted to withdraw their Bids after Bid/ Offer Closing Date.*

Pursuant to the SEBI ICDR Regulations, Qualified Institutional Buyers and Non-Institutional Investors are required to pay the Bid Amount on submission of the Bid and 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. Similarly, Retail Individual Investors can revise or withdraw their Bids at any time during the Bid/ Offer Period and until the Bid/ Offer Closing Date, but not thereafter. Therefore, Qualified Institutional Buyers and Non-Institutional Investors will not be able to withdraw or lower their Bids following adverse developments in international or national monetary policy, financial, political or economic conditions, our business, results of operations or otherwise at any stage after the submission of their Bids.

SECTION IV – INTRODUCTION

THE OFFER

| PRESENT OFFER OF EQUITY SHARES BY OUR COMPANY IN TERMS OF THIS PROSPECTUS | |
|--|--|
| Equity Shares Offered ⁽¹⁾⁽²⁾⁽³⁾ | 1,03,28,000 Equity Shares of face value of ₹5/- each fully paid for cash at a price of ₹86/- per Equity Share aggregating ₹8,882.08 Lakhs |
| Out of which: | |
| (i) Fresh Issue ⁽¹⁾⁽²⁾ | 83,28,000 Equity Shares aggregating ₹7,162.08 Lakhs. |
| (ii) Offer for Sale ⁽³⁾ | 20,00,000 Equity Shares aggregating ₹1,720.00 Lakhs. |
| Out of which: | |
| Offer Reserved for the Market Maker | 5,24,800 Equity Shares of face value of ₹5/- each fully-paid up for cash at a price of ₹86/- per Equity Share aggregating ₹451.33 Lakhs |
| Net Offer to the Public | 98,03,200 Equity Shares of having face value of ₹5/- each fully paid-up for cash at a price of ₹86/- per Equity Share aggregating ₹8,430.752 Lakhs |
| Out of which* | |
| A. QIB Portion ⁽⁴⁾⁽⁵⁾ | 48,75,200 Equity Shares aggregating ₹4,192.67 Lakhs. |
| Of which: | |
| i) Anchor Investor Portion | 29,20,000 Equity Shares aggregating to ₹2,511.20 Lakhs |
| ii) Net QIB Portion (Assuming Anchor Investor Portion is fully subscribed) | 19,55,200 Equity Shares aggregating to ₹1,681.47 Lakhs |
| Of which: | |
| (a) Available for allocation to Mutual Funds only (5% of the Net QIB Portion) | 99,200 Equity Shares aggregating to ₹85.31 Lakhs |
| (b) Balance of QIB Portion for all QIBs including Mutual Funds | 18,56,000 Equity Shares aggregating to ₹1,596.16 Lakhs |
| B. Non-Institutional Portion | 14,80,000 Equity Shares aggregating ₹1,272.80 Lakhs |
| C. Retail Portion | 34,48,000 Equity Shares aggregating ₹2,965.28 Lakhs |
| Pre and Post – Offer Equity Shares | |
| Equity shares outstanding prior to the Offer | 2,99,64,000 Equity Shares of face value of ₹5/- each fully paid-up |
| Equity shares outstanding after the Offer | 3,82,92,000 Equity Shares of face value of ₹5/- each fully paid-up |
| Use of Net Proceeds | Please refer to the chapter titled “ <i>Objects of the Offer</i> ” beginning on page 94 of this Prospectus |

Notes:

- (1) The Offer is being made in terms of Chapter IX of the SEBI ICDR Regulations, as amended from time to time. This Offer is being made by our company in terms of Regulation of 229 (2) of SEBI ICDR Regulations read with Rule 19(2)(b)(i) of SCRR wherein not less than 25% of the post – offer paid up equity share capital of our company are being offered to the public for subscription.
- (2) The Offer has been authorized by the Board of Directors vide a resolution passed at its meeting held on August 31, 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 Annual General Meeting held on September 02, 2024.
- (3) The Selling Shareholders has confirmed and authorized its participation in the Offer for Sale in relation to the Offered Shares. The Selling Shareholders confirm that the Offered Shares have been held by it for a period of at least one year prior to the filing of this Prospectus with SEBI in accordance with Regulation 8 of the SEBI ICDR Regulations or are otherwise eligible for being offered for sale in the Offer in accordance with the provisions of the SEBI ICDR Regulations. The details of such authorisation and consent are provided below:

| Name of the Selling Shareholders | Number of Equity Shares Offered in the Offer for Sale | Date of board resolution/ authorization | Date of consent letter |
|--|---|---|------------------------|
| Mr. Harshil Mahesh Shah & Mr. Harsh Mahesh Shah on behalf of M/s. Ashapura Trading | 3,51,000 | August 31, 2024 | September 04, 2024 |
| Mr. Darshan Vikram Shah, Mr. Dhruvil Vikram Shah on behalf of M/s. Giriraj Trading | 3,51,000 | August 31, 2024 | September 05, 2024 |
| Ms. Daksha Sharad Maniyar | 90,000 | August 31, 2024 | September 03, 2024 |
| Mr. Jayesh Mulchand Maniyar | 90,000 | August 31, 2024 | September 03, 2024 |
| Mr. Mukesh Jayantilal Sanghavi | 90,000 | August 31, 2024 | September 03, 2024 |
| Ms. Virali Girish Maniyar | 90,000 | August 31, 2024 | September 04, 2024 |
| Mr. Yash Jayesh Maniyar | 90,000 | August 31, 2024 | September 05, 2024 |
| Ms. Naity Sharad Maniyar | 90,000 | August 31, 2024 | September 05, 2024 |
| Mr. Sharad Mulchand Maniyar | 90,000 | August 31, 2024 | September 03, 2024 |
| Ms. Bharti Mukesh Sanghavi | 90,000 | August 31, 2024 | September 05, 2024 |
| Ms. Nirmalaben Fatechand Sanghavi | 90,000 | August 31, 2024 | September 03, 2024 |
| Mr. Bhaven Vinod Pandya | 90,000 | August 31, 2024 | September 04, 2024 |
| Mr. Ketanbhai Arvindray Shah | 90,000 | August 31, 2024 | September 03, 2024 |
| Mr. Kishore Paramdas Vora | 90,000 | August 31, 2024 | September 05, 2024 |
| Mr. Nisarg Pradip Shah | 80,000 | August 31, 2024 | September 04, 2024 |
| Ms. Nita Chandrakant Lakhani | 80,000 | August 31, 2024 | September 03, 2024 |
| Ms. Aneri Manish Lakhani | 58,000 | August 31, 2024 | September 04, 2024 |

- (4) Subject to valid bids being received at or above the Offer Price, under subscription, if any, in any category, except in the QIB Portion, would be allowed to be met with spill-over from any other category or combination of categories of Bidders, as applicable, at the discretion of our Company, in consultation with the BRLM and the Designated Stock Exchange, subject to applicable laws. Undersubscription, if any, in the QIB Portion (excluding the Anchor Investor Portion) will not be allowed to be met with spill-over from other categories or a combination of categories.
- (5) Our company, in consultation with the BRLM, shall allocate at least 5% of the Offer to the Designated Market Maker under the Market Maker Reservation Portion as per the Regulation 261(4) of the SEBI ICDR Regulations.
- (6) The allocation in the Net Offer to the public shall be made as per the Regulation 253(1) of the SEBI ICDR Regulations.
- (7) Our Company, in consultation with the BRLM, 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 Investors Allocation Price. In the event of undersubscription in the Anchor Investor Portion, the remaining Equity Shares shall be added to the Net QIB Portion. Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Offer Price. In the event the aggregate demand from Mutual Funds is less than as specified above, the balance Equity Shares available for Allotment in the Mutual Fund Portion will be added to the QIB Portion and allocated proportionately to the QIB Bidders (other than Anchor Investors) in proportion to their Bids.

Allocation to Bidders in all categories, except Anchor Investors, if any, Non-Institutional Investors and Retail Individual Investors, shall be made on a proportionate basis subject to valid Bids received at or above the Offer Price. The allocation to each Retail Individual Investors shall not be less than the minimum Bid Lot, subject to availability of Equity Shares in the Retail Portion and the remaining available Equity Shares, if any, shall be allocated on a proportionate basis. The allocation to each Non- Institutional Investors shall not be less than the ₹2,00,000, subject to availability of Equity Shares in the Non-Institutional Portion and the remaining available Equity Shares, if any, shall be allocated on a proportionate basis. SEBI through its circular SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 5, 2022, has prescribed that all individual Bidders applying in initial public offerings opening on or after May 1, 2022, where the Bid amount is up to ₹ 5,00,000 shall use UPI. UPI Bidders using the UPI Mechanism, shall provide their UPI ID in the Bid cum Application Form for Bidding through Registered Brokers, RTAs or CDPs, or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.

SUMMARY OF FINANCIAL INFORMATION

The following tables provide the summary of financial information of our Company derived from the Restated Consolidated Financial Information as at and for the six months ended September 30, 2024 and the years ended March 31, 2024, March 31, 2023 and March 31, 2022.

The Restated Financial Information referred to above are presented under “Financial Information” beginning on page 197. The summary of financial information presented below should be read in conjunction with the “Restated Financial Information” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” beginning on pages 197 and 203, respectively.

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RESTATED CONSOLIDATED STATEMENT OF ASSETS AND LIABILITIES

(₹ in Lakhs)

| Sr. No | PARTICULARS | Annexure No. | For the Period ended/ year ended | | | |
|-----------|--|----------------|----------------------------------|------------------|------------------|------------------|
| | | | 30.09.2024 | 31-03-2024 | 31-03-2023 | 31-03-2022 |
| A) | EQUITY AND LIABILITIES | | | | | |
| 1. | Shareholders' Funds | | | | | |
| (a) | Share Capital | A | 1,498.20 | 1,498.20 | 1,498.20 | 499.40 |
| (b) | Reserves & Surplus | | 17,346.86 | 12,309.54 | 7,998.01 | 7,086.54 |
| | | | 18,845.06 | 13,807.74 | 9,496.21 | 7,585.94 |
| 2. | Non-Current Liabilities | | | | | |
| (a) | Long Term Borrowings | B, B(A) & B(B) | 15.90 | 17.04 | - | - |
| (b) | Deferred Tax Liabilities (Net) | C | - | - | - | - |
| (c) | Long Term Provisions | D | 34.09 | 55.12 | 38.55 | 24.92 |
| | | | 49.99 | 72.16 | 38.55 | 24.92 |
| 3. | Current Liabilities | | | | | |
| (a) | Short Term Borrowings | B, B(A) & B(B) | 2,582.16 | 4,789.07 | 994.27 | 1,506.12 |
| (b) | Trade Payables | E | | | | |
| | (i) total outstanding dues of micro enterprises and small enterprises; and | | - | - | - | - |
| | (ii) total outstanding dues of creditors other than micro enterprises and small enterprises. | | 10,915.26 | 10,521.75 | 7,218.96 | 8,159.85 |
| (c) | Other Current Liabilities | F | 188.52 | 77.45 | 548.30 | 494.46 |
| (d) | Short Term Provisions | | 1,210.51 | 938.66 | 475.72 | 299.40 |
| | | | 14,896.44 | 16,326.92 | 9,237.25 | 10,459.84 |
| | Total | | 33,791.49 | 30,206.82 | 18,772.01 | 18,070.69 |
| B) | ASSETS | | | | | |
| 1. | Non-Current Assets | | | | | |
| (a) | Property, Plant & Equipment and Intangible Assets | G | | | | |
| | a. Tangible Assets | | 196.43 | 189.87 | 191.98 | 77.36 |
| | b. Intangible Assets | | 19.48 | 14.33 | 16.53 | 11.37 |
| | c. Capital Work in Progress | | - | - | - | 41.70 |
| | | | 215.92 | 204.20 | 208.51 | 130.43 |
| (b) | Non-Current Investment | H | 815.04 | 1,276.67 | 550.30 | 110.83 |
| (c) | Deferred Tax Assets (Net) | C | 29.87 | 23.43 | 18.98 | 18.44 |
| (d) | Long Term Loans and Advances | I | 16,000.02 | 13,943.17 | 7,149.37 | 7,340.84 |
| | | | 16,844.93 | 15,243.27 | 7,718.65 | 7,470.11 |
| 2. | Current Assets | | | | | |
| (a) | Current Investment | J | 15,601.33 | 11,916.48 | 9,214.37 | 7,093.78 |
| (b) | Inventories | K | - | - | - | - |
| (c) | Trade Receivables | L | 225.98 | 419.22 | 559.26 | 679.48 |
| (d) | Cash and Cash equivalents | M | 694.78 | 2,159.73 | 734.07 | 2,384.86 |
| (e) | Short-Term Loans and Advances | N | 155.86 | 91.56 | 164.03 | 218.41 |
| (f) | Other Current Assets | O | 52.69 | 172.36 | 173.11 | 93.62 |
| | | | 16,730.64 | 14,759.34 | 10,844.85 | 10,470.16 |
| | | | | | | |
| | Total | | 33,791.49 | 30,206.82 | 18,772.01 | 18,070.69 |

The above statement should be read with the Statement of Notes to the Restated Financial Information of the Company in Annexure - IV & V

RESTATED CONSOLIDATED STATEMENT OF PROFIT AND LOSS

(₹ in Lakhs)

| Sr. No. | PARTICULARS | Annexure No. | For the period ended/ year ended on | | | |
|---------|---|--------------|-------------------------------------|------------------|-----------------|-----------------|
| | | | 30.09.2024 | 31-03-2024 | 31-03-2023 | 31-03-2022 |
| 1 | Revenue From Operation | P | 9,285.81 | 10,416.17 | 4,946.76 | 3,549.91 |
| 2 | Other Income | Q | 330.02 | 718.09 | 505.67 | 748.40 |
| 3 | Total Income (1+2) | | 9,615.83 | 11,134.26 | 5,452.43 | 4,298.31 |
| 4 | Expenditure | | | | | |
| (a) | Cost of Goods Sold | R | - | - | - | - |
| (b) | Purchases of Stock in Trade | | - | - | - | - |
| (c) | Changes in inventories of finished goods. | S | - | - | - | - |
| (d) | Employee Benefit Expenses | T | 809.66 | 1,739.62 | 876.52 | 522.26 |
| (e) | Finance Cost | U | 276.79 | 245.82 | 332.14 | 336.54 |
| (f) | Depreciation and Amortisation Expenses | V | 32.99 | 60.48 | 48.87 | 31.99 |
| (g) | Other Expenses | W | 2,204.38 | 3,851.68 | 1,732.72 | 1,195.20 |
| 5 | Total Expenditure 4(a) to 4(g) | | 3,323.81 | 5,897.60 | 2,990.26 | 2,085.99 |
| 6 | Profit/(Loss) Before Exceptional & extraordinary items & Tax (3-5) | | 6,292.01 | 5,236.66 | 2,462.17 | 2,212.32 |
| 7 | Exceptional item | | - | - | - | - |
| 8 | Profit/(Loss) Before Tax (6-7) | | 6,292.01 | 5,236.66 | 2,462.17 | 2,212.32 |
| 9 | Tax Expense: | | | | | |
| (a) | Tax Expense for Current Year | AA | 1,261.14 | 976.49 | 505.53 | 373.29 |
| (b) | Short/(Excess) Provision of Earlier Year | | - | - | - | - |
| (b) | Deferred Tax | | (6.44) | (4.45) | (0.53) | 76.57 |
| | Net Current Tax Expenses | | 1,254.70 | 972.04 | 505.00 | 449.85 |
| 10 | Profit/(Loss) for the Year (8-9) | | 5,037.32 | 4,264.63 | 1,957.17 | 1,762.47 |
| 11 | Profit/(Loss) attributable to minority holders | | 0.00 | 0.00 | 0.00 | 0.00 |
| 12 | Profit/Loss from Associates | | - | - | (46.91) | - |
| 13 | Profit/Loss attributable to owners of the group | | 5,037.32 | 4,264.63 | 1,910.27 | 1,762.47 |
| 14 | Earnings Per share (Face value of Rs. 5) | | | | | |
| | Basic | | 16.81 | 14.23 | 6.38 | 5.88 |
| | Diluted | | 16.81 | 14.23 | 6.38 | 5.88 |

The above statement should be read with the Statement of Notes to the Restated Consolidated Financial Information of the Company in Annexure - IV & V

RESTATED CONSOLIDATED CASH FLOW STATEMENT

(₹ in Lakhs)

| PARTICULARS | For the period ended/ year ended | | | |
|---|----------------------------------|-------------------|-------------------|-------------------|
| | 30.09.2024 | 31-03-2024 | 31-03-2023 | 31-03-2022 |
| A. CASH FLOW FROM OPERATING ACTIVITIES: | | | | |
| Net Profit before tax | 6,292.01 | 5,236.66 | 2,462.17 | 2,212.32 |
| Adjustment for: | | | | |
| Depreciation | 32.99 | 60.48 | 48.87 | 31.99 |
| Interest Paid | 276.79 | 245.82 | 332.14 | 336.54 |
| Provision of Gratuity | (21.03) | 16.57 | 13.63 | (3.27) |
| Loss/(Profit) on Sale of Asset | 10.00 | - | - | 3.44 |
| Interest Income | (330.02) | (710.68) | (501.68) | (745.58) |
| (Profit)/Loss on sale of Investment | - | 15.22 | - | - |
| Operating profit before working capital changes | 6,260.74 | 4,864.08 | 2,355.14 | 1,835.43 |
| Changes in Working Capital | | | | |
| (Increase)/Decrease in Inventory | - | - | - | - |
| (Increase)/Decrease in Current Investment | (3,684.85) | (2,702.11) | (2,120.59) | (7,093.78) |
| (Increase)/Decrease in Trade Receivables | 183.24 | 140.04 | 120.22 | (28.57) |
| (Increase)/Decrease in Short Term Loans & Advances and Provisions | (64.30) | 72.47 | 54.38 | (124.33) |
| (Increase)/Decrease in Other Current Assets | 119.66 | 0.76 | (79.49) | 581.89 |
| Increase/(Decrease) in Trade Payables | 393.50 | 3,302.79 | (940.89) | 1,466.41 |
| Increase/(Decrease) in Other Current Liabilities | 111.07 | (470.85) | 53.83 | 273.91 |
| Increase/(Decrease) in Short Term & Long-Term Provisions | (3.78) | 5.10 | 1.32 | (56.89) |
| Cash generated from operations | 3,315.29 | 5,212.27 | (556.07) | (3,145.93) |
| Less: - Income Taxes paid | (985.50) | (518.64) | (330.53) | (518.29) |
| Net cash flow from operating activities - A | 2,329.79 | 4,693.63 | (886.61) | (3,664.22) |
| B. CASH FLOW FROM INVESTING ACTIVITIES: | | | | |
| Purchase of Fixed Assets including of CWIP | (59.65) | (56.17) | (126.96) | (92.45) |
| Proceeds from Sale of Fixed Assets | 14.95 | - | - | - |
| Change in Fair Value of Investment in associate | - | - | (46.91) | - |
| Increase/(Decrease) in Long Term Loans and Advances | (2,056.84) | (6,793.80) | 191.47 | 2,816.30 |
| Increase/(Decrease) in Non-Current Investments | 461.63 | (716.41) | (439.47) | 4,157.46 |
| Proceeds from sale of Investment in Associate | - | 21.72 | - | - |
| Interest Income | 330.02 | 717.67 | 501.68 | 745.58 |
| Net cash flow from investing activities - B | (1,309.90) | (6,833.98) | 79.81 | 7,626.90 |
| C. CASH FLOW FROM FINANCING ACTIVITIES: | | | | |
| Proceeds from Issue of Share Capital | - | - | - | - |
| Increase/(Decrease) in Short Term Borrowings | (2,207.01) | 3,792.67 | (511.85) | (1,427.67) |
| Proceeds from Long Term Borrowings | - | 19.50 | - | - |
| (Repayment) of Long-Term Borrowings | (1.04) | (0.34) | - | (3.82) |
| Interest Paid | (276.79) | (245.82) | (332.14) | (336.54) |
| Net cash flow from financing activities - C | (2,484.84) | 3,566.01 | (844.00) | (1,768.03) |
| Net Increase/(Decrease) In Cash & Cash Equivalents (A+B+C) | (1,464.95) | 1,425.66 | (1,650.79) | 2,194.64 |
| Cash equivalents at the beginning of the year | 2,159.73 | 734.07 | 2,384.86 | 190.22 |
| Cash equivalents at the end of the year | 694.78 | 2,159.73 | 734.07 | 2,384.86 |
| Notes: - | 30.09.2024 | 31-03-2024 | 31-03-2023 | 31-03-2022 |
| 1. Component of Cash and Cash equivalents | | | | |
| i) Cash on hand | 16.47 | 19.26 | 39.02 | 18.99 |

| PARTICULARS | For the period ended/ year ended | | | |
|---|----------------------------------|-----------------|---------------|-----------------|
| | 30.09.2024 | 31-03-2024 | 31-03-2023 | 31-03-2022 |
| ii) Balance With banks | 416.45 | 543.82 | 633.06 | 2,309.58 |
| iii) Other Bank Balance | 261.86 | 1,596.65 | 62.00 | 56.29 |
| | 694.78 | 2,159.73 | 734.07 | 2,384.86 |
| 2. Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular revenue generating, financing and investing activities of the company are segregated. | | | | |
| 3. The above statement should be read with the Statement of Notes to the Restated Consolidated Financial Information of the Company in Annexure - IV & V | | | | |

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GENERAL INFORMATION

Registered Office of Our Company

Rikhav Securities Limited

Office No. 922 - A, 9th Floor,
P. J. Towers, Dalal Street, Fort,
Mumbai - 400 001, Maharashtra, India.

Tel No: 022-69078304

Email: investor@rikhav.in

Website: www.rikhav.net

CIN: U99999MH1995PLC086635

Registration Number: 086635

SEBI Registration Number: INZ000157737

BSE Clearing No.: 3174

NSE Clearing No.: 12804

MCX Member ID: 21480

Corporate Office of Our Company

Rikhav Securities Limited

B - Wing, Office No. 501 & 502,
O2 Commercial Building, Asha Nagar
Park Road, Asha Nagar, Mulund West,
Mumbai – 400080, Maharashtra, India.

Tel No: 022-69078300

Fax: +91-22-2593 5300

Email: investor@rikhav.in

Website: www.rikhav.net

For further details and details of changes in the registered office of our company, please refer to the chapter titled “*History and Certain Corporate Matters*” beginning on page 166 of this Prospectus.

Registrar of Companies

Registrar of Companies, Mumbai

Ministry of Corporate Affairs, 100, Everest,
Marine Drive, Mumbai – 400 002, Maharashtra, India

Tel No: 022 – 2281 2627

Fax: 022 - 2281 1977

Email: roc.mumbai@mca.gov.in

Website: www.mca.gov.in

Board of Directors

As on the date of this Prospectus, the Board of Directors of our Company comprises of the following:

| Name | Designation | DIN | Residential Address |
|-----------------------------|------------------------------|----------|---|
| Mr. Hitesh Himatlal Lakhani | Chairman & Managing Director | 01457990 | Flat No. 303, D-11, Mahavir Apartment, S.P Nagar, Nahur Road, Behind Jain Mandir, Mulund West, Mumbai - 400080, Maharashtra, India. |
| Mr. Rajendra N Shah | Whole Time Director | 01248226 | D-10, 207-208, Parshwanath Apartment, S.P. Nagar, Mulund West, Mumbai - 400080, Maharashtra, India. |
| Mr. Monil Rajendra Shah | Executive Director | 08064436 | D-10, 207-208, Parshwanath Apartment, S.P. Nagar, Mulund West, Mumbai - 400080, Maharashtra, India. |
| Ms. Bharti Hitesh Lakhani | Non-Executive Director | 01077839 | Flat No. 303, D-11, Mahavir Apartment, S.P Nagar, Nahur Road, Behind Jain Mandir, Mulund West, Mumbai - 400080, Maharashtra, India. |

| Name | Designation | DIN | Residential Address |
|--------------------------------|---------------------------------------|----------|--|
| Mr. Manish Lalit Kumar Jain | Non-Executive Independent Director | 01310249 | 139, Prabhat Wadi, Room No. 8, Ground Floor, Seth Motishah Lane, Opp. Jain Park, Byculla, Mumbai - 400027, Maharashtra, India. |
| Mr. Tarang Madanjit Mehta | Non-Executive Independent Director | 01528135 | 902, Pearl New Pearl CHS LTD. LBS Marg, Mulund West, Near Nirmal Life Style, Mumbai- 400080, Maharashtra, India. |

For detailed profile of our Board of Directors, please see chapter titled “*Our Management*” beginning on page 174 of this Prospectus.

Company Secretary and Compliance Officer

Ms. Sona Jain, is our Company Secretary and Compliance Officer. His contact details are as follows:

Ms. Sona Jain

B - Wing, Office No. 501 & 502,
O2 Commercial Building, Asha Nagar
Park Road, Asha Nagar, Mulund West,
Mumbai – 400080, Maharashtra, India.

Tel No: 022-69078300

Email: cs@rikhav.in

Website: www.rikhav.net

Investor grievances:

Bidders may contact the Company Secretary and Compliance Officer or the Registrar to the Offer in case of any pre-Offer or post-Offer related grievances including non-receipt of letters of Allotment, non-credit of Allotted Equity Shares in the respective beneficiary account, non-receipt of refund orders or non-receipt of funds by electronic mode, etc. For all Offer related queries and for redressal of complaints, investors may also write to the BRLM.

All offer-related grievances, other than that of Anchor Investors, may be addressed to the Registrar to the Offer with a copy to the relevant Designated Intermediary(ies) with whom the Bid cum Application Form was submitted, giving full details such as name of the sole or First Bidder, Bid cum Application Form number, Bidder’s DP ID, Client ID, UPI ID, PAN, address of Bidder, number of Equity Shares applied for, ASBA Account number in which the amount equivalent to the Bid Amount was blocked or the UPI ID (for UPI Bidders who make the payment of Bid Amount through the UPI Mechanism), date of Bid cum Application Form and the name and address of the relevant Designated Intermediary(ies) where the Bid was submitted. Further, the Bidder shall enclose a copy of the Acknowledgment Slip or provide the application number received from the Designated Intermediary(ies) in addition to the documents or information mentioned hereinabove. All grievances relating to Bids submitted through Registered Brokers may be addressed to the Stock Exchanges with a copy to the Registrar to the Offer.

All offer-related grievances of the Anchor Investors may be addressed to the Registrar to the Offer, giving full details such as the name of the sole or First Bidder, Anchor Investor Application Form number, Bidders’ DP ID, Client ID, PAN, date of the Anchor Investor Application Form, address of the Bidder, number of the Equity Shares applied for, Bid Amount paid on submission of the Anchor Investor Application Form and the name and address of the BRLM where the Anchor Investor Application Form was submitted by the Anchor Investor.

Book Running Lead Manager

Smart Horizon Capital Advisors Private Limited

(Formerly Known as Shreni Capital Advisors Private Limited)

B/908, Western Edge II, Kanakia Space,
Behind Metro Mall, Off Western Express Highway,
Magathane, Borivali East, Mumbai - 400066, Maharashtra, India.

Tel No: 022 - 28706822

Investor Grievance E-mail: investor@shcapl.com

Email: director@shcapl.com

Website: www.shcapl.com

Contact Person: Mr. Parth Shah

SEBI Registration No.: INM000013183

Registrar to the Offer

Link Intime India Private Limited

C-101, 1st Floor, 247 Park, Lal Bahadur Shastri Marg,
Vikhroli (West) Mumbai, Maharashtra – 400083, India.

Tel: +91 8108114949

Email: rikhav.smeipo@linkintime.co.in

Investor Grievance ID: rikhav.smeipo@linkintime.co.in

Website: www.linkintime.co.in

Contact person: Mr. Shanti Gopalkrishnan

SEBI registration number: INR000004058

Legal Advisor to the Offer

Asha Agarwal & Associates

118, Shila Vihar, Gokulpura,

Kalwar Road, Jhotwara,

Jaipur – 302 012, Rajasthan, India

Tel No: +91 99509 33137

Email: ashaagarwalassociates@gmail.com

Contact Person: Ms. Asha Agarwal

Statutory Auditors of Our Company

M/s. AHSP & Co LLP, Chartered Accountants

B-73, Mangal Aarambh Commercial Complex,

Near Kora Kendra Ground, Borivali West,

Mumbai – 400092, Maharashtra, India.

Tel No.: +91 98927 43949

Email: bhaveshjoganibnp@gmail.com

Contact Person: CA Siddhant Nitin Shah

Membership No.: 156278

Firm Registration No.: 100163W

Peer Reviewed Auditors of Our Company

M/s. Mundra & Co., Chartered Accountants

513, Apex Mall, 4th Floor, Lal Kothi,

Tank Road, Jaipur – 302018, Rajasthan, India.

Tel No.: +91 8239487569

Email: canitinjpr@gmail.com

Contact Person: CA. Nitin Khandelwal

Membership No.: 414387

Firm Registration No.: 013023C

Peer Review Registration No.: 014184

M/s. Mundra & Co., Chartered Accountants hold a peer review certificate dated April 27, 2022 issued by the Institute of Chartered Accountants of India.

Bankers to the Company

HDFC Bank Limited

2nd Floor, Zenith House, Race Course,

Mahalaksmi, Mumbai – 400034,

Maharashtra, India.

Tel No: 022-39760069

Email: Darshita.maroo@hdfcbank.com

Website: www.hdfcbank.com

Contact Person: Ms. Darshita Maroo

SBM Bank (India) Limited

4th Floor, Fleet House, Andheri - Kurla Rd,

Marol Naka, Andheri East,
Mumbai – 400059, Maharashtra, India.
Tel No: 022-68744200
Email: karan.singh@smbank.co.in
Website: www.smbank.com
Contact Person: Mr. Karan Singh

ICICI Bank Limited

Capital Market Division 5th Floor,
H T Parekh Marg, Churchgate,
Mumbai – 400020, Maharashtra, India.
Tel No: 022-68052125
Email: Kunal.shah1@icicibank.com
Website: www.icicibank.com
Contact Person: Mr Kunal Shah
SEBI Registration No.: INBI00000004

Axis Bank Limited

81h Floor, Axis Bank Limited,
Axis House, P.B. Marg, Worli,
Mumbai - 400 025, Maharashtra, India.
Tel No: +91 9819347348
Email: dharmil.ajmera@axisbank.com
Website: www.axisbank.com
Contact Person: Mr. Dharmil Ajmera

Bankers to the Offer / Escrow Collection Bank, Refund Bank and Public Offer Bank

Axis Bank Limited

Jeevan Prakash Building, Ground Floor,
Sir, P.M. Road, Fort, Mumbai – 400001,
Maharashtra, India.
Tel No: 022-40867429
Email: www.axisbank.com
Website: www.axisbank.com
Contact Person: Mr. Percy Badhniwalla
SEBI Registration No.: INBI00000017

Share Escrow Agent

Link Intime India Private Limited

C-101, 1st Floor, 247 Park, Lal Bahadur Shastri Marg,
Vikhroli (West) Mumbai, Maharashtra – 400083, India.
Tel: +91 8108114949
Email: rikhav.smeipo@linkintime.co.in
Investor Grievance ID: rikhav.smeipo@linkintime.co.in
Website: www.linkintime.co.in
Contact person: Mr. Shanti Gopalkrishnan
SEBI registration number: INR000004058

Syndicate Member

Shreni Shares Limited

No. 217, Hive 67 Icon, Poisar Gymkhana Road,
Lokmanya Tilak Nagar Poisar, Near Raghuleela Mall,
Kandivali West, Mumbai – 400067, Maharashtra, India.
Tel No: 022 - 20897022
Email: shrenisharespvtltd@yahoo.in
Website: www.shreni.in
Contact Person: Mr. Hitesh Punjani
SEBI Registration No.: INZ000268538

Inter-Se allocation of responsibilities of the Book Running Lead Manager

Smart Horizon Capital Advisors Private Limited is the sole Book Running Lead Manager to this Offer and all the responsibilities relating to co-ordination and other activities in relation to the Offer shall be performed by them and hence a statement of inter-se allocation of responsibilities is not required.

Self-Certified Syndicate Banks

The list of SCSBs notified by SEBI, for the ASBA process is available at (i) in relation to ASBA, where the Bid Amount will be blocked by authorising an SCSB, a list of which is available on the website of SEBI at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes> updated from time to time or at such other websites as may be prescribed by SEBI from time to time, (ii) A list of the Designated SCSB Branches with which an ASBA Bidder (other than a UPI Bidder using the UPI Mechanism), not bidding through Syndicate/Sub Syndicate or through Registered Broker, RTA or CDP may submit the Bid cum Application Forms, is available on the website of SEBI at <https://sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40> or such other website as updated from time to time.

SCSBs and mobile applications enabled for UPI Mechanism

In accordance with SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019 and SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 read with SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 5, 2022, read with other applicable UPI Circulars, UPI Bidders, bidding using the UPI Mechanism may only apply through the SCSBs and mobile applications using the UPI handles specified on the website of the SEBI (www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40) and (www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43) respectively, as updated from time to time.

Syndicate SCSB Branches

In relation to Bids (other than Bids by Anchor Investors and RIIs) submitted to a member of the Syndicate, the list of branches of the SCSBs at the Specified Locations named by the respective SCSBs to receive deposits of Bid cum Application Forms from the members of the Syndicate is available on the website of the SEBI at www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes&intmId=35, as updated from time to time or any such other website as may be prescribed by SEBI from time to time. For more information on such branches collecting Bid cum Application Forms from the Syndicate at Specified Locations, see the website of the SEBI at www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes&intmId=35 or any such other website as may be prescribed by SEBI from time to time.

Registered Brokers

Bidders can submit ASBA Forms in the Offer using the stock broker network of the stock exchange, i.e. through the Registered Brokers at the Broker Centres. The list of the Registered Brokers, including details such as postal address, telephone number and e-mail address, is provided on the websites of the Stock Exchanges at <https://www.bseindia.com>, as updated from time to time.

Registrar and Share Transfer Agents

The list of the RTAs eligible to accept ASBA Forms at the Designated RTA Locations, including details such as address, telephone number and e-mail address, is provided on the websites of the Stock Exchange at www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx, respectively, as updated from time to time.

Collecting Depository Participants

The list of the CDPs eligible to accept ASBA Forms at the Designated CDP Locations, including details such as their name and contact details, is provided on the websites of the Stock Exchange at www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx, respectively, as updated from time to time.

Credit Rating

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

IPO Grading

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

Debenture Trustees

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

Monitoring Agency

Since our offer size does not exceed ₹ 10,000 Lakhs, we are not required to appoint monitoring agency for monitoring the utilization of Net Proceeds in accordance with Regulation 262(1) of SEBI ICDR Regulations. Our Company has not appointed any monitoring agency for this offer. However, as per Section 177 of the Companies Act, 2013, the Audit Committee of our Company, would be monitoring the utilization of the proceeds of the Offer.

Appraising Entity

No appraising entity has been appointed in respect of any objects of this offer.

Green Shoe Option

No green shoe option is contemplated under the offer.

Changes in Auditors

Except as stated below, there has been no change in the auditors of our Company during the three years preceding the date of this Prospectus.

| Particulars | Date of Change | Reason for Change |
|--|--------------------|--|
| M/s. Mayur B. Mehta , Chartered Accountants 11, Manish Bhuvan, Kisan Nagar-1, Thane West, Thane – 400604, Maharashtra, India. Telephone: +91 9029253983 E-mail: mayur9891@gmail.com Firm registration number: 142428 | July 25, 2023 | Resignation due to Pre - Occupation in other Assignments |
| Deepak C Agarwal & Associates , Chartered Accountants 117 Linkway Estate, Mezzanine Floor, Above Greens Restaurant, Link Road, Malad West, Mumbai – 400064, Maharashtra, India. Telephone: 022-35114305 E-mail: dagarwalnassociates@gmail.com Firm registration number: 140967W | September 28, 2023 | Appointed as Statutory Auditor till the March 31, 2028 |
| Deepak C Agarwal & Associates , Chartered Accountants 117 Linkway Estate, Mezzanine Floor, Above Greens Restaurant, Link Road, Malad West, Mumbai – 400064, Maharashtra, India. Telephone: 022-35114305 E-mail: dagarwalnassociates@gmail.com Firm registration number: 140967W | August 16, 2024 | Resignation due to Pre - Occupation in other Assignments |
| AHSP & Co. LLP , Chartered Accountants B-713, Mangal Aarambh Commercial Complex, Near Kora Kendra, Borivali West, Mumbai – 400092 Telephone: +91 98927 43949 E-mail: bhavesjhoganibnp@gmail.com Firm registration number: 100163W | September 02, 2024 | Appointed as Statutory Auditor till the March 31, 2029 |

Experts to the Offer

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

Our Company has received written consent from Peer Reviewed Auditor namely, M/s. Mundra & Co., Chartered Accountants, to include their name in respect of the reports on the Restated Financial Information dated January 01, 2025 and the Statement of Possible Tax Benefits dated September 23, 2024 issued by them and included in this Prospectus, as required under section 26(1)(a)(v) of the Companies Act, 2013 in this Prospectus and as “Expert” as defined under section 2(38) of the Companies Act, 2013 and such consent has not been withdrawn as on the date of this Prospectus. However, the term “expert” shall not be construed to mean an “expert” as defined under the U.S. Securities Act.

Filing of the Red Herring Prospectus and this Prospectus

The Red Herring Prospectus and this Prospectus has been filed on SME Platform BSE Limited (“BSE SME”) situated at BSE Limited, Office No. 922 - A, 9th Floor, P. J. Towers, Dalal Street, Fort, Mumbai - 400 001, Maharashtra, India.

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

A copy of the Red Herring Prospectus, along with the material contracts and documents required has been filed under Section 26 & 32 of the Companies Act, 2013, has been delivered to the Registrar of Companies, Mumbai through the electronic portal at <http://www.mca.gov.in>, at least (3) three working days prior from the date of opening of the offer.

Type of Offer

The present offer is considered to be 100% Book-Building offer.

Book Building Process

Book building, in the context of the offer, refers to the process of collection of Bids from bidders on the basis of the Prospectus, the Bid Cum Application Forms and the Revision Forms, if any, within the Price Band and the minimum Bid Lot, which will be decided by our company and selling shareholders in consultation with the Book Running Lead Manager, and will be advertised in Financial Express, all editions of English national daily newspaper, Jansatta, all editions of Hindi national daily newspaper, Pratahkal all editions of the Marathi daily newspaper (Marathi being the regional language of Maharashtra, where our Registered Office is located) each with wide circulation at least two Working Days prior to the Bid/Offer Opening Date and shall be made available to the Stock Exchange for the purpose of uploading on their respective website. The offer price shall be determined by our company and selling shareholders in consultation with the Book Running Lead Manager, after the Bid/Offer Closing Date. For details, see “Offer Procedure” beginning on page 273 of this Prospectus.

Our Company will comply with the SEBI ICDR Regulations and any other directions issued by SEBI in relation to this Offer. Each of the Selling Shareholders have, severally and not jointly, specifically confirmed that they will comply with the SEBI ICDR Regulations and any other directions issued by SEBI, as applicable to such Selling Shareholder, in relation to its portion of the Offered Shares. In this regard, our Company and the Selling Shareholders have appointed the Book Running Lead Manager to manage this Offer and procure Bids for this Offer. The Book Building Process and the Bidding process are subject to change from time to time, and the Bidders are advised to make their own judgment about investment through the aforesaid processes prior to submitting a Bid in the Offer.

The Book Building Process and the Bidding process are subject to change from time to time, and the Bidders are advised to make their own judgment about investment through the aforesaid processes prior to submitting a Bid in the Offer.

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

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

Each Bidder, by submitting a Bid in the Offer, will be deemed to have acknowledged the above restrictions and the terms of the Offer.

For further details, see “*Terms of the Offer*”, “*Offer Structure*” and “*Offer Procedure*” beginning on pages 260, 269 and 273 of this Prospectus, respectively.

The process of Book Building under the SEBI ICDR Regulations and the Bidding Process are subject to change from time to time and the investors are advised to make their own judgment about investment through this process prior to submitting a Bid in the Offer.

Bidders should note that, the Offer is also subject to obtaining:

- **the final approval of the RoC after the Prospectus is filed with the RoC; and**
- **(Final listing and trading approvals of the Stock Exchange, which our Company shall apply for after Allotment.**

Underwriting Agreement

This offer is 100% Underwritten by Smart Horizon Capital Advisors Private Limited (*Formerly Known as Shreni Capital Advisors Private Limited*) in the capacity of underwriter to the offer. The underwriting agreement is dated December 18, 2024. Pursuant to the terms of the underwriting Agreement, the obligations of the underwriters are several and are subject to certain conditions specified therein. The underwriters have indicated their intention to underwrite the following number of specified securities being issued through this offer:

(₹ in Lakhs)

| Details of the Underwriter | No. of Equity Shares Underwritten* | Amount Underwritten | % of total Offer size underwritten |
|--|---|----------------------------|---|
| Smart Horizon Capital Advisors Private Limited B/908, Western Edge II, Kanakia Space, Behind Metro Mall, Off Western Express Highway, Magathane, Borivali East, Mumbai - 400066, Maharashtra, India. Tel No: 022 - 28706822 Investor Grievance E-mail: investor@shcapl.com Email: director@shcapl.com Website: www.shcapl.com Contact Person: Mr. Parth Shah SEBI Registration No.: INM000013183 | 1,03,28,000* | ₹ 8,882.08 | 100.00% |

**Includes 5,24,800 Equity Shares 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 the Board of Directors of our Company, the resources of the above-mentioned Underwriter are sufficient to enable them to discharge their respective obligations in full.

Market Maker

Shreni Shares Limited

No. 217, Hive 67 Icon, Poisar Gymkhana Road, Lokmanya Tilak Nagar Poisar, Near Raghuleela Mall, Kandivali West, Mumbai – 400067, Maharashtra, India.

Tel No: 022 – 20897022

Email: shrenisharespvtltd@yahoo.in

Website: www.shreni.in

Contact Person: Mr. Hitesh Punjani

SEBI Registration No.: INZ000268538

BSE Clearing No.: 6219

Details of the Market Making Agreement

In accordance with Regulation 261 of the SEBI ICDR Regulations, we shall enter into an agreement with the Book Running Lead Manager and the Market Maker (duly registered with BSE to fulfil the obligations of Market Making) dated December 18, 2024 to ensure compulsory Market Making for a minimum period of three years from the date of listing of equity shares offered in this offer.

Shreni Shares Limited registered with SME Platform of BSE “BSE SME” 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 BSE and SEBI in this matter from time to time.

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

1. The Market Maker(s) (individually or jointly) shall be required to provide a 2-way quote for 75% of the time in a day. The same shall be monitored by the stock exchange. Further, the Market Maker(s) shall inform the exchange in advance for each and every black out period when the quotes are not being offered by the Market Maker(s).
2. The prices quoted by Market Maker shall be in compliance with the Market Maker Spread Requirements and other particulars as specified or as per the requirements of the BSE Limited (SME platform of BSE) and SEBI from time to time.
3. The minimum depth of the quote shall be ₹1,00,000/-. However, the investors with holdings of value less than ₹1,00,000/- shall be allowed to offer their holding to the Market Maker(s) (individually or jointly) in that scrip provided that he sells his entire holding in that scrip in one lot along with a declaration to the effect to the selling broker.
4. The Market Maker shall not sell in lots less than the minimum contract size allowed for trading on the SME platform of BSE (in this case currently the minimum trading lot size is 1,600 equity shares; however, the same may be changed by the SME Platform of BSE from time to time).
5. After a period of three (3) months from the market making period, the Market Maker would be exempted to provide quote if the Shares of Market Maker in our company reaches to 25% of Offer Size. Any Equity Shares allotted to Market Maker under this Offer over and above 25% of Offer Size would not be taken in to consideration of computing the threshold of 25% of Offer Size.

As soon as the Shares of Market Maker in our Company reduces to 24% of Offer Size, the Market Maker will resume providing 2-way quotes.

6. There shall be no exemption/threshold on downside. However, in the event the Market Maker exhausts his inventory through market making process, BSE may intimate the same to SEBI after due verification.
7. Execution of the order at the quoted price and quantity must be guaranteed by the Market Maker(s), for the quotes given by him.
8. There would not be more than five Market Makers for a scrip at any point of time and the Market Makers may compete with other Market Makers for better quotes to the investors.
9. 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.
10. The Market maker may also be present in the opening call auction, but there is no obligation on him to do so.
11. 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.
12. The Market Maker(s) shall have the right to terminate said arrangement by giving a six months’ notice or on mutually acceptable terms to the Merchant Banker, who shall then be responsible to appoint a replacement Market Maker(s) and execute a fresh arrangement. In case of termination of the above-mentioned Market Making agreement prior to the completion of the compulsory Market Making period, it shall be the responsibility of the BRLM to arrange for another Market Maker in replacement during the term of the notice period being served by the Market Maker but prior to the date of releasing the existing Market Maker from its duties in order to ensure compliance with the requirements of regulation 261 of the SEBI (ICDR) Regulations, 2018, as amended. Further our Company and the BRLM reserve the right to appoint other Market Makers either as a replacement of the current Market Maker or as an additional Market Maker subject to the total number of Designated Market Makers does not exceed five or as specified by the relevant

laws and regulations applicable at that particular point of time. The Market Making Agreement is available for inspection at our office from 10.00 a.m. to 5.00 p.m. on working days.

13. **Risk containment measures and monitoring for Market Makers:** BSE SME Exchange will have all margins which are applicable on the BSE Main Board viz., Mark-to-Market, Value-At-Risk (VAR) Margin, Extreme Loss Margin, Special Margins and Base Minimum Capital etc. BSE can impose any other margins as deemed necessary from time-to-time.
14. **Punitive Action in case of default by Market Makers:** The Exchange 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. The Department of Surveillance and Supervision of the Exchange would decide and publish the penalties / fines / suspension for any type of misconduct/ manipulation/ other irregularities by the Market Maker from time to time.
15. **Price Band and Spreads:** SEBI Circular bearing reference no: CIR/MRD/DP/ 02/2012 dated January 20, 2012, has laid down that for offer size up to ₹250 Crores, the applicable price bands for the first day shall be:
 - In case equilibrium price is discovered in the Call Auction, the price band in the normal trading session shall be 5% of the equilibrium price.
 - In case equilibrium price is not discovered in the Call Auction, the price band in the normal trading session shall be 5% of the Issue price.

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

The following spread will be applicable on the BSE SME Exchange/ Platform.

| Sr. No. | Market Price Slab (in ₹) | Proposed spread (in % to sale price) |
|---------|--------------------------|--------------------------------------|
| 1. | Up to 50 | 9 |
| 2. | 50 to 75 | 8 |
| 3. | 75 to 100 | 7 |
| 4. | Above 100 | 6 |

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

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

17. The Market Making arrangement, trading and other related aspects including all those specified above shall be subject to the applicable provisions of law and / or norms issued by SEBI/ BSE from time to time.
18. 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.

CAPITAL STRUCTURE

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

(₹ in lakhs except share data)

| Sr. No. | Particulars | Aggregate Value at Face Value | Aggregate Value at Offer Price* |
|-----------|--|-------------------------------|---------------------------------|
| A. | Authorized Share Capital⁽¹⁾ | | |
| | Equity Shares comprising: | | |
| | 3,90,00,000 Equity Shares of face value of ₹5/- each | 1,950.00 | - |
| | Preference Shares comprising: | | |
| | 25,00,000 Preference Shares of face value of ₹10/- each | 250.00 | - |
| | Total | 2,200.00 | - |
| B. | Issued, Subscribed and Paid-Up Equity Capital before the Offer | | |
| | Equity Shares comprising: | | |
| | 2,99,64,000 Equity Shares of face value of ₹5/- each | 1,498.20 | - |
| | Preference Shares comprising: Nil | - | - |
| | Total | 1,498.20 | - |
| C. | Present Offer in Terms of this Prospectus | | |
| | Offer of 1,03,28,000 Equity Shares of face value of ₹5/- each aggregating ₹8,882.08 Lakhs ⁽¹⁾⁽²⁾⁽³⁾ | 516.40 | 8,882.08 |
| | of which | | |
| | Fresh Issue of 83,28,000 Equity Shares of face value of ₹5/- each aggregating ₹7,162.08 Lakhs | 416.40 | 7,162.08 |
| | Offer for Sale of 20,00,000 Equity Shares of face value of ₹5/- each aggregating ₹1,720.00 Lakhs ⁽³⁾ | 100.00 | 1,720.00 |
| | Which Includes: | | |
| | 5,24,800 Equity Shares of face value of ₹5/- each at a price of ₹86/- per Equity Share reserved as Market Maker Portion | 26.24 | 451.33 |
| | Net offer to Public of 98,03,200 Equity Shares of ₹5/- each at a price of ₹ 86/- per Equity Share to the Public | 980.32 | 8,430.75 |
| | of which | | |
| | 34,48,000 Equity Shares aggregating ₹2,965.28 Lakhs will be available for allocation to Retail Individual Investors | 172.40 | 2,965.28 |
| | 14,80,000 Equity Shares aggregating ₹1,272.80 Lakhs will be available for allocation to Non-Institutional Investors | 74.00 | 1,272.80 |
| | 48,75,200 Equity Shares aggregating ₹4,192.67 Lakhs will be available for allocation to Qualified Institutional Buyers, five per cent of which shall be allocated to mutual funds. | 243.76 | 4,192.67 |
| D. | Issued, Subscribed and Paid-Up Capital After the Offer | | |
| | 3,82,92,000 Equity Shares of face value of ₹5/- each | 1,914.60 | - |
| E. | Securities Premium Account | | |
| | Before the Offer ⁽⁴⁾ | | 2,597.06 |
| | After the Offer | | 9,342.74 |

⁽¹⁾ For details in relation to the changes in the authorised share capital of our Company, see "History and Certain Corporate Matters – Amendments to our Memorandum of Association" on page 296.

⁽²⁾ The Offer has been authorized by the Board of Directors vide a resolution passed at its meeting held on August 31, 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 Annual General Meeting held on September 02, 2024.

| Name of the Selling Shareholders | Number of Equity Shares Offered in the Offer for Sale | Date of board resolution/ authorization | Date of consent letter |
|--|---|---|------------------------|
| Mr. Harshil Mahesh Shah & Mr. Harsh Mahesh Shah on behalf of M/s. Ashapura Trading | 3,51,000 | August 31, 2024 | September 04, 2024 |
| Mr. Darshan Vikram Shah, Mr. Dhruvil Vikram Shah on behalf of M/s. Giriraj Trading | 3,51,000 | August 31, 2024 | September 05, 2024 |
| Ms. Daksha Sharad Maniyar | 90,000 | August 31, 2024 | September 03, 2024 |
| Mr. Jayesh Mulchand Maniyar | 90,000 | August 31, 2024 | September 03, 2024 |
| Mr. Mukesh Jayantilal Sanghavi | 90,000 | August 31, 2024 | September 03, 2024 |
| Ms. Virali Girish Maniyar | 90,000 | August 31, 2024 | September 04, 2024 |
| Mr. Yash Jayesh Maniyar | 90,000 | August 31, 2024 | September 05, 2024 |
| Ms. Naity Sharad Maniyar | 90,000 | August 31, 2024 | September 05, 2024 |
| Mr. Sharad Mulchand Maniyar | 90,000 | August 31, 2024 | September 03, 2024 |
| Ms. Bharti Mukesh Sanghavi | 90,000 | August 31, 2024 | September 05, 2024 |
| Ms. Nirmalaben Fatechand Sanghavi | 90,000 | August 31, 2024 | September 03, 2024 |
| Mr. Bhaven Vinod Pandya | 90,000 | August 31, 2024 | September 04, 2024 |
| Mr. Ketanbhai Arvindray Shah | 90,000 | August 31, 2024 | September 03, 2024 |
| Mr. Kishore Paramdas Vora | 90,000 | August 31, 2024 | September 05, 2024 |
| Mr. Nisarg Pradip Shah | 80,000 | August 31, 2024 | September 04, 2024 |
| Ms. Nita Chandrakant Lakhani | 80,000 | August 31, 2024 | September 03, 2024 |
| Ms. Aneri Manish Lakhani | 58,000 | August 31, 2024 | September 04, 2024 |

⁽³⁾ The Selling Shareholders confirms that the Offered Shares have been held by them for a period of at least one year prior to filing of this Prospectus with BSE SME in accordance with Regulation 8 of the SEBI ICDR Regulations and accordingly, are eligible for the Offer in accordance with the provisions of the SEBI ICDR Regulations. For details on the authorization and consent of the Selling Shareholders in relation to the Offered Shares, see “The Offer” on page 56.

⁽⁴⁾ Securities Premium before the Offer as on September 30, 2024.

Class of Shares

As on the date of this Prospectus, our Company has only one class of share capital i.e., Equity Shares of ₹5/- each. All Equity Shares issued are fully paid-up. Our Company has no outstanding convertible instruments as on the date of this Prospectus.

Notes to the Capital Structure

1. Share Capital History

(1) Changes in the authorised share capital of our Company:

Authorized Share Capital of our company is ₹ 22,00,00,000 (Rupees Twenty-Two Crore) divided into 3,90,00,000 (Three Crore Ninety Lakhs) Equity Shares of ₹5/- each and 25,00,000 (Twenty-Five Lakhs) Preference Shares of ₹10/- each. For details of the changes to the authorised share capital of our Company in the past 10 years, see “History and Certain Corporate Matters- Amendments to our Memorandum of Association” on page 166.

(2) Equity Share Capital History of our Company

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

| Date of Allotment | No. of Equity Shares allotted | Face Value (₹) | Issue Price (₹) | Nature of Consideration | Nature of Allotment | Cumulative No. of Equity Shares | Cumulative Paid-Up Equity Shares Capital (₹) |
|--------------------|-------------------------------|----------------|-----------------|-------------------------|------------------------------------|---------------------------------|--|
| Upon Incorporation | 700 | 10/- | 10/- | Cash | Subscription to MOA ⁽ⁱ⁾ | 700 | 7,000 |

| Date of Allotment | No. of Equity Shares allotted | Face Value (₹) | Issue Price (₹) | Nature of Consideration | Nature of Allotment | Cumulative No. of Equity Shares | Cumulative Paid-Up Equity Shares Capital (₹) |
|--|-------------------------------|----------------|-----------------|-------------------------|--|---------------------------------|--|
| December 09, 2002 | 49,300 | 10/- | 10/- | Cash | Further Allotment ⁽ⁱⁱ⁾ | 50,000 | 5,00,000 |
| July 11, 2006 | 11,17,000 | 10/- | 30/- | Cash | Further Allotment by way of Private Placement ⁽ⁱⁱⁱ⁾ | 11,67,000 | 1,16,70,000 |
| March 31, 2008 | 3,68,000 | 10/- | 30/- | Cash | Further Allotment by way of Rights Issue ^(iv) | 15,35,000 | 1,53,50,000 |
| March 31, 2008 | 1,62,000 | 10/- | 150/- | Cash | Further Allotment by way of Private Placement ^(iv) | 16,97,000 | 1,69,70,000 |
| April 30, 2008 | 1,80,000 | 10/- | 150/- | Cash | Further Allotment by way of Private Placement ^(v) | 18,77,000 | 1,87,70,000 |
| September 29, 2018 | 10,00,000 | 10/- | 82/- | Cash | Further Allotment by way of Rights Issue ^(v) | 28,77,000 | 2,87,70,000 |
| March 01, 2021 | 21,17,000 | 10/- | 109.20/- | Cash | Further Allotment by way of Rights Issue ^(vi) | 49,94,000 | 4,99,40,000 |
| April 04, 2022 | 99,88,000 | 10/- | Nil | Other than Cash | Bonus Issue ^(vii) | 1,49,82,000 | 14,98,20,000 |
| Split/Sub-division of the equity shares of our Company from face value of ₹10/- each to ₹5/- each. Pursuant to such Sub-division, the issued and paid-up equity share capital of our Company was sub-divided from 1,49,82,000 equity shares of face value ₹10/- each to 2,99,64,000 Equity Shares of face value ₹5/- each on September 02, 2024. | | | | | | | |

(i) Initial Subscribers to the Memorandum of Association of our company:

| Sr. No | Name | No of Equity Shares |
|--------|---------------------------|---------------------|
| 1. | Mr. Brijmohan S. Agarwal | 100 |
| 2. | Mr. Santkumar B. Agarwal | 100 |
| 3. | Mr. Basantkumar Agarwal | 100 |
| 4. | Mr. Vinodkumar B. Agarwal | 100 |
| 5. | Ms. Pusha S. Agarwal | 100 |
| 6. | Ms. Urmila B. Agarwal | 100 |
| 7. | Mr. Arun V. Agarwal | 100 |
| | Total | 700 |

(ii) Further Allotment of 49,300 Equity Shares of face value of ₹10/- at a price of ₹10/- each:

| Sr. No | Name | No. of Equity Shares |
|--------|--------------------------|----------------------|
| 1. | Mr. Rajnikant B. Shah | 1,950 |
| 2. | Mr. Amrish B. Shah | 1,950 |
| 3. | Mr. Namdev B. Sondkar | 1,950 |
| 4. | Ms. Purnima A. Shah | 1,950 |
| 5. | Mr. Bipinchandra K. Shah | 1,950 |
| 6. | Mr. Mehul B. Shah | 1,950 |
| 7. | Mr. Ashok J. Jain | 1,940 |
| 8. | Mr. Mahesh G. Doshi | 1,940 |
| 9. | Ms. Supriya S. Shah | 1,920 |
| 10. | Mr. Uday B. Shah | 1,910 |
| 11. | Mr. Babulal M. Shah | 1,900 |

| Sr. No | Name | No. of Equity Shares |
|--------|--------------------------|----------------------|
| 12. | Mr. Manher P. Sanghavi | 1,900 |
| 13. | Ms. Akshay B. Shah | 1,900 |
| 14. | Ms. Sunita A. Doshi | 1,900 |
| 15. | Mr. Santosh J. Shah | 1,900 |
| 16. | Mr. Dharmesh K. Shah | 1,890 |
| 17. | Mr. Jigesh L. Shah | 1,880 |
| 18. | Mr. Rajendra D. Mehta | 1,880 |
| 19. | Ms. Kala A. Jain | 1,870 |
| 20. | Mr. Hitesh A. Mehta | 1,870 |
| 21. | Ms. Manjula K. Shah | 1,870 |
| 22. | Ms. Harsha K. Parikh | 1,850 |
| 23. | Mr. Vinay N. Shah | 1,850 |
| 24. | Mr. Iqbal Singh Khera | 1,830 |
| 25. | Mr. Bharat S. Shah | 1,800 |
| 26. | Mr. Lalitchandra C. Shah | 1,800 |
| | Total | 49,300 |

(iii) Further Allotment of 11,17,000 Equity Shares of face value of ₹10/- at a price of ₹30/- each:

| Sr. No | Name | No. of Equity Shares |
|--------|------------------------------------|----------------------|
| 1. | Mr. Sunil Kamalkant Chheda | 1,67,000 |
| 2. | Ms. Bharti Hitesh Lakhani | 1,46,000 |
| 3. | M/s. Hitesh Himatlal Lakhani HUF | 1,23,000 |
| 4. | Mr. Himatlal Jethalal Lakhani | 93,000 |
| 5. | Mr. Navalchand Virchand Shah | 52,000 |
| 6. | Mr. Mahesh Navalchand Shah | 49,000 |
| 7. | Mr. Dharmesh Naval Chand Shah | 48,000 |
| 8. | Ms. Nirmalaben Navalchand Shah | 42,000 |
| 9. | Mr. Rajendra Navalchand Shah | 30,000 |
| 10. | M/s. Dharmesh Naval Chand Shah HUF | 28,000 |
| 11. | Ms. Sheela Mahesh Shah | 28,000 |
| 12. | Ms. Vaishali Rajendra Shah | 27,000 |
| 13. | Mr. Aruna Manish Doshi | 17,000 |
| 14. | Mr. Darshak Jayantilal Shah | 17,000 |
| 15. | Mr. Hemang Sharmashi Thakkar | 17,000 |
| 16. | Mr. Mahipatrai Bhogilal Shah | 17,000 |
| 17. | Ms. Jignasha Vikram Shah | 17,000 |
| 18. | M/s. Rajendra Navalchand Shah HUF | 17,000 |
| 19. | M/s. Navalchand Virchand Shah HUF | 15,000 |
| 20. | Ms. Rita Rjesh Shah | 14,000 |
| 21. | Mr. Jayesh Champaklal Savadia | 13,000 |
| 22. | Mr. Manoj Shashikant Gandhi | 13,000 |
| 23. | Mr. Paresh Vrajlal Savadia | 13,000 |
| 24. | Mr. Pradeep Nagindas Gandhi | 13,000 |
| 25. | Mr. Rajesh Natwarlal Shah | 13,000 |
| 26. | Mr. Viral Bhogilal Doshi | 13,000 |
| 27. | Mr. Vikram Navalchand Shah | 13,000 |
| 28. | Mr. Hitesh Himatlal Lakhani | 12,000 |
| 29. | M/s. Vikram Navalchand Shah HUF | 12,000 |
| 30. | Ms. Renu Balram Singh | 10,000 |
| 31. | M/s. Mahesh Navalchand Shah HUF | 10,000 |
| 32. | Mr. Hiren Nagindas Gandhi | 7,000 |

| Sr. No | Name | No. of Equity Shares |
|--------|------------------------------|----------------------|
| 33. | Ms. Manjula Nandlal Shah | 4,000 |
| 34. | Ms. Vishakha Mahipatraj Shah | 3,000 |
| 35. | Ms. Sejal Dharmesh Shah | 3,000 |
| 36. | Mr. Rajpal Vilautilal Jain | 1,000 |
| | Total | 11,17,000 |

(iv) Further Allotment of 3,68,000 Equity Shares of face value of ₹10/- at a price of ₹30/- each:

| Sr. No | Name | No. of Equity Shares |
|--------|----------------------------------|----------------------|
| 1. | Ms. Apla Sunil Chheda | 71,950 |
| 2. | Ms. Kamalaben Kamalkant Chheda | 71,950 |
| 3. | Mr. Rajendra Navalchand Shah | 53,350 |
| 4. | M/s. Hitesh Himatlal Lakhani HUF | 50,550 |
| 5. | Mr. Hitesh Himatlal Lakhani | 50,200 |
| 6. | Mr. Deep Hitesh Lakhani | 50,000 |
| 7. | Ms. Nidhi Hitesh Lakhani | 20,000 |
| | Total | 3,68,000 |

(v) Further Allotment of 1,62,000 Equity Shares of face value of ₹10/- at a price of ₹150/- each:

| Sr. No | Name | No. of Equity Shares |
|--------|------------------------------|----------------------|
| 1. | Mr. Jayant Ishwarlal Ajmera | 79,000 |
| 2. | Ms. Kokila Shashikant Ajmera | 40,000 |
| 3. | Mr. Twishal Nimish Ajmera | 43,000 |
| | Total | 1,62,000 |

(vi) Further Allotment of 1,80,000 Equity Shares of face value of ₹10/- at a price of ₹150/- each:

| Sr. No | Name | No. of Equity Shares |
|--------|-------------------------------|----------------------|
| 1. | Mr. Bharat Pravinchandra Shah | 1,80,000 |
| | Total | 1,80,000 |

(vii) Further Allotment of 10,00,000 Equity Shares of face value of ₹10/- at a price of ₹82/- each:

| Sr. No | Name | No. of Equity Shares |
|--------|---------------------|----------------------|
| 1. | Mr. Vikram N Shah | 2,70,023 |
| 2. | Ms. Vaishali R Shah | 2,57,823 |
| 3. | Mr. Mahesh N Shah | 2,35,823 |
| 4. | Mr. Dharmesh N Shah | 2,34,923 |
| 5. | Mr. Rajendra N Shah | 1,408 |
| | Total | 10,00,000 |

(viii) Further Allotment of 21,17,000 Equity Shares of face value of ₹10/- at a price of ₹109.20/- each:

| Sr. No | Name | No. of Equity Shares |
|--------|------------------------------------|----------------------|
| 1. | Mr. Rajendra N Shah | 51,208 |
| 2. | Mr. Vikram Navalchand Shah | 49,823 |
| 3. | M/s. Himatlal Jethalal Lakhani HUF | 45,750 |
| 4. | M/s. Hitesh Himatlal Lakhani HUF | 45,550 |
| 5. | M/s. Dharmesh N Shah HUF | 45,000 |
| 6. | Ms. Jignasha Vikram Shah | 45,000 |
| 7. | M/s. Mahesh Navalchand Shah HUF | 45,000 |
| 8. | M/s. Navalchand Virchand Shah HUF | 45,000 |
| 9. | M/s. Rajendra Navalchand Shah HUF | 45,000 |

| Sr. No | Name | No. of Equity Shares |
|--------|-----------------------------------|----------------------|
| 10. | Ms. Sejal Dharmesh Shah | 45,000 |
| 11. | Ms. Sheela Mahesh Shah | 45,000 |
| 12. | M/s. Vikram Navalchand Shah HUF | 45,000 |
| 13. | M/s. PJS Securities LLP | 45,000 |
| 14. | Mr. Bhaven Vinod Pandya | 45,000 |
| 15. | Mr. Ketanbhai Arvindray Shah | 45,000 |
| 16. | Mr. Kishore Paramdas Vora | 45,000 |
| 17. | Mr. Nisarg Pradip Shah | 45,000 |
| 18. | Ms. Nita Chandrakant Lakhani | 45,000 |
| 19. | Ms. Aneri Manish Lakhani | 45,000 |
| 20. | Mr. Yash Madhukant Joshi | 45,000 |
| 21. | Mr. Madhukant Jitendra Joshi | 45,000 |
| 22. | Mr. Pradeep Himatlal Shah | 45,000 |
| 23. | Ms. Chhaya Jayesh Maniyar | 45,000 |
| 24. | Ms. Daksha Sharad Maniyar | 45,000 |
| 25. | Mr. Jayesh Mulchand Maniyar | 45,000 |
| 26. | Mr. Mukesh Jayantilal Sanghavi | 45,000 |
| 27. | Ms. Virali Girish Maniyar | 45,000 |
| 28. | Mr. Yash Jayesh Maniyar | 45,000 |
| 29. | Ms. Naity Sharad Maniyar | 45,000 |
| 30. | Mr. Sharad Mulchand Maniyar | 45,000 |
| 31. | Ms. Bharti Mukesh Sanghavi | 45,000 |
| 32. | Ms. Bhanu Jitendra Shah | 45,000 |
| 33. | Mr. Jitendra Harjivandas Shah | 45,000 |
| 34. | Mr. Akshay Bachubhai Shah | 45,000 |
| 35. | Ms. Sheela Akshay Shah | 45,000 |
| 36. | Ms. Nirmalaben Fatechand Sanghavi | 45,000 |
| 37. | Mr. Dharmesh Navalchand Shah | 44,823 |
| 38. | Mr. Mahesh Navalchand Shah | 44,823 |
| 39. | Ms. Vaishali R Shah | 44,823 |
| 40. | Ms. Nidhi Hitesh Lakhani | 44,750 |
| 41. | Ms. Bharti Hitesh Lakhani | 44,480 |
| 42. | Mr. Deep Hitesh Lakhani | 44,000 |
| 43. | Mr. Arpit Suresh Lodaya | 43,660 |
| 44. | Mr. Hitesh Himatlal Lakhani | 43,310 |
| 45. | Mr. Hitesh Manilal Shah | 40,000 |
| 46. | Mr. Manilal Rugnath Shah | 30,000 |
| 47. | Mr. Kushal Hitesh Shah | 30,000 |
| 48. | Mr. Fatechand R Sanghavi | 30,000 |
| | Total | 21,17,000 |

(ix) Bonus Issue of 99,88,000 Equity Shares of face value of ₹10/- each in the ratio of 2:1 i.e., 2 Bonus equity shares for 1 Equity Shares held:

| Sr. No | Name | No. of Equity Shares |
|--------|------------------------------|----------------------|
| 1. | Mr. Hitesh Himatlal Lakhani | 7,63,240 |
| 2. | M/s. Vikram Navalchand Shah | 6,69,292 |
| 3. | Mr. Dharmesh Navalchand Shah | 6,59,292 |
| 4. | Mr. Mahesh Navalchand Shah | 6,59,292 |
| 5. | Ms. Vaishali R Shah | 6,59,292 |
| 6. | Mr. Deep Hitesh Lakhani | 6,43,320 |
| 7. | Mr. Rajendra N Shah | 4,78,832 |

| Sr. No | Name | No. of Equity Shares |
|--------|-----------------------------------|----------------------|
| 8. | M/s. Hitesh Himatlal Lakhani HUF | 4,38,200 |
| 9. | M/s. PJS Securities LLP | 4,24,000 |
| 10. | Ms. Nidhi Hitesh Lakhani | 4,23,000 |
| 11. | Ms. Bharti Hitesh Lakhani | 4,07,920 |
| 12. | M/s. Hitesh Himatlal Lakhani HUF | 3,65,000 |
| 13. | M/s. Dharmesh N Shah HUF | 1,46,000 |
| 14. | Ms. Sheela Mahesh Shah | 1,46,000 |
| 15. | Ms. Jignasha Vikram Shah | 1,24,000 |
| 16. | M/s. Rajendra Navalchand Shah HUF | 1,24,000 |
| 17. | M/s. Navalchand Virchand Shah HUF | 1,20,000 |
| 18. | M/s. Vikram Navalchand Shah HUF | 1,14,000 |
| 19. | M/s. Mahesh Navalchand Shah HUF | 1,10,000 |
| 20. | Ms. Sejal Dharmesh Shah | 96,000 |
| 21. | Mr. Bhaven Vinod Pandya | 90,000 |
| 22. | Mr. Ketanbhai Arvindray Shah | 90,000 |
| 23. | Mr. Kishore Paramdas Vora | 90,000 |
| 24. | Mr. Nisarg Pradip Shah | 90,000 |
| 25. | Ms. Nita Chandrakant Lakhani | 90,000 |
| 26. | Ms. Aneri Manish Lakhani | 90,000 |
| 27. | Mr. Yash Madhukant Joshi | 90,000 |
| 28. | Mr. Madhukant Jitendra Joshi | 90,000 |
| 29. | Mr. Pradeep Himatlal Shah | 90,000 |
| 30. | Ms. Chhaya Jayesh Maniyar | 90,000 |
| 31. | Ms. Daksha Sharad Maniyar | 90,000 |
| 32. | Mr. Jayesh Mulchand Maniyar | 90,000 |
| 33. | Mr. Mukesh Jayantilal Sanghavi | 90,000 |
| 34. | Ms. Virali Girish Maniyar | 90,000 |
| 35. | Mr. Yash Jayesh Maniyar | 90,000 |
| 36. | Ms. Naity Sharad Maniyar | 90,000 |
| 37. | Mr. Sharad Mulchand Maniyar | 90,000 |
| 38. | Ms. Bharti Mukesh Sanghavi | 90,000 |
| 39. | Ms. Bhanu Jitendra Shah | 90,000 |
| 40. | Mr. Jitendra Harjivandas Shah | 90,000 |
| 41. | Mr. Akshay Bachubhai Shah | 90,000 |
| 42. | Ms. Sheela Akshay Shah | 90,000 |
| 43. | Ms. Nirmalaben Fatechand Sanghavi | 90,000 |
| 44. | Mr. Arpit Suresh Lodaya | 87,320 |
| 45. | Mr. Hitesh Manilal Shah | 80,000 |
| 46. | Mr. Manilal Rugnath Shah | 60,000 |
| 47. | Mr. Kushal Hitesh Shah | 60,000 |
| 48. | Mr. Fatechand R Sanghavi | 60,000 |
| | Total | 99,88,000 |

(3) Preference Share Capital History of our Company

Our Company has not issued any preference shares since incorporation

2. We have not re-valued our assets since inception and have not issued any equity shares (including bonus shares) by capitalizing any revaluation reserves. Except as disclosed below, we have not issued any Equity Shares for consideration other than cash, at any point of time since incorporation:

| Date of Allotment | No. of Equity Shares | Face Value (₹) | Issue Price (₹) | Reasons of Allotment | Benefits accrued to company | Allottees | No. of Shares Allotted |
|-----------------------------|----------------------|----------------|-----------------|----------------------|-----------------------------|-----------------------------------|------------------------|
| April 04, 2022 | 99,88,000 | 10/- | Nil | Bonus Issue | Capitalization of Surplus | Mr. Hitesh Himatlal Lakhani | 7,63,240 |
| | | | | | | M/s. Vikram Navalchand Shah HUF | 6,69,292 |
| | | | | | | Mr. Dharmesh Navalchand Shah | 6,59,292 |
| | | | | | | Mr. Mahesh Navalchand Shah | 6,59,292 |
| | | | | | | Ms. Vaishali R Shah | 6,59,292 |
| | | | | | | Mr. Deep Hitesh Lakhani | 6,43,320 |
| | | | | | | Mr. Rajendra N Shah | 4,78,832 |
| | | | | | | M/s. Hitesh Himatlal Lakhani HUF | 4,38,200 |
| | | | | | | M/s. PJS Securities LLP | 4,24,000 |
| | | | | | | Ms. Nidhi Hitesh Lakhani | 4,23,000 |
| | | | | | | Ms. Bharti Hitesh Lakhani | 4,07,920 |
| | | | | | | M/s. Hitesh Himatlal Lakhani HUF | 3,65,000 |
| | | | | | | M/s. Dharmesh N Shah HUF | 1,46,000 |
| | | | | | | Ms. Sheela Mahesh Shah | 1,46,000 |
| | | | | | | Ms. Jignasha Vikram Shah | 1,24,000 |
| | | | | | | M/s. Rajendra Navalchand Shah HUF | 1,24,000 |
| | | | | | | M/s. Navalchand Virchand Shah HUF | 1,20,000 |
| | | | | | | M/s. Vikram Navalchand Shah HUF | 1,14,000 |
| | | | | | | M/s. Mahesh Navalchand Shah HUF | 1,10,000 |
| | | | | | | Ms. Sejal Dharmesh Shah | 96,000 |
| | | | | | | Mr. Bhaven Vinod Pandya | 90,000 |
| | | | | | | Mr. Ketanbhai Arvindray Shah | 90,000 |
| | | | | | | Mr. Kishore Paramdas Vora | 90,000 |
| | | | | | | Mr. Nisarg Pradip Shah | 90,000 |
| | | | | | | Ms. Nita Chandrakant Lakhani | 90,000 |
| | | | | | | Ms. Aneri Manish Lakhani | 90,000 |
| | | | | | | Mr. Yash Madhukant Joshi | 90,000 |
| | | | | | | Mr. Madhukant Jitendra Joshi | 90,000 |
| | | | | | | Mr. Pradeep Himatlal Shah | 90,000 |
| | | | | | | Ms. Chhaya Jayesh Maniyar | 90,000 |
| | | | | | | Ms. Daksha Sharad Maniyar | 90,000 |
| | | | | | | Mr. Jayesh Mulchand Maniyar | 90,000 |
| | | | | | | Mr. Mukesh Jayantilal Sanghavi | 90,000 |
| | | | | | | Ms. Virali Girish Maniyar | 90,000 |
| Mr. Yash Jayesh Maniyar | 90,000 | | | | | | |
| Ms. Naity Sharad Maniyar | 90,000 | | | | | | |
| Mr. Sharad Mulchand Maniyar | 90,000 | | | | | | |
| Ms. Bharti Mukesh Sanghavi | 90,000 | | | | | | |
| Ms. Bhanu Jitendra Shah | 90,000 | | | | | | |

| Date of Allotment | No. of Equity Shares | Face Value (₹) | Issue Price (₹) | Reasons of Allotment | Benefits accrued to company | Allottees | No. of Shares Allotted |
|-------------------|----------------------|----------------|-----------------|----------------------|-----------------------------|-----------------------------------|------------------------|
| | | | | | | Mr. Jitendra Harjivandas Shah | 90,000 |
| | | | | | | Mr. Akshay Bachubhai Shah | 90,000 |
| | | | | | | Ms. Sheela Akshay Shah | 90,000 |
| | | | | | | Ms. Nirmalaben Fatechand Sanghavi | 90,000 |
| | | | | | | Mr. Arpit Suresh Lodaya | 87,320 |
| | | | | | | Mr. Hitesh Manilal Shah | 80,000 |
| | | | | | | Mr. Manilal Rugnath Shah | 60,000 |
| | | | | | | Mr. Kushal Hitesh Shah | 60,000 |
| | | | | | | Mr. Fatechand R Sanghavi | 60,000 |

- No equity shares have been allotted in terms of any scheme approved under sections 391-394 of the Companies Act, 1956 and sections 230-234 of the Companies Act, 2013.
- Our Company has not issued any shares pursuant to an Employee Stock Option Scheme/ Employee Stock Purchase Scheme for our employees.
- Our Company has not issued any Equity Shares at price below Issue price within last one year from the date of this Prospectus.
- Shareholding Pattern of our Company**

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

| Category (I) | Category of shareholder (II) | Nos. of shareholders (III) | No. of fully paid-up equity shares held (IV) | No. of Partly paid-up equity shares held (V) | No. of shares underlying Depository Receipts (VI) | Total nos. shares held (VII) = (IV)+(V)+(VI) | Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2) | Number of Voting Rights held in each class of securities (IX) | | | Total as a % of (A+B+C) | No. of Underlying Outstanding convertible securities (including Warrants) (X) | Shareholding as a % assuming full convertible securities (as a percentage of diluted share capital) (XI) = (VII)+(X) As a % of (A+B+C2) | Number of Locked in shares (XII) | | Number of Shares pledged or otherwise encumbered (XIII) | | Number of equity shares held in dematerialized form (XIV)* |
|--------------|------------------------------|----------------------------|--|--|---|--|---|---|---------------------|-------------|-------------------------|---|---|----------------------------------|---------------------------------|---|---------------------------------|--|
| | | | | | | | | Class-Equity | No of Voting Rights | | | | | No (a) | As a % of total Shares held (b) | No (a) | As a % of total Shares held (b) | |
| | | | | | | | | | Class | Total | | | | | | | | |
| A | Promoters & Promoter group | 22 | 2,30,07,700 | - | - | 2,30,07,700 | 76.78 | 2,30,07,700 | - | 2,30,07,700 | 76.78 | - | - | - | - | - | 2,30,07,700 | |
| B | Public | 30 | 69,56,300 | - | - | 69,56,300 | 23.22 | 69,56,300 | - | 69,56,300 | 23.22 | - | - | - | - | - | 69,56,300 | |
| C | Non Promoters Non - Public | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | |

| Category (I) | Category of shareholder (II) | Nos. of shareholders (III) | No. of fully paid-up equity shares held (IV) | No. of Partly paid-up equity shares held (V) | No. of shares underlying Depository Receipts (VI) | Total nos. shares held (VII) = (IV)+(V)+(VI) | Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2) | Number of Voting Rights held in each class of securities (IX) | | | Total as a % of (A+B+C) | No. of Underlying Outstanding convertible securities (including Warrants) (X) | Shareholding as a % assuming full convertible securities (as a percentage of diluted share capital) (XI)= (VII)+(X) As a % of (A+B+C2) | Number of Locked in shares (XII) | | Number of Shares pledged or otherwise encumbered (XIII) | | Number of equity shares held in dematerialized form (XIV)* |
|--------------|--------------------------------|----------------------------|--|--|---|--|---|---|---------------------|--------------------|-------------------------|---|--|----------------------------------|---------------------------------|---|---------------------------------|--|
| | | | | | | | | Class-Equity | No of Voting Rights | | | | | No (a) | As a % of total Shares held (b) | No (a) | As a % of total Shares held (b) | |
| | | | | | | | | | Class | Total | | | | | | | | |
| | | | | | | | | Total as a % of (A+B+C) | | | | | | | | | | |
| C1 | Shares underlying DRs | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| C2 | Shares held by Employee Trusts | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| | Total | 52 | 2,99,64,000 | - | - | 2,99,64,000 | 100.00 | 2,99,64,000 | - | 2,99,64,000 | 100.00 | - | - | - | - | - | 2,99,64,000 | |

Notes:

- (1) As on date of this Prospectus One Equity share holds One vote. We have only one class of Equity Shares of face value of ₹ 5/- each. We have entered into tripartite agreement with CDSL and NSDL.
- (2) Our Company will file the shareholding pattern in the form prescribed under Regulation 31 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, one day prior to the listing of the Equity shares. The shareholding pattern will be uploaded on the Website of the stock exchanges before commencement of trading of such Equity Shares.

7. Set forth below is a list of Shareholders holding 1% or more of the paid-up Share Capital of our Company as on the date of this Prospectus:

| Sr. No. | Name of the Shareholder | Number of Equity shares | Percentage of the pre - offer Equity Share Capital (%) |
|---------|------------------------------------|-------------------------|--|
| 1. | Mr. Hitesh Himatlal Lakhani | 22,89,720 | 7.64% |
| 2. | Mr. Vikram Navalchand Shah | 20,07,876 | 6.70% |
| 3. | Ms. Vaishali R Shah | 19,77,876 | 6.60% |
| 4. | Mr. Mahesh Navalchand Shah | 19,77,876 | 6.60% |
| 5. | Mr. Dharmesh Navalchand Shah | 19,77,876 | 6.60% |
| 6. | Mr. Deep Hitesh Lakhani | 19,29,960 | 6.44% |
| 7. | Mr. Rajendra N Shah | 14,36,496 | 4.79% |
| 8. | M/s. Hitesh Himatlal Lakhani HUF | 13,14,600 | 4.39% |
| 9. | M/s. PJS Securities LLP | 12,72,000 | 4.25% |
| 10. | Ms. Nidhi Hitesh Lakhani | 12,69,000 | 4.24% |
| 11. | Ms. Bharti Hitesh Lakhani | 12,23,760 | 4.08% |
| 12. | M/s. Himatlal Jethalal Lakhani HUF | 10,95,000 | 3.65% |

| Sr. No. | Name of the Shareholder | Number of Equity shares | Percentage of the pre - offer Equity Share Capital (%) |
|---------|--|-------------------------|--|
| 13. | M/s. Dharmesh N Shah HUF | 4,38,000 | 1.46% |
| 14. | Ms. Sheela Mahesh Shah | 4,38,000 | 1.46% |
| 15. | M/s. Rajendra N Shah HUF | 3,72,000 | 1.24% |
| 16. | Ms. Jignasha Vikram Shah | 3,72,000 | 1.24% |
| 17. | M/s. Navalchand Virchand Shah HUF | 3,60,000 | 1.20% |
| 18. | Mr. Monil Rajendra Shah & Mr. Rajendra N Shah on Behalf of M/s. R M Shah | 3,51,830 | 1.17% |
| 19. | Mr. Harshil Mahesh Shah & Mr. Harsh Mahesh Shah on behalf of M/s. Ashapura Trading | 3,51,830 | 1.17% |
| 20. | Mr. Darshan Vikram Shah, Mr. Dhruvil Vikram Shah on behalf of M/s. Giriraj Trading | 3,51,830 | 1.17% |
| 21. | Mr. Dhairya Dharmesh Shah, Mr. Dharmesh Navalchand Shah on behalf of M/s. D D Shah | 3,51,830 | 1.17% |
| 22. | M/s. Vikram Navalchand Shah HUF | 3,42,000 | 1.14% |
| 23. | M/s. Mahesh Navalchand Shah HUF | 3,30,000 | 1.10% |
| 24. | Ms. Sejal Dharmesh Shah | 2,88,000 | 0.96% |
| | Total | 2,41,19,360 | 80.49% |

8. None of the shareholders of the Company holding 1% or more of the paid-up capital of the Company as on the date of the filing of this Prospectus are entitled to any Equity Shares upon exercise of warrant, option or right to convert a debenture, loan, or other instrument.
9. Set forth below is a list of Shareholders holding 1% or more of the paid-up Share Capital of our Company two years prior to this Prospectus:

| Sr. No. | Name of the Shareholder | Number of Equity shares | Percentage of the pre - offer Equity Share Capital (%) |
|---------|------------------------------------|-------------------------|--|
| 1. | Mr. Hitesh Himatlal Lakhani | 11,44,860 | 7.64% |
| 2. | Mr. Vikram Navalchand Shah | 10,03,938 | 6.70% |
| 3. | Mr. Dharmesh Navalchand Shah | 9,88,938 | 6.60% |
| 4. | Mr. Mahesh Navalchand Shah | 9,88,938 | 6.60% |
| 5. | Ms. Vaishali R Shah | 9,88,938 | 6.60% |
| 6. | Mr. Deep Hitesh Lakhani | 9,64,980 | 6.44% |
| 7. | Mr. Rajendra N Shah | 7,18,248 | 4.79% |
| 8. | M/s. Hitesh Himatlal Lakhani HUF | 6,57,300 | 4.39% |
| 9. | M/s. PJS Securities LLP | 6,36,000 | 4.25% |
| 10. | Ms. Nidhi Hitesh Lakhani | 6,34,500 | 4.24% |
| 11. | Ms. Bharti Hitesh Lakhani | 6,11,880 | 4.08% |
| 12. | M/s. Himatlal Jethalal Lakhani HUF | 5,47,500 | 3.65% |
| 13. | M/s. Dharmesh N Shah HUF | 2,19,000 | 1.46% |
| 14. | Ms. Sheela Mahesh Shah | 2,19,000 | 1.46% |
| 15. | Ms. Jignasha Vikram Shah | 1,86,000 | 1.24% |
| 16. | M/s. Rajendra N Shah HUF | 1,86,000 | 1.24% |
| 17. | M/s. Navalchand Virchand Shah HUF | 1,80,000 | 1.20% |
| 18. | M/s. Vikram Navalchand Shah HUF | 1,71,000 | 1.14% |
| 19. | M/s. Mahesh Navalchand Shah HUF | 1,65,000 | 1.10% |
| 20. | Ms. Sejal Dharmesh Shah | 1,44,000 | 0.96% |
| 21. | Mr. Akshay Bachubhai Shah | 1,35,000 | 0.90% |
| 22. | Ms. Aneri Manish Lakhani | 1,35,000 | 0.90% |
| 23. | Ms. Bhanu Jitendra Shah | 1,35,000 | 0.90% |
| 24. | Ms. Bharti Mukesh Sanghavi | 1,35,000 | 0.90% |
| 25. | Ms. Bhaven Vinod Pandya | 1,35,000 | 0.90% |
| 26. | Ms. Chhaya Jayesh Maniyar | 1,35,000 | 0.90% |

| Sr. No. | Name of the Shareholder | Number of Equity shares | Percentage of the pre - offer Equity Share Capital (%) |
|---------|-------------------------|-------------------------|--|
| | Total | 1,21,66,020 | 81.20% |

10. Set forth below is a list of Shareholders holding 1% or more of the paid-up Share Capital of our Company as of one year prior to the date of this Prospectus:

| Sr. No. | Name of the Shareholder | Number of Equity shares | Percentage of the pre - offer Equity Share Capital (%) |
|---------|---|-------------------------|--|
| 1. | Mr. Hitesh Himatlal Lakhani | 11,44,860 | 7.64% |
| 2. | Mr. Vikram Navalchand Shah | 10,03,938 | 6.70% |
| 3. | Mr. Dharmesh Navalchand Shah | 9,88,938 | 6.60% |
| 4. | Mr. Mahesh Navalchand Shah | 9,88,938 | 6.60% |
| 5. | Ms. Vaishali R Shah | 9,88,938 | 6.60% |
| 6. | Mr. Deep Hitesh Lakhani | 9,64,980 | 6.44% |
| 7. | Mr. Rajendra N Shah | 7,18,248 | 4.79% |
| 8. | M/s. Hitesh Himatlal Lakhani HUF | 6,57,300 | 4.39% |
| 9. | M/s. PJS Securities LLP | 6,36,000 | 4.25% |
| 10. | Ms. Nidhi Hitesh Lakhani | 6,34,500 | 4.24% |
| 11. | Ms. Bharti Hitesh Lakhani | 6,11,880 | 4.08% |
| 12. | M/s. Himatlal Jethalal Lakhani HUF | 5,47,500 | 3.65% |
| 13. | M/s. Dharmesh N Shah HUF | 2,19,000 | 1.46% |
| 14. | Ms. Sheela Mahesh Shah | 2,19,000 | 1.46% |
| 15. | M/s. Rajendra N Shah HUF | 1,86,000 | 1.24% |
| 16. | Ms. Jignasha Vikram Shah | 1,86,000 | 1.24% |
| 17. | M/s. Navalchand Virchand Shah HUF | 1,80,000 | 1.20% |
| 18. | Mr. Monil Rajendra Shah & Mr. Rajendra N Shah on Behalf of M/s. R M Shah | 1,75,915 | 1.17% |
| 19. | Mr. Harshil Mahesh Shah & Mr. Harsh Mahesh Shah on behalf of M/s. Ashapura Trading | 1,75,915 | 1.17% |
| 20. | Mr. Darshan Vikram Shah, Mr. Dhruvil Vikram Shah on behalf of M/s. Giriraj Trading | 1,75,915 | 1.17% |
| 21. | Mr. Dhairyaa Dharmesh Shah, Mr. Dharmesh Navalchand Shah on behalf of M/s. D D Shah | 1,75,915 | 1.17% |
| 22. | M/s. Vikram Navalchand Shah HUF | 1,71,000 | 1.14% |
| 23. | M/s. Mahesh Navalchand Shah HUF | 1,65,000 | 1.10% |
| 24. | Ms. Sejal Dharmesh Shah | 1,44,000 | 0.96% |
| | Total | 1,20,59,680 | 80.49% |

11. Set forth below is a list of Shareholders holding 1% or more of the paid-up Share Capital of our Company as of 10 days prior to the date of this Prospectus:

| Sr. No. | Name of the Shareholder | Number of Equity shares | Percentage of the pre - offer Equity Share Capital (%) |
|---------|----------------------------------|-------------------------|--|
| 1. | Mr. Hitesh Himatlal Lakhani | 22,89,720 | 7.64% |
| 2. | Mr. Vikram Navalchand Shah | 20,07,876 | 6.70% |
| 3. | Ms. Vaishali R Shah | 19,77,876 | 6.60% |
| 4. | Mr. Mahesh Navalchand Shah | 19,77,876 | 6.60% |
| 5. | Mr. Dharmesh Navalchand Shah | 19,77,876 | 6.60% |
| 6. | Mr. Deep Hitesh Lakhani | 19,29,960 | 6.44% |
| 7. | Mr. Rajendra N Shah | 14,36,496 | 4.79% |
| 8. | M/s. Hitesh Himatlal Lakhani HUF | 13,14,600 | 4.39% |
| 9. | M/s. PJS Securities LLP | 12,72,000 | 4.25% |
| 10. | Ms. Nidhi Hitesh Lakhani | 12,69,000 | 4.24% |
| 11. | Ms. Bharti Hitesh Lakhani | 12,23,760 | 4.08% |

| Sr. No. | Name of the Shareholder | Number of Equity shares | Percentage of the pre - offer Equity Share Capital (%) |
|---------|--|-------------------------|--|
| 12. | M/s. Himatlal Jethalal Lakhani HUF | 10,95,000 | 3.65% |
| 13. | M/s. Dharmesh N Shah HUF | 4,38,000 | 1.46% |
| 14. | Ms. Sheela Mahesh Shah | 4,38,000 | 1.46% |
| 15. | M/s. Rajendra N Shah HUF | 3,72,000 | 1.24% |
| 16. | Ms. Jignasha Vikram Shah | 3,72,000 | 1.24% |
| 17. | M/s. Navalchand Virchand Shah HUF | 3,60,000 | 1.20% |
| 18. | Mr. Monil Rajendra Shah & Mr. Rajendra N Shah on Behalf of M/s. R M Shah | 3,51,830 | 1.17% |
| 19. | Mr. Harshil Mahesh Shah & Mr. Harsh Mahesh Shah on behalf of M/s. Ashapura Trading | 3,51,830 | 1.17% |
| 20. | Mr. Darshan Vikram Shah, Mr. Dhruvil Vikram Shah on behalf of M/s. Giriraj Trading | 3,51,830 | 1.17% |
| 21. | Mr. Dhairya Dharmesh Shah, Mr. Dharmesh Navalchand Shah on behalf of M/s. D D Shah | 3,51,830 | 1.17% |
| 22. | M/s. Vikram Navalchand Shah HUF | 3,42,000 | 1.14% |
| 23. | M/s. Mahesh Navalchand Shah HUF | 3,30,000 | 1.10% |
| 24. | Ms. Sejal Dharmesh Shah | 2,88,000 | 0.96% |
| | Total | 2,41,19,360 | 80.49% |

12. Our Company has not made any Initial Public Offer of specified securities in the preceding two years from the date of filing of this Prospectus.
13. There will be no further issue of capital, whether by way of issue of bonus shares, preferential allotment, right issue or in any other manner during the period commencing from the date of the Prospectus until the Equity Shares of our Company have been listed or application money unblocked on account of failure of offer. Further, our Company does not intend to alter its capital structure within six months from the date of opening of the issue, by way of split / consolidation of the denomination of Equity Shares. However, our Company may further issue Equity shares (including issue of securities convertible into Equity Shares) whether preferential or otherwise after the date of the listing of equity shares to finance an acquisition, merger or joint venture or for regulatory compliance or such other scheme of arrangement or any other purpose as the Board of Directors may deem fit, if an opportunity of such nature is determined by the Board of Directors to be in the interest of our Company.

14. Shareholding of our Promoters

As on the date of this Prospectus, our Promoters hold 1,01,72,412 Equity Shares, representing 33.95% of the pre-offer, subscribed and paid-up Equity Share capital of our Company.

Build-up of the shareholding of our Promoters in our Company since incorporation:

| Date of Allotment / Transfer | Nature of Issue / Transaction | Nature of Consideration | No. of Equity Shares | FV (₹) | Issue Price /Acquisition / Transfer Price (₹) | % of Pre - Offer Equity Share Capital | % of Post Offer Equity Share Capital |
|---------------------------------------|--|-------------------------|----------------------|--------|---|---------------------------------------|--------------------------------------|
| 1. Mr. Hitesh Himatlal Lakhani | | | | | | | |
| July 11, 2006 | Further Allotment | Cash | 12,000 | 10/- | 30/- | 0.04% | 0.031% |
| July 31, 2006 | Transfer from Mr. Uday Babulal Shah | Cash | 1,910 | 10/- | 10/- | 0.01% | 0.005% |
| | Transfer from Mr. Babulal Manilal Shah | Cash | 1,900 | 10/- | 10/- | 0.01% | 0.005% |
| | Transfer from Ms. Kala Ashok Jain | Cash | 1,870 | 10/- | 10/- | 0.01% | 0.005% |
| | Transfer from Mr. Rajnikant Babulal Shah | Cash | 1,950 | 10/- | 10/- | 0.01% | 0.005% |

| Date of Allotment / Transfer | Nature of Issue / Transaction | Nature of Consideration | No. of Equity Shares | FV (₹) | Issue Price /Acquisition / Transfer Price (₹) | % of Pre - Offer Equity Share Capital | % of Post Offer Equity Share Capital |
|---|--|-------------------------|----------------------|--------|---|---------------------------------------|--------------------------------------|
| | Transfer from Mr. Bharat Shantilal Shah | Cash | 1,800 | 10/- | 10/- | 0.01% | 0.005% |
| | Transfer from Ms. Harsha Kaushik Parikh | Cash | 1,850 | 10/- | 10/- | 0.01% | 0.005% |
| | Transfer from Mr. Iqbal Singh Khara | Cash | 1,830 | 10/- | 10/- | 0.01% | 0.005% |
| March 31, 2008 | Further Allotment | Cash | 50,200 | 10/- | 30/- | 0.17% | 0.131% |
| December 31, 2018 | Transfer from Ms. Kokilaben Ajmera | Cash | 40,000 | 10/- | 10/- | 0.13% | 0.104% |
| | Transfer from Twishal Ajmera | Cash | 43,000 | 10/- | 10/- | 0.14% | 0.112% |
| February 03, 2021 | Transmission from Late. Ms. Ranjanben Himatlal Lakhani | Other than Cash | 1,80,000 | 10/- | Nil | 0.60% | 0.470% |
| March 01, 2021 | Further Allotment | Cash | 43,310 | 10/- | 109.2/- | 0.14% | 0.113% |
| April 04, 2022 | Bonus Issue | Other than Cash | 7,63,240 | 10/- | Nil | 2.55% | 1.993% |
| Split/Sub-division of the equity shares of our Company from face value of ₹10/- each to ₹5/- each. Pursuant to such Sub-division, Share held by Mr. Hitesh Himatlal Lakhani, i.e., 11,44,860 equity shares of face value ₹10/- each divided into to 22,89,720 Equity Shares of face value ₹5/- each on September 02, 2024 | | | | | | | |
| Total | | | 22,89,720 | | | 7.64% | 5.980% |

| Date of Allotment / Transfer | Nature of Issue / Transaction | Nature of Consideration | No. of Equity Shares | FV (₹) | Issue Price /Acquisition / Transfer Price (₹) | % of Pre - Offer Equity Share Capital | % of Post Offer Equity Share Capital* |
|-------------------------------|--|-------------------------|----------------------|--------|---|---------------------------------------|---------------------------------------|
| 2. Mr. Rajendra N Shah | | | | | | | |
| July 11, 2006 | Further Allotment | Cash | 30,000 | 10/- | 30/- | 0.10% | 0.08% |
| July 31, 2006 | Transfer from Mr. Jignesh Lalitchandra Shah | Cash | 1,880 | 10/- | 10/- | 0.01% | 0.00% |
| | Transfer from Mr. Manher P. Sanghavi | Cash | 1,900 | 10/- | 10/- | 0.01% | 0.00% |
| | Transfer from Ms. Supriya Santosh Shah | Cash | 1,920 | 10/- | 10/- | 0.01% | 0.01% |
| | Transfer from Mr. Hitesh Amrutlal Mehta | Cash | 1,870 | 10/- | 10/- | 0.01% | 0.00% |
| | Transfer from Mr. Rajendra D. Mehta | Cash | 1,880 | 10/- | 10/- | 0.01% | 0.00% |
| March 31, 2008 | Further Allotment | Cash | 53,350 | 10/- | 30/- | 0.18% | 0.14% |
| July 31, 2008 | Transfer from Mr. Navalchand Virchand Shah | Cash | 52,000 | 10/- | 10/- | 0.17% | 0.14% |
| July 31, 2015 | Transfer from Ms. Nirmalaben Navalchand Shah | Cash | 42,000 | 10/- | 10/- | 0.14% | 0.11% |

| Date of Allotment / Transfer | Nature of Issue / Transaction | Nature of Consideration | No. of Equity Shares | FV (₹) | Issue Price /Acquisition / Transfer Price (₹) | % of Pre - Offer Equity Share Capital | % of Post Offer Equity Share Capital* |
|--|-------------------------------|-------------------------|----------------------|--------|---|---------------------------------------|---------------------------------------|
| September 29, 2018 | Further Allotment | Cash | 1,408 | 10/- | 82/- | 0.00% | 0.00% |
| March 01, 2021 | Further Allotment | Cash | 51,208 | 10/- | 109.2/- | 0.17% | 0.13% |
| April 04, 2022 | Bonus Issue | Other than Cash | 4,78,832 | 10/- | Nil | 1.60% | 1.25% |
| Split/Sub-division of the equity shares of our Company from face value of ₹10/- each to ₹5/- each. Pursuant to such Sub-division, Share held by Mr. Rajendra N Shah, i.e., 7,18,248 equity shares of face value ₹10/- each divided into to 14,36,496 Equity Shares of face value ₹5/- each on September 02, 2024 | | | | | | | |
| Total | | | 14,36,496 | | | 4.79% | 3.75% |

| Date of Allotment / Transfer | Nature of Issue / Transaction | Nature of Consideration | No. of Equity Shares | FV (₹) | Issue Price /Acquisition / Transfer Price (₹) | % of Pre - Offer Equity Share Capital | % of Post Offer Equity Share Capital* |
|--|---|-------------------------|----------------------|--------|---|---------------------------------------|---------------------------------------|
| 3. Ms. Bharti Hitesh Lakhani | | | | | | | |
| July 11, 2006 | Further Allotment | Cash | 1,46,000 | 10/- | 30/- | 0.49% | 0.38% |
| July 31, 2006 | Transfer from Mr. Ashok Jivraj Jain | Cash | 1,940 | 10/- | 10/- | 0.01% | 0.01% |
| | Transfer from Mr. Vijay Navnit Shah | Cash | 1,850 | 10/- | 10/- | 0.01% | 0.00% |
| | Transfer from Mr. Mahesh Gambhirdas Doshi | Cash | 1,940 | 10/- | 10/- | 0.01% | 0.01% |
| | Transfer from Ms. Purnima Ashok Shah | Cash | 1,950 | 10/- | 10/- | 0.01% | 0.01% |
| | Transfer from Mr. Bipinchandra K Shah | Cash | 1,950 | 10/- | 10/- | 0.01% | 0.01% |
| | Transfer from Ms. Sunita Abhay Doshi | Cash | 1,900 | 10/- | 10/- | 0.01% | 0.00% |
| | Transfer from Mr. Mehul Bipinchandra Shah | Cash | 1,950 | 10/- | 10/- | 0.01% | 0.01% |
| March 01, 2021 | Further Allotment | Cash | 44,480 | 10/- | 109.2/- | 0.15% | 0.12% |
| April 04, 2022 | Bonus Issue | Other than Cash | 4,07,920 | 10/- | Nil | 1.36% | 1.07% |
| Split/Sub-division of the equity shares of our Company from face value of ₹10/- each to ₹5/- each. Pursuant to such Sub-division, Share held by Ms. Bharti Hitesh Lakhani, i.e., 6,11,880 equity shares of face value ₹10/- each divided into to 12,23,760 Equity Shares of face value ₹5/- each on September 02, 2024 | | | | | | | |
| Total | | | 12,23,760 | | | 4.08% | 3.20% |

| Date of Allotment / Transfer | Nature of Issue / Transaction | Nature of Consideration | No. of Equity Shares | FV (₹) | Issue Price /Acquisition / Transfer Price (₹) | % of Pre - Offer Equity Share Capital | % of Post Offer Equity Share Capital* |
|-------------------------------|-------------------------------|-------------------------|----------------------|--------|---|---------------------------------------|---------------------------------------|
| 4. Ms. Vaishali R Shah | | | | | | | |
| July 11, 2006 | Further Allotment | Cash | 27,000 | 10/- | 30/- | 0.09% | 0.07% |

| Date of Allotment / Transfer | Nature of Issue / Transaction | Nature of Consideration | No. of Equity Shares | FV (₹) | Issue Price /Acquisition / Transfer Price (₹) | % of Pre - Offer Equity Share Capital | % of Post Offer Equity Share Capital* |
|--|-------------------------------|-------------------------|----------------------|--------|---|---------------------------------------|---------------------------------------|
| September 29, 2018 | Further Allotment | Cash | 2,57,823 | 10/- | 82/- | 0.86% | 0.67% |
| March 01, 2021 | Further Allotment | Cash | 44,823 | 10/- | 109.2/- | 0.15% | 0.12% |
| April 04, 2022 | Bonus Issue | Other than Cash | 6,59,292 | 10/- | Nil | 2.20% | 1.72% |
| Split/Sub-division of the equity shares of our Company from face value of ₹10/- each to ₹5/- each. Pursuant to such Sub-division, Share held by Ms. Vaishali R Shah, i.e., 9,88,938 equity shares of face value ₹10/- each divided into to 19,77,876 Equity Shares of face value ₹5/- each on September 02, 2024 | | | | | | | |
| Total | | | 19,77,876 | | | 4.08% | 5.17% |

| Date of Allotment / Transfer | Nature of Issue / Transaction | Nature of Consideration | No. of Equity Shares | FV (₹) | Issue Price /Acquisition / Transfer Price (₹) | % of Pre - Offer Equity Share Capital | % of Post Offer Equity Share Capital* |
|--|---|-------------------------|----------------------|--------|---|---------------------------------------|---------------------------------------|
| 5. Mr. Deep Hitesh Lakhani | | | | | | | |
| December 12, 2007 | Transfer from Ms. Aruna Manish Doshi | Cash | 17,000 | 10/- | 10/- | 0.06% | 0.04% |
| | Transfer from Mr. Darshak Jayantilal Shah | Cash | 7,000 | 10/- | 10/- | 0.02% | 0.02% |
| March 31, 2008 | Further Allotment | Cash | 50,000 | 10/- | 30/- | 0.17% | 0.13% |
| May 30, 2008 | Transfer from Mr. Rajpal Vilautilal Jain | Cash | 1,000 | 10/- | 10/- | 0.00% | 0.00% |
| December 31, 2018 | Transfer from Mr. Jayant Ishwarlal Ajmera | Cash | 79,000 | 10/- | 10/- | 0.26% | 0.21% |
| February 03, 2021 | Transmission from Late. Mr. Himatlal Jethalal Lakhani | Other than Cash | 1,23,660 | 10/- | Nil | 0.41% | 0.32% |
| March 01, 2021 | Further Allotment | Cash | 44,000 | 10/- | 109.2/- | 0.15% | 0.11% |
| April 04, 2022 | Bonus Issue | Other than Cash | 6,43,320 | 10/- | Nil | 2.15% | 1.68% |
| Split/Sub-division of the equity shares of our Company from face value of ₹10/- each to ₹5/- each. Pursuant to such Sub-division, Share held by Mr. Deep Hitesh Lakhani, i.e., 9,64,980 equity shares of face value ₹10/- each divided into to 19,29,960 Equity Shares of face value ₹5/- each on September 02, 2024 | | | | | | | |
| Total | | | 19,29,960 | | | 6.44% | 5.04% |

| Date of Allotment / Transfer | Nature of Issue / Transaction | Nature of Consideration | No. of Equity Shares | FV (₹) | Issue Price /Acquisition / Transfer Price (₹) | % of Pre - Offer Equity Share Capital | % of Post Offer Equity Share Capital* |
|--|-------------------------------|-------------------------|----------------------|--------|---|---------------------------------------|---------------------------------------|
| 6. M/s. Hitesh Himatlal Lakhani HUF | | | | | | | |
| July 11, 2006 | Further Allotment | Cash | 1,23,000 | 10/- | 30/- | 0.41% | 0.32% |
| March 31, 2008 | Further Allotment | Cash | 50,550 | 10/- | 30/- | 0.17% | 0.13% |
| March 01, 2021 | Further Allotment | Cash | 45,550 | 10/- | 109.2/- | 0.15% | 0.12% |

| Date of Allotment / Transfer | Nature of Issue / Transaction | Nature of Consideration | No. of Equity Shares | FV (₹) | Issue Price / Acquisition / Transfer Price (₹) | % of Pre - Offer Equity Share Capital | % of Post Offer Equity Share Capital* |
|---|-------------------------------|-------------------------|----------------------|--------|--|---------------------------------------|---------------------------------------|
| April 04, 2022 | Bonus Issue | Other than Cash | 4,38,200 | 10/- | Nil | 1.46% | 1.14% |
| Split/Sub-division of the equity shares of our Company from face value of ₹10/- each to ₹5/- each. Pursuant to such Sub-division, Share held by M/s. Hitesh Himatlal Lakhani HUF, i.e., 6,57,300 equity shares of face value ₹10/- each divided into to 13,14,600 Equity Shares of face value ₹5/- each on September 02, 2024 | | | | | | | |
| Total | | | 13,14,600 | | | 4.39% | 3.43% |

| Date of Allotment / Transfer | Nature of Issue / Transaction | Nature of Consideration | No. of Equity Shares | FV (₹) | Issue Price / Acquisition / Transfer Price (₹) | % of Pre - Offer Equity Share Capital | % of Post Offer Equity Share Capital* |
|--|-------------------------------|-------------------------|----------------------|--------|--|---------------------------------------|---------------------------------------|
| 7. Mr. Monil Rajendra Shah | | | | | | | |
| Share Holding of Mr. Monil Rajendra Shah in Rikhav Securities Limited is Nil, he is Promoter by virtue of Executive Director of the Company. | | | | | | | |

Note: All the Equity Shares held by our Promoters were fully paid-up on the respective dates of acquisition of such Equity Shares. Further, our Promoters have not pledged any of the Equity Shares that they hold in our Company.

15. Pre-Offer and Post-Offer Shareholding of our Promoters, Promoter Group and Selling Shareholders:

| Category of Promoter | Pre-Offer | | Post-Offer | |
|---|---------------|------------------------|---------------|------------------------|
| | No. of Shares | % of pre-offer Capital | No. of Shares | % of pre-offer Capital |
| Promoters | | | | |
| Mr. Hitesh Himatlal Lakhani | 22,89,720 | 7.64 | 22,89,720 | 5.98 |
| Ms. Vaishali R Shah | 19,77,876 | 6.60 | 19,77,876 | 5.17 |
| Mr. Deep Hitesh Lakhani | 19,29,960 | 6.44 | 19,29,960 | 5.04 |
| Mr. Rajendra N Shah | 14,36,496 | 4.79 | 14,36,496 | 3.75 |
| M/s. Hitesh Himatlal Lakhani HUF | 13,14,600 | 4.39 | 13,14,600 | 3.43 |
| Ms. Bharti Hitesh Lakhani | 12,23,760 | 4.08 | 12,23,760 | 3.20 |
| Mr. Monil Rajendra Shah | Nil | 0.00 | Nil | 0.00 |
| Promoter Group | | | | |
| Mr. Vikram Navalchand Shah | 20,07,876 | 6.70 | 20,07,876 | 5.24 |
| Mr. Mahesh Navalchand Shah | 19,77,876 | 6.60 | 19,77,876 | 5.17 |
| Mr. Dharmesh Navalchand Shah | 19,77,876 | 6.60 | 19,77,876 | 5.17 |
| M/s. PJS Securities LLP | 12,72,000 | 4.25 | 12,72,000 | 3.32 |
| Ms. Nidhi Hitesh Lakhani | 12,69,000 | 4.24 | 12,69,000 | 3.31 |
| M/s. Himatlal Jethalal Lakhani HUF | 10,95,000 | 3.65 | 10,95,000 | 2.86 |
| M/s. Dharmesh Navalchand Shah HUF | 4,38,000 | 1.46 | 4,38,000 | 1.14 |
| M/s. Rajendra Navalchand Shah HUF | 3,72,000 | 1.24 | 3,72,000 | 0.97 |
| M/s. Navalchand Virchand Shah HUF | 3,60,000 | 1.20 | 3,60,000 | 0.94 |
| Mr. Monil Rajendra Shah & Mr. Rajendra N Shah on Behalf of M/s. R M Shah | 3,51,830 | 1.17 | 3,51,830 | 0.92 |
| Mr. Dhairyaa Dharmesh Shah, Mr. Dharmesh Navalchand Shah on behalf of M/s. D D Shah | 3,51,830 | 1.17 | 3,51,830 | 0.92 |
| M/s. Vikram Navalchand Shah HUF | 3,42,000 | 1.14 | 3,42,000 | 0.89 |
| M/s. Mahesh Navalchand Shah HUF | 3,30,000 | 1.10 | 3,30,000 | 0.86 |
| M/s. Chhaya Jayesh Maniyar | 2,70,000 | 0.90 | 2,70,000 | 0.71 |
| Mr. Hitesh Manilal Shah | 2,40,000 | 0.80 | 2,40,000 | 0.63 |

| Category of Promoter | Pre-Offer | | Post-Offer | |
|--|--------------------|------------------------|--------------------|------------------------|
| | No. of Shares | % of pre-offer Capital | No. of Shares | % of pre-offer Capital |
| Mr. Manilal Rangunath Shah | 1,80,000 | 0.60 | 1,80,000 | 0.47 |
| Selling Shareholder | | | | |
| Mr. Harshil Mahesh Shah & Mr. Harsh Mahesh Shah on behalf of M/s. Ashapura Trading | 3,51,830 | 1.17 | 830 | 0.01 |
| Mr. Darshan Vikram Shah, Mr. Dhruvil Vikram Shah on behalf of M/s. Giriraj Trading | 3,51,830 | 1.17 | 830 | 0.01 |
| Ms. Daksha Sharad Maniyar | 2,70,000 | 0.90 | 1,80,000 | 0.47 |
| Mr. Jayesh Mulchand Maniyar | 2,70,000 | 0.90 | 1,80,000 | 0.47 |
| Mr. Mukesh Jayantilal Sanghavi | 2,70,000 | 0.90 | 1,80,000 | 0.47 |
| Ms. Virali Girish Maniyar | 2,70,000 | 0.90 | 1,80,000 | 0.47 |
| Mr. Yash Jayesh Maniyar | 2,70,000 | 0.90 | 1,80,000 | 0.47 |
| Ms. Naity Sharad Maniyar | 2,70,000 | 0.90 | 1,80,000 | 0.47 |
| Mr. Sharad Mulchand Maniyar | 2,70,000 | 0.90 | 1,80,000 | 0.47 |
| Ms. Bharti Mukesh Sanghavi | 2,70,000 | 0.90 | 1,80,000 | 0.47 |
| Ms. Nirmalaben Fatechand Sanghavi | 1,80,000 | 0.60 | 90,000 | 0.24 |
| Mr. Bhaven Vinod Pandya | 1,80,000 | 0.60 | 90,000 | 0.24 |
| Mr. Ketanbhai Arvindray Shah | 1,80,000 | 0.60 | 90,000 | 0.24 |
| Mr. Kishore Paramdas Vora | 1,80,000 | 0.60 | 90,000 | 0.24 |
| Mr. Nisarg Pradip Shah | 1,80,000 | 0.60 | 1,00,000 | 0.26 |
| Ms. Nita Chandrakant Lakhani | 1,80,000 | 0.60 | 1,00,000 | 0.26 |
| Ms. Aneri Manish Lakhani | 1,80,000 | 0.60 | 1,22,000 | 0.32 |
| Total | 2,71,31,360 | 90.55 | 2,51,31,360 | 65.63 |

16. There was no equity shares purchased/sold by the Promoter(s) and Promoter Group, Directors of our Company and their relatives and partners of our body corporate promoter during last six months from the date of this Prospectus.
17. None of our Promoters, Promoter Group, Directors and their relatives and partners of our body corporate promoter has entered into any financing arrangement or financed the purchase of the Equity Shares of our Company by any other person during the period of six months immediately preceding the date of filing of the Prospectus.
18. None of our Directors or Key Managerial Personnel or senior management hold any Equity Shares other than as set out below:

| Name | Designation | No. of Equity Shares held | % of pre-offer paid up capital | % of post offer paid up capital |
|-----------------------------|---------------------------------|---------------------------|--------------------------------|---------------------------------|
| Mr. Hitesh Himatlal Lakhani | Chairperson & Managing Director | 22,89,720 | 7.64 | 5.98 |
| Mr. Rajendra N Shah | Whole Time Director | 14,36,496 | 4.79 | 3.75 |
| Ms. Bharti Hitesh Lakhani | Non-Executive Director | 12,23,760 | 4.08 | 3.20 |
| Mr. Monil Rajendra Shah | Executive Director | 0.00 | 0.00 | 0.00 |

19. Promoters' Contribution and Lock-in details

Details of Promoter's Contribution locked-in for three (3) years

Pursuant to Regulation 236 and 238 of SEBI (ICDR) Regulations, 2018, an aggregate of 20.00% of the post offer capital held by our Promoters shall be considered as Promoter's Contribution ("**Promoters Contribution**") and shall be locked-in for a period of three years from the date of allotment of Equity Shares issued pursuant to this Issue. The Lock in of Promoter's Contribution would be created as per applicable law and procedure and details of the same shall also be provided to the Stock Exchange before listing of the Equity Shares.

As on date of this Prospectus, our Promoters holds 1,01,72,412 Equity Shares constituting 33.95% of the pre offer, Subscribed and Paid-up Equity Share Capital of our Company, which are eligible for Promoter's Contribution.

Our Promoters, Mr. Hitesh Himatlal Lakhani, Ms. Vaishali R Shah, Mr. Deep Hitesh Lakhani, Mr. Rajendra N Shah, Ms. Bharti Hitesh Lakhani and M/s. Hitesh Himatlal Lakhani HUF have given written consent to include 76,65,000 Equity Shares held by them and subscribed by them as part of Promoters Contribution constituting 20.02% of the Post Offer Equity Shares of our Company. Further, they have agreed not to sell or transfer or pledge or otherwise dispose of in any manner, the Promoters contribution, for a period of three years from the date of allotment in the Offer.

Details of the Equity Shares forming part of Promoters' Contribution and their lock-in details are as follows:

| Name of Promoter | Date of Allotment/ Transfer and made fully Paid Up | No of Equity Shares* | No of Equity Shares Locked in | Face Value (in ₹) * | Issue Price (in ₹) | Nature of Allotment | % Of Post- Offer Paid-up Capital | Lock-in Period |
|----------------------------------|--|----------------------|-------------------------------|---------------------|--------------------|--|----------------------------------|----------------|
| Mr. Hitesh Himatlal Lakhani | March 31, 2008 | 1,00,400 | 1,00,400 | 5/- | 30/- | Further Allotment | 0.26% | 3 Years |
| | February 03, 2021 | 3,60,000 | 3,60,000 | 5/- | Nil | Transmission from Late. Ranjanben Himatlal Lakhani | 0.94% | |
| | March 01, 2021 | 86,620 | 86,620 | 5/- | 109.2/- | Further Allotment | 0.23% | |
| | April 04, 2022 | 15,26,480 | 14,24,652 | 5/- | Nil | Bonus Issue | 3.72% | |
| Ms. Vaishali R Shah | April 04, 2022 | 13,18,584 | 13,18,584 | 5/- | | Bonus Issue | 3.44% | |
| Mr. Deep Hitesh Lakhani | | 12,86,640 | 12,86,640 | 5/- | | | 3.36% | |
| Mr. Rajendra N Shah | | 9,57,664 | 9,57,664 | 5/- | | | 2.50% | |
| Ms. Bharti Hitesh Lakhani | | 8,15,840 | 8,15,840 | 5/- | | | 2.13% | |
| M/s. Hitesh Himatlal Lakhani HUF | July 11, 2006 | 2,46,000 | 2,46,000 | 5/- | 30/- | Further Allotment | 0.64% | |
| | March 31, 2008 | 1,01,100 | 1,01,100 | 5/- | 30/- | Further Allotment | 0.26% | |
| | March 01, 2021 | 91,100 | 91,100 | 5/- | 109.2/- | Further Allotment | 0.24% | |
| | April 04, 2022 | 8,76,400 | 8,76,400 | 5/- | Nil | Bonus Issue | 2.29% | |

*Considered after the split of shares.

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

- Equity Shares acquired three years preceding the date of this Prospectus for consideration other than cash and out of revaluation of assets or capitalization of intangible assets or bonus shares out of revaluation reserves or reserves without accrual of cash resources or unrealized profits or against equity shares which are otherwise ineligible for computation of Promoters' Contribution.
- The Equity Shares acquired during the year preceding the date of this Prospectus, at a price lower than the price at which the Equity Shares are being offered to the public in this offer is not part of the minimum promoter's contribution.
- The Equity Shares held by the promoters and offered for minimum 20% Promoter's Contribution are not subject to any pledge or any other form of encumbrances.

- Specific written consent has been obtained from the Promoters for inclusion of 76,65,000 Equity Shares for ensuring lock-in of three years to the extent of minimum 20.02% of post offer paid-up Equity Share Capital from the date of allotment in the public offer.
- The minimum Promoters' Contribution has been brought to the extent of not less than the specified minimum lot and from the persons defined as Promoters under the SEBI ICDR Regulations.
- We further confirm that our Promoters' contribution of minimum 20% of the post offer Equity does not include any contribution from Alternative Investment Funds or FVCI or Scheduled Commercial Banks or Public Financial Institutions or Insurance Companies registered with Insurance Regulatory and Development Authority of India.

Equity Shares locked-in for one year other than Minimum Promoters' Contribution

- Pursuant to Regulation 238(b) and 239 of the SEBI ICDR Regulations, other than the Equity Shares held by our Promoters, which will be locked-in as minimum Promoters' contribution for three years, all pre-offer 2,22,99,000 Equity Shares shall be subject to lock-in for a period of one year from the date of Allotment in this Offer.

Lock-in of the Equity Shares to be Allotted, if any, to the Anchor Investors

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

Inscription or recording of non-transferability

In terms of Regulation 241 of the SEBI ICDR Regulations, 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.

Pledge of Locked in Equity Shares

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

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

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

Transferability of Locked in Equity Shares

1. Pursuant to Regulation 243 of the SEBI ICDR Regulations, Equity Shares held by our Promoters, which are locked in as per Regulation 238 of the SEBI ICDR Regulations, may be transferred to and amongst our Promoters/ Promoter Group or to a new promoter or persons in control of our Company subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with SEBI SAST Regulations as applicable.
 2. Pursuant to Regulation 243 of the SEBI ICDR Regulations, Equity Shares held by shareholders other than our Promoters, which are locked-in as per Regulation 239 of the SEBI ICDR Regulations, may be transferred to any other person holding shares, subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with SEBI SAST Regulations as applicable.
20. Neither the Company, nor its Promoters, Directors or the Book Running Lead Manager have entered into any buyback and/or standby arrangements for purchase of Equity Shares of the Company from any person.
21. All Equity Shares offered pursuant to the offer 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 Prospectus. Further, since the entire money in respect of the Issue is being called on application, all the successful Applicants will be offered fully paid-up Equity Shares.

22. As on the date of this Prospectus, the Book Running Lead Manager and their respective associates (as defined under the SEBI MB Regulations 1992) do not hold any Equity Shares of our Company. The Lead Manager and their affiliates may engage in the transactions with and perform services for our Company in the ordinary course of business or may in the future engage in commercial banking and investment banking transactions with our Company for which they may in the future receive customary compensation.
23. As on date of this Prospectus, there are no outstanding ESOP's, warrants, options or rights to convert debentures, loans or other instruments convertible into the Equity Shares, nor has the company ever allotted any equity shares pursuant to conversion of ESOPs till date. As and when, options are granted to our employees under the Employee Stock Option Scheme, our Company shall comply with the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021.
24. 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 "*Offer Procedure*" beginning on page 273 of this Prospectus. In case of over-subscription in all categories the allocation in the offer shall be as per the requirements of Regulation 253 (2) of SEBI ICDR Regulations, as amended from time to time.
25. An over-subscription to the extent of 10% of the Net Offer 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 offer. Consequently, the actual allotment may go up by a maximum of 10% of the Net Offer, as a result of which, the post issue paid up capital after the offer 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 offer paid-up capital is locked in.
26. Subject to valid applications being received at or above the Offer Price, under subscription, if any, in any of the categories, would be allowed to be met with spill-over from any of the other categories or a combination of categories at the discretion of our Company in consultation with the Book Running Lead Manager and Designated Stock Exchange. Such inter-se spill over, if any, would be affected in accordance with applicable laws, rules, regulations and guidelines.
27. We have 52 (Fifty-Two) Shareholders as on the date of filing of the Prospectus.
28. The Equity Shares of our company are in the dematerialization form.
29. There shall be only one denomination of Equity Shares of our Company unless otherwise permitted by law. Our Company shall comply with disclosure and accounting norms as may be specified by SEBI from time to time.
30. 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 offer.
31. Our Company shall ensure that transactions in the Equity Shares by our Promoters and our Promoter Group between the date of this Prospectus and the offer Closing Date shall be reported to the Stock Exchange within 24 hours of such transaction.
32. None of our Promoters or the members of our Promoter Group are offering their Equity shares in the Offer for Sale:
33. There are no safety net arrangements for this Public Offer.
34. Our Company has not undertaken any arrangements (acquisition, amalgamation and merger, slump sale, existing or proposed both) in the last 5 financial years.
35. Our Company has not issued any Compulsory Convertible Preference Share.
36. Our Company is in compliance with the provisions of The Companies Act, 2013 with respect to issuance of securities since inception till the date of filing of this Prospectus.
37. None of the public shareholders/investors of our Company is directly/indirectly related with our Book Running Lead Manager or their associates.
38. The Book Running Lead Manager is not Associate with our Company within the meaning of Regulation 21A(1) of the SEBI Merchant Bankers Regulations read with Regulation 23(3) of the SEBI ICDR Regulations.

SECTION V – PARTICULARS OF THE OFFER

OBJECTS OF THE OFFER

This Offer comprises of Fresh Issue of 1,03,28,000 Equity Shares by our Company aggregating to ₹8,882.08 Lakhs and an Offer for Sale of 20,00,000 Equity Shares aggregating to ₹1,720.00 Lakhs by the Selling Shareholders.

Offer For Sale

Each of the Selling Shareholders will be entitled to their respective portion of the proceeds from the Offer for Sale in proportion of the Equity Shares offered by the respective Selling Shareholders as part of the Offer for Sale after deducting their proportion of Offer related expenses and relevant taxes thereon. Our Company will not receive any proceeds from the Offer for Sale and the proceeds received from the Offer for Sale will not form part of the Net Proceeds. For further details of the Offer for Sale, see “*Other Regulatory and Statutory Disclosures – Authority of the Offer*” beginning on page 248.

Fresh Offer

Our Company proposes to utilize the Net Proceeds from the Fresh Offer towards funding the following objects:

1. Funding our incremental working capital requirements;
2. Funding of capital expenditure requirements of our Company towards purchase of IT Software, Computers and Laptops;
3. General corporate purposes;

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

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 BSE SME. It will also provide liquidity to the existing shareholders and will also create a public trading market for the Equity Shares of our Company.

The main objects clause and the objects ancillary to the main objects clause as set out in the Memorandum of Association enables our Company to undertake its existing activities and the activities for which funds are being raised by our Company in the Fresh Issue.

Fresh offer Proceeds

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

(₹ in Lakhs)

| Particulars | Amount |
|----------------------------------|-----------------|
| Gross Proceeds of the Offer | 7,162.08 |
| Less: Offer related Expenses | 873.08 |
| Net Proceeds of the Offer | 6,289.00 |

Utilisation of Net Proceeds

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

(₹ in Lakhs)

| Sr. No | Particulars | Estimated Amount* | % of Gross Proceeds | % of Net Proceeds |
|--------|---|-------------------|---------------------|-------------------|
| 1. | Funding our incremental working capital requirements | 4,600.00 | 64.23 | 73.14 |
| 2. | Funding of capital expenditure requirements of our Company towards purchase of IT Software, Computers and Laptops | 412.81 | 5.76 | 6.56 |
| 3. | General corporate purposes [#] | 1,276.19 | 17.82 | 20.29 |
| | Total* | 6,289.00 | 87.81 | 100.00 |

[#]The amount utilized for general corporate purpose shall not exceed 25% of the gross proceeds of the Offer.

Proposed Schedule of Implementation and Deployment of the Net Proceeds

The Net Proceeds of the Fresh Offer (“Net Proceeds”) are currently expected to be deployed in accordance with the schedule as stated below:

(₹ in lakhs)

| Sr. No. | Object | Amount proposed to be financed from Net Proceeds | Estimated Utilization of Net Proceeds in F. Y. 2024 - 2025 | Estimated Utilization of Net Proceeds in F. Y. 2025 - 2026 |
|---------|---|--|--|--|
| 1. | Funding our incremental working capital requirements | 4,600.00 | 2,000.00 | 2,600.00 |
| 2. | Funding of capital expenditure requirements of our Company towards purchase of IT Software, Computers and Laptops | 412.81 | 100.00 | 312.81 |
| 3. | General corporate purposes [#] | 1,276.19 | 500.00 | 776.19 |
| | Total | 6,289.00 | 2,600.00 | 3,689.00 |

[#]The amount utilized for general corporate purpose shall not exceed 25% of the gross proceeds of the Offer.

The fund requirements, the deployment of funds and the intended use of the Net Proceeds as described herein are based on our current business plan and circumstances, management estimates, prevailing market conditions and other external commercial and technical factors including interest rates, exchange rate fluctuations and other charges, which are subject to change from time to time. However, such fund requirements and deployment of funds have not been verified or appraised by any bank, financial institution, or any other external agency or party. We may have to revise our funding requirements and deployment schedule on account of a variety of factors such as our financial and market condition, business and strategy, competition, contractual terms and conditions and negotiation with lenders, variation in cost estimates and other external factors such as changes in the business environment and interest, which may not be within the control of our management. This may entail rescheduling or revising the planned expenditure and funding requirements, including the expenditure for a particular purpose at the discretion of our management, subject to compliance with applicable laws. For details in relation to the discretion available to our management in respect of use of the Net Proceeds. For further details on the risks involved in our proposed fund utilization as well as executing our business strategies, please refer the section titled “Risk Factors” on page 30.

Our Company proposes to deploy the entire Net Proceeds towards the aforementioned Objects during Fiscal 2025 and Fiscal 2026. In the event that the estimated utilization of the Net Proceeds in scheduled fiscal years is not completely met, due to the reasons stated above, the same shall be utilized in the next fiscal year, as may be determined by the Board, in accordance with applicable laws. If the actual utilization towards any of the Objects is lower than the proposed deployment, such balance will be used towards general corporate purposes, to the extent that the total amount to be utilized towards general corporate purposes is within the permissible limits in accordance with the SEBI ICDR Regulations. Further, in case of variations in the actual utilization of funds earmarked for the purposes set forth above, increased fund requirements for a particular purpose may be financed by surplus funds, if any, available in respect of the other purposes for which funds are being raised in the Issue, subject to compliance with applicable laws.

Means of Finance

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

Details of the Objects of the Offer

1. Funding our incremental working capital requirements;

Our Company proposes to utilize ₹4,600.00 Lakhs of the Net Proceeds in Fiscal 2024 – 2025 and Fiscal 2025 – 2026 respectively towards our Company’s working capital requirements. The balance portion of our Company’s working capital requirement shall be met from the working capital facilities availed and internal accruals.

Our business is working capital intensive and we avail a majority of our working capital in the ordinary course of business from various banks and financial institutions. As of September 30, 2024, on a standalone basis, our Company’s sanctioned working capital facilities in the form of short-term borrowings was ₹11,600.00 Lakhs and bank guarantees placed at exchanges as margin was ₹12,500.00 Lakh.

Basis of estimation of incremental working capital requirement:

The incremental and proposed working capital requirements, as approved by the Board pursuant to a resolution dated January 01, 2025, and key assumptions with respect to the determination of the same are mentioned below. Our Company's composition of working capital for the six months ended September 30, 2024 and as at March 31, 2024, March 31, 2023 and March 31, 2022 on the basis of restated financial information and expected working capital requirements for Fiscal 2024 – 25 and Fiscal 2025 – 26 are as set out in the table below: *

(₹ in Lakhs)

| Sr. No. | Particulars | Audited | Audited | Audited | Audited | Projected | Projected |
|------------|---|------------------|------------------|------------------|------------------|------------------|------------------|
| | | FY 21-22 | FY 22-23 | FY 23-24 | 30.09.2024 | FY 24-25 | FY 25-26 |
| I | Current Assets | | | | | | |
| | Current Investment | 7,093.78 | 9,214.37 | 11,916.48 | 15,601.33 | 14,600.26 | 16,233.00 |
| | Trade Receivables | 648.22 | 483.80 | 364.97 | 182.61 | 1,616.43 | 2,933.00 |
| | Cash & Cash Equivalent | 2,314.52 | 650.22 | 2,073.00 | 619.65 | 2,872.32 | 3,412.00 |
| | Short Term Loans and Advances | 158.61 | 139.13 | 65.59 | 132.71 | 189.29 | 227.15 |
| | Other Current Assets | 99.41 | 179.99 | 180.10 | 60.76 | 245.36 | 280.35 |
| | Total (A) | 10,314.54 | 10,667.51 | 14,600.14 | 16,597.06 | 19,523.66 | 23,085.50 |
| II | Current Liabilities | | | | | | |
| | Trade payables | 8,154.57 | 7,216.63 | 10,521.70 | 10,915.26 | 11,455.34 | 11,708.35 |
| | Other Current Liabilities | 494.27 | 548.14 | 77.08 | 188.40 | 205.00 | 214.00 |
| | Short term provisions | 299.40 | 475.72 | 938.66 | 1,210.51 | 1,180.80 | 1,065.80 |
| | Total (B) | 8,948.24 | 8,240.49 | 11,537.44 | 12,314.17 | 12,841.14 | 12,988.15 |
| III | Total Working Capital Gap (A-B) | 1,366.30 | 2,427.02 | 3,062.70 | 4,282.89 | 6,682.52 | 10,097.35 |
| IV | Funding Pattern: | | | | | | |
| | Short Term Borrowings & Internal Accruals | 1,366.30 | 2,427.02 | 3,062.70 | 4,282.89 | 4,682.52 | 7,497.35 |
| | IPO Proceeds | --- | --- | --- | --- | 2,000.00 | 2,600.00 |

*As certified by AHSP & Co. LLP, Chartered Accountants, by way of their certificate dated January 01, 2025.

Key factors contributing to our Projected Working Capital Requirements:

The company expects growth in operations by starting the Margin Trading Facilities (MTF) for the clients, increase in the market making services, increase in arbitrage trading and other trading activities. This will increase the working capital requirement in the business. Further the facts mentioned below for increase in the business operations also states that the company is in working capital intensive.

a) Margin trading facility:

Our company intends to expand its operations by adding a new sector to its business profile focused on Margin Trading Facility (MTF) and aims to maintain an MTF book. We have already received certifications from BSE Limited (dated July 17, 2017), and are in the process of applying for certification from NSE. We plan to launch our services using the proceeds from the upcoming IPO.

The company's trade receivables primarily consist of funds owed by clients for providing margin facility and fees for managing their securities and funds. During fiscal 2024, the trade receivables amounted to ₹ 364.97 Lakhs. In fiscal 2025 and fiscal 2026, we expect a significant increase in trade receivables due to the introduction of margin trading for clients. With margin trading, clients will contribute approximately 30% of the trade value as margin, while the company will cover the remaining 70%. This model is expected to increase trade receivables by generating both interest income from the margins extended to clients and additional brokerage revenue from delivery transactions. As a result, these initiatives are anticipated to significantly elevate trade receivables in the upcoming fiscal year.

Part of the proceeds of this Offer will be utilized for the margins to be placed with the stock exchanges. The margin requirements with the exchanges are determined on the basis of trading volumes and market volatility and to the extent of

open interest in respect of equity/ stock future. Such margin requirements comprise of “initial margin” representing initial margin paid and “margin deposits”, representing additional margin over and above the initial margin, for entering into contracts for equity index/ stock futures, which are released on final settlement and/or squaring up of underlying contracts.

Further, equity index/ stock futures are marked-to-market on a daily basis, in which case, “mark-to-market margin” is required to be provided, representing the net amount paid or received on the basis of movement of price/ stock futures till the balance sheet date. While the initial margin and the margin deposits with the stock exchanges/ professional clearing members can be created by way of deposit of either stock or bank guarantees or fixed deposits with banks or cash, however, the marked-to-market margin is typically created by way of deposit of cash.

Factors Leading to an Increase in Trade Receivables:

- Margin Trading Model:** With the introduction and expansion of margin trading, clients are required to provide a margin (30% of the trade value). Our company covers the remaining 70% of the trade value, which means it is lending money to clients to facilitate their trades. This, in turn, increases the brokerage charges to the customer.
- Cash vs. Collateral Margin:** Exchange rules require that 50% of the margin must be in cash, and the other 50% can be in collateral (like stocks). Clients may opt to provide only collateral (stocks) instead of cash, leaving a gap in the cash margin requirement.
- Shortfall in Cash Margin:** When clients provide only stocks as margin (and no cash), then our company need to provide the required cash to cover the 50% cash margin requirement. This creates a shortfall that our company needs to cover, effectively providing cash to clients.
- Lending to Cover Shortfall:** Our company need to cover the cash margin shortfall, it lends cash to clients to ensure compliance with the margin requirements. This amount lent by the company is recorded as a trade receivable, as the client will eventually need to repay the money.
- Higher Reliance on Collateral (Stocks):** The more clients rely on stocks (collateral) instead of cash, the more cash our company needs to lend to cover the margin shortfall. This trend increases the total amount of trade receivables because each transaction where collateral is used instead of cash leads to a larger loan by our company to cover the shortfall.
- Increased Margin Trading Volume:** With the expansion of margin trading, the number of trades and the size of margin requirements increase. More trades mean more clients are likely to use collateral in place of cash, further increasing the shortfall that the company has to cover.
- Interest Income from Margin Lending:** Our company RSL lends money to clients to cover their margin shortfall, interest is charged on this loan. The interest income and principle add to the total receivables, as clients owe not only the principal amount but also the interest.

b) Market Making Services

We provide market-making services to our clients. As market makers, our company facilitates issuer companies those that list their securities on the stock exchanges by assisting with the buying and selling of their securities following an initial public offering (IPO). Our company is proposing a strategic approach to market-making services that combines fee-based revenue generation with strategic investment opportunities. Through our market-making services, we will earn fees based on our role in facilitating trading activity and maintaining liquidity in the market. In addition to this, we plan to invest our own funds in the companies for which we provide market-making services.

Summary of Market Making Services:

| Particulars | April 1, 2024 to September 30, 2024 | For Fiscal Year March 31, | | |
|---|--|---------------------------|--------|------|
| | | 2024 | 2023 | 2022 |
| Issuer Companies Served | 10 | 20 | 2 | -- |
| Money Blocked in Market Making Services (₹ in lakhs) | 1,587.30 | 3,203.05 | 157.18 | -- |

Market making involves strategic investments in the securities of issuer companies, which are classified as short-term investments (i.e., current investments) due to the active buying and selling required based on market conditions. Typically,

market-making agreements are entered into for a term of three years, during which the company commits funds, effectively locking them in for a longer period.

As we expand our market-making services to additional companies, the need for increased funding becomes essential to ensure we can continue providing these services effectively to issuer companies while managing the associated investments. Consequently, the current investments are expected to increase by ₹2,683.78 Lakhs, from ₹11,916.48 Lakhs in fiscal 2024 to ₹14,600.26 Lakhs in fiscal 2025 further to ₹16,233.00 lakhs in fiscal 2026.

c) Bank guarantees and collaterals:

Our company needs the margins to be placed with the stock exchanges. The margin requirements with the exchanges are determined on the basis of trading volumes and market volatility and to the extent of open interest in respect of equity/ stock future. The margin has to be kept in the forms of FDs made with the banks or the BGs issued by the banks. Thus, the company considering the increase in the level of operations has to make FDs and make necessary payments for the BGs issued.

Recently issued circular dated April 25, 2023 by SEBI states that, in order to protect investors' funds and reduce the risks associated with implicit leverage in the market, the following regulatory measures have been introduced:

- 1. Ban on Creation of New Bank Guarantees (BGs) Using Clients' Funds:** Effective May 1, 2023, stock brokers (SBs) and clearing members (CMs) will no longer be allowed to create new bank guarantees backed by clients' funds. This step aims to eliminate the use of client money for leveraging positions that expose them to unnecessary market risks.
- 2. Winding Down of Existing BGs:** All existing bank guarantees created from clients' funds must be fully wound down by September 30, 2023. This transition will ensure that no client funds remain tied to BGs, further safeguarding investor capital from market fluctuations.

These measures are designed to enhance the security of investor funds by removing the risks associated with the current practice of using client money for leveraged positions. By enforcing these changes, the regulatory framework aims to foster greater market stability and protect the interests of investors.

This will, in turn, raise the need for additional funds to be secured through Fixed Deposits (FDs), cash margins, or collateral for the issuance of Bank Guarantees (BGs), thereby driving up the organization's working capital requirements.

Key Justifications:

| Particulars | Justifications |
|-----------------------------------|--|
| Current Investments | Our current investments primarily consist of proprietary equity shares and subscribing shares as part of our market-making activities. In fiscal year 2024, our investment in short-term equity instruments amounted to ₹11,916.48 lakhs, an increase from ₹9,214.37 lakhs in fiscal year 2023. This growth is attributed to our expansion into market-making activities for 20 companies, with an investment of ₹3,203.05 lakhs. We anticipate this upward trend to continue, projecting an increase to ₹14,600.26 lakhs in fiscal year 2025 and ₹16,233.00 lakhs in fiscal year 2026. As we plan to further expand our market-making segment, we will require additional investments in the relevant companies for the respective period. This will, in turn, enhance our short-term investments. This growth reflects our expectation of increased trading activity and our strategic commitment to capitalizing on short-term market opportunities |
| Trade Receivables | In fiscal 2025 and fiscal 2026, we expect a significant increase in our trade receivables driven by the expansion of our market-making services and the introduction of margin trading facilities. With the increase market-making services rises, we anticipate higher fee-based revenue, alongside new investment opportunities. Additionally, with margin trading, clients will provide approximately 30% of the trade value as margin, while we cover the remaining 70%. This model will tend to increase the trade receivables by not only interest income generated from the margins extended to clients but also the margin itself allowed to the client on delivery transactions. Overall, these initiatives are expected to significantly elevate our trade receivables in the upcoming fiscal year. |
| Cash & Cash Equivalent | The company's cash and cash equivalents primarily consist of bank balances, cash on hand, and fixed deposits. In fiscal 2022, these assets totalled ₹2,314.52 lakhs. However, this figure declined sharply to ₹650.22 lakhs in fiscal 2023 due to a reduction in bank balances and the |

| Particulars | Justifications |
|--|---|
| | <p>funds were invested in the short-term securities. In fiscal 2024, cash and cash equivalents rebounded to ₹2,672.32 lakhs.</p> <p>The company is required to maintain fixed deposits as collateral against the margins mandated by stock exchanges for trading. As trading activity is expected to increase, the demand for these fixed deposits will grow accordingly.</p> |
| Short Term Loans & Advances | Short-term loans and advances primarily consist of balances with revenue and government authorities. As the company's operations are expected to grow, these balances are likely to increase accordingly. |
| Other Current assets | Other current assets primarily include prepaid expenses and other assets. This increase is expected to rise with the increase in level of operations of the company. |
| Trade Payables | <p>In a stock broking business, trade payables are essential for managing financial obligations and ensuring smooth operations. These payables primarily include outstanding expenses, which are costs incurred but not yet paid, such as service fees, commissions, and administrative expenses. Additionally, they encompass accrued earnings, which refer to profits, gains, and other earnings that clients have accrued from trades executed on their behalf, reflecting the firm's obligation to distribute these funds. Margins payable is also included, representing amounts owed to stock exchanges for margin trading activities, crucial for facilitating leveraged trades.</p> <p>With anticipated growth in both the client base and overall business in fiscal 2025 and fiscal 2026, an increase in trade payables is expected. This growth indicates a higher volume of trades, leading to greater outstanding expenses and accrued earnings for clients, as well as an increased need for margin payments. Effectively managing this rise will be crucial for maintaining liquidity and supporting ongoing operations as the business expands.</p> |
| Other Current Liabilities | Other current liabilities primarily include statutory dues payable, salaries and wages payable, and other miscellaneous current liabilities. This is expected to rise with the increase in the company's operational levels. |
| Short term provisions | Short term provision primarily includes income tax provision, provision for gratuity and other provisions. This is expected to rise with the increase in level of operations of the company. |

2. Funding of capital expenditure requirements of our Company towards purchase of IT Software, Computers and Laptops;

Our Board in its meeting dated January 01, 2025 took note that an amount of ₹ 412.81 Lakhs is proposed to be utilised for funding of capital expenditure requirements of our company towards purchase of IT Software, Computers and Laptops at our Corporate office from the Net Proceeds. Upgradation of existing office Equipments and IT Software at our corporate office shall enable better coordination and communication between all our team present at different locations executing the trades. Our Company has received quotations from various suppliers and is yet to place any orders or enter into definitive agreements for purchase and installation of such office Equipments and IT Software, at our corporate office. The breakdown of such estimated costs are set forth below:

SQ 00032:

(₹ in Lakhs)

| Sr. No | Description | Quantity | Price per Quantity | Amount in ₹.* | Supplier | Date of Quotation** | Usage |
|--------|--|----------|--------------------|---------------|----------------------------------|---------------------|----------------|
| 1 | Sonicwall (NSA3700) 3-year warranty item | 2 | 10.25 | 20.50 | HVB Technologies Private Limited | August 28, 2024 | Office Purpose |
| 2 | Sonicwall (NSA3650) 3-year warranty item | 2 | 8.75 | 17.50 | | | |

| Sr. No | Description | Quantity | Price per Quantity | Amount in ₹.* | Supplier | Date of Quotation** | Usage |
|--------|--|----------|--------------------|---------------|----------|---------------------|-------|
| 3 | Sonicwall (TZ270) 3-year warranty item | 1 | 2.60 | 2.60 | | | |
| 4 | Sonicwall (TZ600) 3-year warranty item | 1 | 2.60 | 2.60 | | | |
| 5 | CISCO (C2960X) hardware & license cost item | 2 | 9.80 | 19.60 | | | |
| 6 | CISCO (C23750E) hardware & license cost item | 2 | 9.80 | 19.60 | | | |
| 7 | CISCO (3750G) hardware & license cost item | 2 | 9.80 | 19.60 | | | |
| 8 | CISCO NEXUX (n3500) hardware & license cost item | 2 | 32.50 | 65.00 | | | |
| 9 | HP ARUBA (1380) hardware cost item | 7 | 2.68 | 18.76 | | | |
| 10 | HP ARUBA hardware cost item (2530) | 2 | 1.00 | 2.00 | | | |
| 11 | DLINK SWITCH (DGS - 1052) hardware cost item | 4 | 0.70 | 2.80 | | | |
| 12 | Synology NAS Storage hardware cost item | 1 | 2.75 | 2.75 | | | |
| 13 | NETGEAR - NAS Storage hardware cost item | 1 | 1.50 | 1.50 | | | |
| 14 | WD-NAS Storage hardware cost item | 1 | 1.50 | 1.50 | | | |
| 15 | QNAP-NAS Storage hardware cost item | 1 | 4.70 | 4.70 | | | |
| | Total | | | 201.01 | | | |

\$Note- Excluding the GST and any other applicable taxes

*GST or any other applicable tax shall be paid from our internal accruals. The quotations are subject to additional costs including freight, installation and commissioning costs, transportation costs, packaging and forwarding costs, insurance, customs, duties and other government levies, as applicable shall be paid out of Internal Accruals.

**This Quotation is Valid for 90 Days.

SQ00033:

(₹ in Lakhs)

| Sr. No | Description | Quantity | Price per Quantity | Amount in ₹.* | Supplier | Date of Quotation** | Usage |
|--------|-----------------|----------|--------------------|---------------|----------------------------------|---------------------|----------------|
| 1. | Dell (Tiny) | 140 | 0.45 | 63.00 | HVB Technologies Private Limited | August 28, 2024 | Office Purpose |
| 2. | HP(Laptop) | 2 | 0.75 | 1.50 | | | |
| 3. | Dell (Laptop) | 8 | 0.75 | 6.00 | | | |
| 4. | ASUS(Laptop) | 1 | 0.60 | 0.60 | | | |
| 5. | Lenovo (Laptop) | 1 | 0.70 | 0.70 | | | |
| | Total | | | 71.80 | | | |

\$Note- Excluding the GST and any other applicable taxes

**GST or any other applicable tax shall be paid from our internal accruals. The quotations are subject to additional costs including freight, installation and commissioning costs, transportation costs, packaging and forwarding costs, insurance, customs, duties and other government levies, as applicable shall be paid out of Internal Accruals.*

***This Quotation is Valid for 90 Days.*

SQ00035:

(₹ in Lakhs)

| Sr. No | Description | Quantity | Price per Quantity | Amount in ₹.* | Supplier | Date of Quotation** | Usage |
|--------------|---|----------|--------------------|---------------|----------------------------------|---------------------|----------------|
| 1 | Dell Power Edge R750xs Rack Server Intel Xeon Gold 5318Y (24 Core/48T/2.10 GHz/36M Cache) | 3 | 13.5 | 40.50 | HVB Technologies Private Limited | December 30, 2024 | Office Purpose |
| 2 | Dell Inc. Model Power Edge R540 CPU Logical Processors 96 | 2 | 15.00 | 30.00 | | | |
| 3 | Dell Model Power Edge R540 2 X CPU 20 CPUs x Intel(R) Xeon (R) | 5 | 7.50 | 37.50 | | | |
| 4 | HP ProLiant DL360 G10 Server 2 X Intel Xeon Silver 4114/10 Core, 20 vCPU Cache) | 3 | 8.00 | 24.00 | | | |
| 5 | Intel Rack Server 2X Intel Xeon Gold 6148 (24 Core/48T/2.10GHz) | 1 | 8.00 | 8.00 | | | |
| Total | | | | 140.00 | | | |

\$Note- Excluding the GST and any other applicable taxes

**GST or any other applicable tax shall be paid from our internal accruals. The quotations are subject to additional costs including freight, installation and commissioning costs, transportation costs, packaging and forwarding costs, insurance, customs, duties and other government levies, as applicable shall be paid out of Internal Accruals.*

***This Quotation is Valid for 90 Days.*

We have considered the above quotations for the budgetary estimate purpose and have not placed orders for them. The actual cost of procurement and actual supplier/dealer may vary. Quotation received from the vendor mentioned above is valid as on the date of this Prospectus. However, we have not entered into any definitive agreements with any of the vendor and there can be no assurance that the same vendor would be engaged to eventually supply the machineries/equipment or at the same costs. IT Software, Computers and Laptop and models quantity to be purchased are based on the present estimates of our management. The Management shall have the flexibility to revise such estimates (including but not limited to change of vendor or any modification/addition/deletion of machineries or equipment) at the time of actual placement of the order. In such case, the Management can utilize the surplus of proceeds, if any, arising at the time of actual placement of the order, to meet the cost of such other machinery, equipment or utilities, as required. Furthermore, if any surplus from the proceeds remains after meeting the total cost of machineries, equipment and utilities for the aforesaid purpose, the same will be used for our general corporate purposes, subject to limit of 25% of the amount raised by our Company through this Issue.

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.

3. General corporate purposes;

Our management will have flexibility to deploy the balance Net Proceeds towards general corporate purposes, subject to such utilization not exceeding 25% of the Gross Proceeds, in accordance with Regulation 7(2) of the SEBI ICDR

Regulations, to drive our business growth, including, amongst other things, (i) funding growth opportunities, including strategic initiatives; (ii) meeting any expenses incurred in the ordinary course of business by the Company; (iii) servicing of borrowings including payment of interest; (iv) brand building and other marketing expenses; (v) meeting of exigencies which our Company may face in the course of any business; and (vi) any other purpose as permitted by applicable laws and as approved by our Board or a duly appointed committee thereof. The quantum of utilization of funds towards any of the above purposes will be determined based on the amount actually available under this head and the business requirements of our Company, from time to time. This may also include rescheduling the proposed utilization of Net Proceeds. In the event that we are unable to utilize the entire amount that we have currently estimated for use out of Net Proceeds in a Fiscal, we will utilize such unutilized amount in the subsequent Fiscals. We further confirm that in terms of the SEBI ICDR Regulations, the extent of the Net Proceeds proposed to be utilized for general corporate purposes shall not exceed 25.00% of the gross proceeds of the issue

Estimated Offer Related Expenses

Other than (i) the listing fees, stamp duty payable on issue of Equity Shares pursuant to Fresh Issue and audit fees of statutory auditors (to the extent not attributable to the Offer), which shall be solely borne by our Company; and (ii) fees and expenses for legal counsel to the Selling Shareholders, if any, which shall be solely borne by the respective Selling Shareholders, all costs, fees and expenses with respect to the Offer (including all applicable taxes except securities transaction tax, which shall be solely borne by the respective Selling Shareholders), shall be shared by our Company and the Selling Shareholders, on a pro rata basis, in proportion to the number of Equity Shares issued and Allotted by our Company through the Fresh Issue and sold by each of the Selling Shareholders through the Offer for Sale. All the expenses relating to the Offer shall be paid by our Company in the first instance and upon commencement of listing and trading of the Equity Shares on the Stock Exchanges pursuant to the Offer, each Selling Shareholders agrees that it shall, severally and not jointly, reimburse our Company for any expenses in relation to the Offer paid by our Company on behalf of the respective Selling Shareholder and each Selling Shareholders authorises our Company to deduct from the proceeds of the Offer for Sale from the Offer, expenses of the Offer required to be borne by such Selling Shareholders in proportion to the Offered Shares, in accordance with Applicable Law.

The total expenses of the Offer are estimated to be approximately ₹873.08 Lakhs. The expenses of the Offer include, amongst others, listing fees, selling commission, fees payable to the BRLM, fees payable to legal counsels, fees payable to the Registrar to the Offer, Bankers to the Offer, processing fee to the SCSBs for processing ASBA Forms, brokerage and selling commission payable to members of the Syndicate, Registered Brokers, Collecting RTAs and CDPs, printing and stationery expenses, advertising and marketing expenses and all other incidental and miscellaneous expenses for listing and trading of the Equity Shares on the Stock Exchanges.

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

(₹ in lakhs)

| Particulars | Estimated Expenses** | As a % of total estimated Issue related expenses* | As a % of the total Issue size* |
|---|----------------------|---|---------------------------------|
| Book Running Lead Manager Fees including Underwriting Commission | 481.00 | 55.09% | 5.42% |
| Brokerage, selling, commission and upload fees | 0.80 | 0.09% | 0.01% |
| Registrar to the Issue | 2.00 | 0.23% | 0.02% |
| Legal Advisors | 2.00 | 0.23% | 0.02% |
| Advertising and Marketing expenses | 358.28 | 41.04% | 4.03% |
| Regulators including stock exchanges | 4.10 | 0.47% | 0.05% |
| Printing and distribution of issue stationery | 1.00 | 0.11% | 0.01% |
| Others, if any (market making, depositories, secretarial, peer review etc.) | 23.90 | 2.74% | 0.27% |
| Total | 873.08 | 100.00% | 9.83% |

*The fund deployed out of internal accruals up to January 01, 2025 is ₹ 15.50 Lakhs towards issue expenses vide certificate dated January 01, 2025, as certified by AHSP & Co. LLP, Chartered Accountants, and the same will be recouped out of Offer expenses.

**Offer expenses include goods and services tax, where applicable. Offer expenses will be incorporated at the time of filing of the Prospectus with the RoC. Offer expenses are estimates and are subject to change.

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

- 1) SCSBs will be entitled to a processing fee of ₹10/- per Application Form for processing of the Application Forms only for the Successful Allotments procured by other Application Collecting Intermediary and submitted to them.

- 2) *Selling commission payable to Registered broker, SCSBs, RTAs, CDPs on the portion directly procured from Retail Individual Investors and Non-Institutional Investors, would be 0.01% on the Allotment Amount.*
- 3) *No additional uploading/processing charges shall be payable to the SCSBs on the applications directly procured by them.*
- 4) *The commission and processing fees shall be released only after the SCSBs provide a written confirmation to the Lead Manager not later than 30 days from the finalization of Basis of Allotment by Registrar to the Issue 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.*
- 5) *Amount Allotted is the product of the number of Equity Shares Allotted and the Issue Price.*

Bridge Loans

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

Monitoring of Utilization of Funds

As this is a Fresh Issue for less than ₹10,000 lakhs, we are not required to appoint a monitoring agency for the purpose of the Issue in terms of the SEBI ICDR Regulations.

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

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

Interim Use of Funds

Pending utilization of the Net Proceeds for the purposes described above, our Company will deposit the Net Proceeds only with scheduled commercial banks included in the Second Schedule of the Reserve Bank of India Act, 1934, as amended, as may be approved by our Board. In accordance with Section 27 of the Companies Act, 2013, our company confirms that it shall not use the Net Proceeds for buying, trading or otherwise dealing in shares of any other listed company or for any investment in the equity markets or investing in any real estate product or real estate linked products.

Variation in Objects

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

Other Confirmations / Payment to Promoters and Promoter's Group from the IPO Proceeds

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

BASIS FOR OFFER PRICE

The Price Band and the Offer Price will be determined by our Company and the Selling Shareholders in consultation with the Book Running Lead Managers on the basis of assessment of market demand for the Equity Shares offered through the Book Building Process and on the basis of quantitative and qualitative factors as described below. The face value of the Equity Shares is ₹5/- each and the Offer Price is 16.4 times the face value at the lower end of the Price Band and 17.2 times the face value at the higher end of the Price Band.

Bidders should read the following basis with the section titled “Risk Factors” and chapters titled “Restated Financial Information”, “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and “Our Business” beginning on page 30, 197, 203 and 144 respectively, of this Prospectus to get a more informed view before making any investment decisions.

Qualitative Factors

Some of the qualitative factors and our strengths which form the basis for the Offer Price are:

- An integrated financial services platform
- Risk management system
- Long term relationship with the clients
- Experienced management team with proven execution capabilities

For further details regarding some of the qualitative factors, which form the basis for computing the Offer Price, please see chapter titled “Our Business” beginning on page 144 of this Prospectus.

Quantitative Factors

The information presented in this chapter is derived from company’s Restated Consolidated Financial Information for the six months ended September 30, 2024 and for the financial year ended March 31 2024, March 31, 2023 and March 31, 2022 prepared in accordance with Indian GAAP. For more details on financial information, investors please refer the chapter titled “Restated Financial Information” beginning on page 197 of this Prospectus.

Investors should evaluate our Company taking into consideration its niche business segment and other qualitative factors in addition to the quantitative factors. Some of the quantitative factors which may form the basis for computing the price are as follows:

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

A. Basic and Diluted Earnings / (Loss) Per Share (“EPS”), as adjusted for changes in capital

As per Restated Consolidated Financial Information – Post Bonus

| Particulars | Basic & Diluted EPS (in ₹) | Weights |
|--|-------------------------------|---------|
| March 31, 2024 | 14.23 | 3 |
| March 31, 2023 | 6.38 | 2 |
| March 31, 2022 | 5.88 | 1 |
| Weighted Average | 10.22 | |
| For the Period ended September 30, 2024 | 16.81 | |

Notes:

- (1) *Weighted average = Aggregate of year-wise weighted EPS divided by the aggregate of weights i.e. (EPS x Weight) for each year/Total of weights.*
- (2) *Earnings per Equity Share = Profit for the period/year / Weighted average number of equity shares outstanding during the period/year.*
- (3) *Basic and diluted Earnings per Equity Share are computed in accordance with Accounting Standard 20.*
- (4) *The basic and diluted Earnings per Equity Share for the current period and previous period/year presented have been calculated/restated after considering the bonus issue.*

(5) The face value of each Equity Share is ₹5/-.

B. Price Earnings Ratio (“P/E”) in relation to Price Band of ₹82/- to ₹86/- per Equity Share

| Particulars | (P/E) Ratio at the Floor Price* (no. of times) | P/E) Ratio at the Cap Price (no. of times) |
|--|--|--|
| Based on Restated Financial Information | | |
| P/E ratio based on the Basic & Diluted EPS, as restated for FY 2023-24 | 5.76 | 6.04 |
| P/E ratio based on the Weighted Average Basic & Diluted EPS | 8.02 | 8.41 |

Note: P/E ratio has been computed dividing the price per share by Earnings per Equity Share.

C. Industry Peer Group P/E ratio

Based on the peer group information (excluding our Company) given below in this section, details of the highest, lowest and industry average P/E ratio are set forth below:

| Particulars | P/E Ratio | |
|--------------------|-----------|---------|
| | Basic | Diluted |
| Highest | 29.09 | 29.09 |
| Lowest | 11.99 | 13.96 |
| Industry Composite | 19.58 | 20.17 |

Notes:

- (1) The industry composite has been calculated as the arithmetic average P/E of the industry peer set disclosed.
- (2) P/E Ratio has been computed based on the closing market price of equity shares on BSE on January 07, 2025 divided by the diluted earnings per share as of March 31, 2024.
- (3) All the financial information for listed industry peers mentioned above is taken as is sourced from the audited financial statements of the relevant companies for Fiscal 2024, as available on the websites of the stock exchanges or on the company itself

D. Return on Net worth (RoNW)

As per Restated Consolidated Financial Information

| Particulars | RONW (%) | Weights |
|---|--------------|---------|
| March 31, 2024 | 30.89 | 3 |
| March 31, 2023 | 20.12 | 2 |
| March 31, 2022 | 23.23 | 1 |
| Weighted Average | 26.02 | |
| For the Period ended September 30, 2024* | 26.73 | |

**Figures are annualised*

Note: Return on Net Worth (%) = Profit for the period/ year / Average Net Worth at the end of the period/year.

E. Net Asset Value (NAV)

As per Restated Consolidated Financial Information

| Financial Year | NAV (₹) |
|---|---------|
| March 31, 2024 | 46.08 |
| March 31, 2023 | 31.69 |
| March 31, 2022 | 25.32 |
| For the period ended September 30, 2024 | 62.89 |
| Net Asset Value per Equity Share after the Offer at Floor Price | 64.77 |
| Net Asset Value per Equity Share after the Offer at Cap Price | 65.64 |
| Offer Price | 86 |

Notes:

- (1) Net Asset Value per Equity Share (in ₹) = Net Worth at the end of the period/year / Number of equity shares outstanding at the end of the period/year.

(2) Offer Price per Equity Share will be determined on conclusion of the Book Building Process.

F. Comparison of accounting ratios with listed industry peers

The peer group of the Company has been determined on the basis of companies listed on Indian stock exchanges, whose business profile is comparable to our businesses in terms of our size and our business model:

| Name of Company | CMP (₹) | Face Value (₹) | EPS (₹) | | PE Ratio (times) | | RoNW (%) | NAV per Share (₹) |
|--------------------------------|----------|----------------|---------|---------|------------------|---------|----------|-------------------|
| | | | Basic | Diluted | Basic | Diluted | | |
| Rikhav Securities Limited | 86.00 | 5 | 14.23 | 14.23 | 6.04 | 6.04 | 30.89 | 46.08 |
| Peer Group | | | | | | | | |
| Alacrity Securities Limited | 157.95 | 10 | 5.43 | 5.43 | 29.09 | 29.09 | 25.42 | 21.37 |
| Angel One Limited | 2,760.60 | 10 | 134.21 | 131.81 | 20.57 | 20.94 | 37.04 | 361.70 |
| Share India Securities Limited | 304.75 | 2 | 25.41 | 21.83 | 11.99 | 13.96 | 24.37 | 91.23 |
| Pune E – Stock Broking Limited | 184.15 | 10 | 11.04 | 11.04 | 16.68 | 16.68 | 9.77 | 81.33 |

Source: www.bseindia.com, www.nseindia.com.

Notes:

- (1) The figures for our company are based on Restated Consolidated Financial Statements for the year ended March 31, 2024 after considering the bonus issue and split of shares.
- (2) P/E Ratio has been computed based on their respective closing market price on January 07, 2025 as divided by the Basic EPS as on March 31, 2024.
- (3) Restated Profit for the year attributable to equity shareholders divided by Net Worth of our Company.
- (4) Net asset value per equity share is calculated as net worth as of the end of relevant year divided by the weighted average number of equities shares outstanding at the end of the year.
- (5) Price Earning (P/E) Ratio in relation to the Offer Price of ₹ 86/- per share.
- (6) The face value of our share is ₹5/- per share and the Offer Price is of ₹ 86/- per share are 17.2 times of the face value.
- (7) All the financial information for listed industry peers is on a consolidated basis except Figures of Alacrity Securities Limited is based on standalone financials is sourced from the financial information of such listed industry peer as at and for the year ended March 31, 2024 available on the website of the stock exchanges

Investor should read the above-mentioned information along with the section titled “Risk Factors” beginning on page 30 of this Prospectus and the financials of our Company including important profitability and return ratios, as set out in the chapter titled “Restated Financial Information” beginning on page 197 of this Prospectus

G. Key Performance Indicators (“KPIs”)

The KPIs disclosed below have been used historically by our Company to understand and analyse the business performance, which in result, help us in analysing the growth of various verticals in comparison to our peers. The KPIs disclosed below have been approved by a resolution of our Audit Committee dated January 01, 2025 and the members of the Audit Committee have verified the details of all KPIs pertaining to our Company. Further, the members of the Audit Committee have confirmed that there are no KPIs pertaining to our Company that have been disclosed to any investors at any point of time during the three years period prior to the date of filing of this Prospectus. Further, the KPIs herein have been certified by our Peer review Auditors, M/s. Mundra & Co, Chartered Accountants by their certificate dated January 01, 2025.

A list of our KPIs, on restated consolidated financials is set out below for the indicated periods below:

(₹ in Lakhs, otherwise mentioned)

| Key Financial Performance | September 30, 2024 | March 31, 2024 | March 31, 2023 | March 31, 2022 |
|---|--------------------|----------------|----------------|----------------|
| Revenue from Operations ⁽¹⁾ | 9,285.81 | 10,416.17 | 4,946.76 | 3,549.91 |
| EBITDA ⁽²⁾ | 6,271.77 | 4,824.87 | 2,337.52 | 1,832.45 |
| EBITDA Margin (%) ⁽³⁾ | 67.54% | 46.32% | 47.25% | 51.62% |
| PAT | 5,037.32 | 4,264.63 | 1,957.17 | 1,762.47 |
| PAT Margin (%) ⁽⁴⁾ | 54.25% | 40.94% | 39.56% | 49.65% |
| Return on equity (%) ⁽⁵⁾ | 30.85% | 36.60% | 22.91% | 26.29% |
| Return on capital employed (%) ⁽⁶⁾ | 30.66% | 29.48% | 26.68% | 28.07% |

| Key Financial Performance | September 30, 2024 | March 31, 2024 | March 31, 2023 | March 31, 2022 |
|---|--------------------|----------------|----------------|----------------|
| Debt-Equity Ratio (times) ⁽⁷⁾ | 0.14 | 0.35 | 0.10 | 0.20 |
| Net fixed asset turnover ratio (times) ⁽⁸⁾ | 43.01 | 51.01 | 23.72 | 40.01 |

*As certified by M/s. Mundra & Co, Chartered Accountants, by way of their certificate dated January 01, 2025.

Notes:

- 1) Revenue from operation means revenue from sale of our products
- 2) EBITDA is calculated as Profit before tax + Depreciation + Finance Costs – Other Income
- 3) EBITDA Margin is calculated as EBITDA divided by Revenue from Operations
- 4) PAT Margin is calculated as PAT for the period/year divided by revenue from operations
- 5) Return on Equity is calculated by comparing the proportion of net income against the amount of average shareholder equity
- 6) Earnings before interest and taxes (EBIT) / Capital employed
- 7) Debt to Equity ratio is calculated as Total Debt divided by equity
- 8) Revenue from operation/Net fixed Asset

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

The KPIs of our Company have been disclosed in the chapters titled “Our Business” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations – Key Performance Indicators” on pages 144 and 203 of this Prospectus, respectively. We have described and defined the KPIs, as applicable, in “Definitions and Abbreviations” on page 1 of this Prospectus.

Description on the historic use of the KPIs by our Company to analyse, track or monitor the operational and/or financial performance of our Company

In evaluating our business, we consider and use certain KPIs, as presented above, as a supplemental measure to review and assess our financial and operating performance. The presentation of these KPIs is not intended to be considered in isolation or as a substitute for the Financial Information. We use these KPIs to evaluate our performance. Some of these KPIs are not defined under applicable Accounting Standards and are not presented in accordance with applicable Accounting Standards. These KPIs have limitations as analytical tools. Further, these KPIs may differ from the similar information used by other companies and hence their comparability may be limited. Although these KPIs are not a measure of performance calculated in accordance with applicable accounting standards, our Company’s management believes that it provides an additional tool for investors to use in evaluating our ongoing results, when taken collectively with financial measures prepared in accordance with applicable Accounting Standards.

Explanations for the certain financial data based on Restated Consolidated Financial Information

| Key Financial Performance | Explanations |
|--------------------------------|--|
| Financial KPIs | |
| Revenue from Operations | Revenue from Operations is used by our management to track the revenue profile of the business and in turn helps to assess the overall financial performance of our Company and volume of our business |
| EBITDA | EBITDA provides information regarding the operational efficiency of the business |
| EBITDA Margin | EBITDA Margin (%) is an indicator of the operational profitability and financial performance of our business |
| PAT | Profit after tax provides information regarding the overall profitability of the business |
| PAT Margin (%) | PAT Margin (%) is an indicator of the overall profitability and financial performance of the business |
| Return on equity (%) | Return on equity (ROE) is a measure of financial performance |
| Return on capital employed (%) | Return on capital employed is a financial ratio that measures our company’s profitability in terms of all of its capital |
| Debt-Equity Ratio (times) | Debt / Equity Ratio is used to measure the financial leverage of the Company and provides comparison benchmark against peers |

| Key Financial Performance | Explanations |
|--|---|
| Net fixed asset turnover ratio (times) | Net fixed asset turnover ratio is indicator of the efficiency with which our company is able to leverage its assets to generate revenue from operations |
| Current Ratio (times) | The current ratio is a liquidity ratio that measures our company's ability to pay short-term obligations or those due within one year |
| Net profit ratio (%) | Net Profit Margin (<i>also known as "Profit Margin" or "Net Profit Margin Ratio"</i>) is a financial ratio used to calculate the percentage of profit our company produces from its total revenue |

Comparison with Listed Industry Peers

As on September 30, 2024:

(₹ in Lakhs, otherwise mentioned)

| Key Financial Performance | Rikhav Securities Limited | Alacrity Securities Limited | Angel One Limited | Share India Securities Limited | Pune E – Stock Broking Limited |
|---|---------------------------|-----------------------------|-------------------|--------------------------------|--------------------------------|
| Revenue from Operations ⁽¹⁾ | 9,285.81 | 32,560.69 | 2,92,016.00 | 86,693.43 | 5,267.53 |
| EBITDA ⁽²⁾ | 6,271.80 | 885.40 | 1,14,223.80 | 33,329.33 | 1,978.19 |
| EBITDA Margin (%) ⁽³⁾ | 67.54% | 2.72% | 39.12% | 38.45% | 37.55% |
| PAT | 5,087.66 | 926.53 | 71,609.40 | 22,722.82 | 1,290.43 |
| PAT Margin (%) ⁽⁴⁾ | 54.79% | 2.85% | 24.52% | 26.21% | 24.50% |
| Return on Equity ⁽⁵⁾ | 62.36% | 27.85% | 34.44% | 22.70% | 19.30% |
| Return on Capital Employed (%) ⁽⁶⁾ | 61.28% | 26.68% | 26.30% | 26.01% | 22.13% |
| Debt to Equity ⁽⁷⁾ | 0.14 | 0.05 | 0.59 | 0.14 | 0.24 |
| Net fixed asset turnover ratio (times) ⁽⁸⁾ | 47.27 | 62.82 | 7.61 | 19.77 | 5.71 |

As on March 31, 2024:

(₹ in Lakhs, otherwise mentioned)

| Key Financial Performance | Rikhav Securities Limited | Alacrity Securities Limited | Angel One Limited | Share India Securities Limited | Pune E – Stock Broking Limited |
|---|---------------------------|-----------------------------|-------------------|--------------------------------|--------------------------------|
| Revenue from Operations ⁽¹⁾ | 10,416.17 | 34,120.30 | 4,27,168.40 | 1,48,281.45 | 6,643.12 |
| EBITDA ⁽²⁾ | 4,824.87 | 1,670.03 | 1,69,150.10 | 65,596.50 | 920.87 |
| EBITDA Margin (%) ⁽³⁾ | 46.32% | 4.89% | 39.60% | 44.24% | 13.86% |
| PAT | 4,230.30 | 1,145.24 | 1,12,552.00 | 42,575.88 | 1,243.30 |
| PAT Margin (%) ⁽⁴⁾ | 40.61% | 3.36% | 26.35% | 28.71% | 18.72% |
| Return on Equity ⁽⁵⁾ | 36.36% | 32.88% | 43.29% | 30.94% | 12.20% |
| Return on Capital Employed (%) ⁽⁶⁾ | 29.53% | 36.57% | 29.77% | 30.36% | 11.94% |
| Debt to Equity ⁽⁷⁾ | 0.35 | 0.04 | 0.83 | 0.22 | 0.21 |
| Net fixed asset turnover ratio (times) ⁽⁸⁾ | 54.86 | 402.46 | 12.18 | 28.06 | 7.13 |

As on March 31, 2023:

(₹ in Lakhs, otherwise mentioned)

| Key Financial Performance | Rikhav Securities Limited | Alacrity Securities Limited | Angel One Limited | Share India Securities Limited | Pune E – Stock Broking Limited |
|---|---------------------------|-----------------------------|-------------------|--------------------------------|--------------------------------|
| Revenue from Operations ⁽¹⁾ | 4,946.76 | 20,720.73 | 3,00,158.50 | 1,08,823.41 | 3,575.08 |
| EBITDA ⁽²⁾ | 2,337.52 | 491.64 | 1,29,282.50 | 49,410.28 | 998.25 |
| EBITDA Margin (%) ⁽³⁾ | 47.25% | 2.37% | 43.07% | 45.40% | 27.92% |
| PAT | 1,957.17 | 323.15 | 88,848.80 | 33,067.09 | 964.42 |
| PAT Margin (%) ⁽⁴⁾ | 39.56% | 1.56% | 29.60% | 30.39% | 26.98% |
| Return on Equity ⁽⁵⁾ | 22.91% | 14.06% | 47.44% | 45.55% | 13.39% |
| Return on Capital Employed (%) ⁽⁶⁾ | 26.68% | 16.85% | 43.96% | 41.15% | 15.41% |

| Key Financial Performance | Rikhav Securities Limited | Alacrity Securities Limited | Angel One Limited | Share India Securities Limited | Pune E – Stock Broking Limited |
|---|---------------------------|-----------------------------|-------------------|--------------------------------|--------------------------------|
| Debt to Equity ⁽⁷⁾ | 0.10 | 0.31 | 0.36 | 0.19 | 0.24 |
| Net fixed asset turnover ratio (times) ⁽⁸⁾ | 25.77 | 223.14 | 20.51 | 22.47 | 4.65 |

As on March 31, 2022:

(₹ in Lakhs, otherwise mentioned)

| Key Financial Performance | Rikhav Securities Limited | Alacrity Securities Limited | Angel One Limited | Share India Securities Limited | Pune E – Stock Broking Limited |
|---|---------------------------|-----------------------------|-------------------|--------------------------------|--------------------------------|
| Revenue from Operations ⁽¹⁾ | 3,549.91 | 28,201.14 | 2,25,860.50 | 85,649.52 | 4,124.60 |
| EBITDA ⁽²⁾ | 1,832.45 | 462.19 | 88,103.40 | 29,181.18 | 900.99 |
| EBITDA Margin (%) ⁽³⁾ | 51.62% | 1.64% | 39.01% | 34.07% | 21.84% |
| PAT | 1,764.53 | 363.21 | 62,480.50 | 20,179.95 | 1,012.03 |
| PAT Margin (%) ⁽⁴⁾ | 49.71% | 1.29% | 27.66% | 23.56% | 24.54% |
| Return on Equity ⁽⁵⁾ | 26.32% | 18.57% | 46.02% | 55.51% | 16.11% |
| Return on Capital Employed (%) ⁽⁶⁾ | 28.07% | 15.67% | 32.05% | 46.59% | 16.45% |
| Debt to Equity ⁽⁷⁾ | 0.20 | 0.56 | 0.79 | 0.42 | 0.24 |
| Net fixed asset turnover ratio (times) ⁽⁸⁾ | 45.89 | 299.38 | 16.11 | 20.59 | 5.07 |

Note:

- 1) Revenue from operation means revenue from sale of our products
- 2) EBITDA is calculated as Profit before tax + Depreciation + Finance Costs – Other Income
- 3) EBITDA Margin is calculated as EBITDA divided by Revenue from Operations
- 4) PAT Margin is calculated as PAT for the period/year divided by revenue from operations
- 5) Return on Equity is calculated by comparing the proportion of net income against the amount of average shareholder equity
- 6) Earnings before interest and taxes (EBIT) / Capital employed
- 7) Debt to Equity ratio is calculated as Total Debt divided by equity
- 8) Net Fixed Asset Turnover ratio is calculated as Revenue from operation divided by Net fixed Asset
- 9) Current Ratio is calculated by dividing Current Assets to Current Liabilities.
- 10) Financial information for Rikhav Securities Limited is derived from the Restated Financial Statements.
- 11) All the financial information for listed industry peers mentioned above is on a consolidated basis and Figures of Alacrity Securities Limited is based on standalone financials and is sourced from the annual reports as available of the respective company for the year ended March 31, 2024, March 31, 2023 and March 31, 2022 submitted to stock exchanges.

H. Justification for Basis for Offer price

- a) Price per share of our Company based on primary/ new issue of Equity Shares or convertible securities (excluding Equity Shares issued under employee stock option plans and issuance of Equity Shares pursuant to a bonus issue) during the 18 months preceding the date of this Prospectus, where such issuance is equal to or more than 5% of the fully diluted paid up share capital of our Company (calculated based on the pre-Offer capital before such transactions 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

There have been no primary issuances of Equity Shares or convertible securities, excluding shares issued under employee stock option scheme and issuance of bonus shares, during the 18 months preceding the date of this Prospectus, where such issuance is equal to or more than 5% of the fully diluted paid - up share capital of the Company (calculated based on the pre - Offer 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.

- b) Price per share of our Company based on secondary sale / acquisition of Equity Shares or convertible securities, where our Promoters, Selling Shareholders, members of our Promoter Group, or 141 Shareholder(s) having the right to nominate director(s) to the Board of the our Company are a party to the transaction (excluding gifts), during the 18 months preceding the date of filing of this 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-Offer capital before such transactions 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

There have been no secondary sale/ acquisitions of Equity Shares or any convertible securities, where the Promoters, members of the Promoter Group, Selling Shareholders, or Shareholder(s) having the right to nominate director(s) in the Board of Directors of our Company are a party to the transaction (excluding gifts), during the 18 months preceding the date of this 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-Offer capital before such transaction/s and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days.

- c) **Since there are no transactions to report under H(a) and H(b) above, the details basis the last five primary and secondary transactions (secondary transactions where our Promoters, Selling Shareholders, Promoter Group, or Shareholder(s) having the right to nominate director(s) to the Board of our Company, are a party to the transaction), during the three years preceding the date of this Prospectus, irrespective of the size of transactions are to be included:**

Primary Transactions:

- (i) Further Allotment of 21,17,000 Equity Shares of face value of ₹10/- at a price of ₹109.20/- each:

| Sr. No | Name | No. of Equity Shares |
|--------|------------------------------------|----------------------|
| 1. | Mr. Rajendra N Shah | 51,208 |
| 2. | Mr. Vikram Navalchand Shah | 49,823 |
| 3. | M/s. Himatlal Jethalal Lakhani HUF | 45,750 |
| 4. | M/s. Hitesh Himatlal Lakhani HUF | 45,550 |
| 5. | M/s. Dharmesh N Shah HUF | 45,000 |
| 6. | Ms. Jignasha Vikram Shah | 45,000 |
| 7. | M/s. Mahesh Navalchand Shah HUF | 45,000 |
| 8. | M/s. Navalchand Virchand Shah HUF | 45,000 |
| 9. | M/s. Rajendra Navalchand Shah HUF | 45,000 |
| 10. | Ms. Sejal Dharmesh Shah | 45,000 |
| 11. | Ms. Sheela Mahesh Shah | 45,000 |
| 12. | M/s. Vikram Navalchand Shah HUF | 45,000 |
| 13. | M/s. PJS Securities LLP | 45,000 |
| 14. | Mr. Bhaven Vinod Pandya | 45,000 |
| 15. | Mr. Ketanbhai Arvindray Shah | 45,000 |
| 16. | Mr. Kishore Paramdas Vora | 45,000 |
| 17. | Mr. Nisarg Pradip Shah | 45,000 |
| 18. | Ms. Nita Chandrakant Lakhani | 45,000 |
| 19. | Ms. Aneri Manish Lakhani | 45,000 |
| 20. | Mr. Yash Madhukant Joshi | 45,000 |
| 21. | Mr. Madhukant Jitendra Joshi | 45,000 |
| 22. | Mr. Pradeep Himatlal Shah | 45,000 |
| 23. | Ms. Chhaya Jayesh Maniyar | 45,000 |
| 24. | Ms. Daksha Sharad Maniyar | 45,000 |
| 25. | Mr. Jayesh Mulchand Maniyar | 45,000 |
| 26. | Mr. Mukesh Jayantilal Sanghavi | 45,000 |
| 27. | Ms. Virali Girish Maniyar | 45,000 |
| 28. | Mr. Yash Jayesh Maniyar | 45,000 |
| 29. | Ms. Naity Sharad Maniyar | 45,000 |
| 30. | Mr. Sharad Mulchand Maniyar | 45,000 |
| 31. | Ms. Bharti Mukesh Sanghavi | 45,000 |
| 32. | Ms. Bhanu Jitendra Shah | 45,000 |
| 33. | Mr. Jitendra Harjivandas Shah | 45,000 |
| 34. | Mr. Akshay Bachubhai Shah | 45,000 |
| 35. | Ms. Sheela Akshay Shah | 45,000 |
| 36. | Ms. Nirmalaben Fatechand Sanghavi | 45,000 |

| Sr. No | Name | No. of Equity Shares |
|--------|------------------------------|----------------------|
| 37. | Mr. Dharmesh Navalchand Shah | 44,823 |
| 38. | Mr. Mahesh Navalchand Shah | 44,823 |
| 39. | Ms. Vaishali R Shah | 44,823 |
| 40. | Ms. Nidhi Hitesh Lakhani | 44,750 |
| 41. | Ms. Bharti Hitesh Lakhani | 44,480 |
| 42. | Mr. Deep Hitesh Lakhani | 44,000 |
| 43. | Mr. Arpit Suresh Lodaya | 43,660 |
| 44. | Mr. Hitesh Himatlal Lakhani | 43,310 |
| 45. | Mr. Hitesh Manilal Shah | 40,000 |
| 46. | Mr. Manilal Rugnath Shah | 30,000 |
| 47. | Mr. Kushal Hitesh Shah | 30,000 |
| 48. | Mr. Fatechand R Sanghavi | 30,000 |
| | Total | 21,17,000 |

(ii) Bonus Issue of 99,88,000 Equity Shares of face value of ₹10/- each in the ratio of 2:1 i.e., 2 Bonus equity shares for 1 Equity Shares held:

| Sr. No | Name | No. of Equity Shares |
|--------|-----------------------------------|----------------------|
| 1. | Mr. Hitesh Himatlal Lakhani | 7,63,240 |
| 2. | M/s. Vikram Navalchand Shah | 6,69,292 |
| 3. | Mr. Dharmesh Navalchand Shah | 6,59,292 |
| 4. | Mr. Mahesh Navalchand Shah | 6,59,292 |
| 5. | Ms. Vaishali R Shah | 6,59,292 |
| 6. | Mr. Deep Hitesh Lakhani | 6,43,320 |
| 7. | Mr. Rajendra N Shah | 4,78,832 |
| 8. | M/s. Hitesh Himatlal Lakhani HUF | 4,38,200 |
| 9. | M/s. PJS Securities LLP | 4,24,000 |
| 10. | Ms. Nidhi Hitesh Lakhani | 4,23,000 |
| 11. | Ms. Bharti Hitesh Lakhani | 4,07,920 |
| 12. | M/s. Hitesh Himatlal Lakhani HUF | 3,65,000 |
| 13. | M/s. Dharmesh N Shah HUF | 1,46,000 |
| 14. | Ms. Sheela Mahesh Shah | 1,46,000 |
| 15. | Ms. Jignasha Vikram Shah | 1,24,000 |
| 16. | M/s. Rajendra Navalchand Shah HUF | 1,24,000 |
| 17. | M/s. Navalchand Virchand Shah HUF | 1,20,000 |
| 18. | M/s. Vikram Navalchand Shah HUF | 1,14,000 |
| 19. | M/s. Mahesh Navalchand Shah HUF | 1,10,000 |
| 20. | Ms. Sejal Dharmesh Shah | 96,000 |
| 21. | Mr. Bhaven Vinod Pandya | 90,000 |
| 22. | Mr. Ketanbhai Arvindray Shah | 90,000 |
| 23. | Mr. Kishore Paramdas Vora | 90,000 |
| 24. | Mr. Nisarg Pradip Shah | 90,000 |
| 25. | Ms. Nita Chandrakant Lakhani | 90,000 |
| 26. | Ms. Aneri Manish Lakhani | 90,000 |
| 27. | Mr. Yash Madhukant Joshi | 90,000 |
| 28. | Mr. Madhukant Jitendra Joshi | 90,000 |
| 29. | Mr. Pradeep Himatlal Shah | 90,000 |
| 30. | Ms. Chhaya Jayesh Maniyar | 90,000 |
| 31. | Ms. Daksha Sharad Maniyar | 90,000 |
| 32. | Mr. Jayesh Mulchand Maniyar | 90,000 |
| 33. | Mr. Mukesh Jayantilal Sanghavi | 90,000 |
| 34. | Ms. Virali Girish Maniyar | 90,000 |

| Sr. No | Name | No. of Equity Shares |
|--------|-----------------------------------|----------------------|
| 35. | Mr. Yash Jayesh Maniyar | 90,000 |
| 36. | Ms. Naity Sharad Maniyar | 90,000 |
| 37. | Mr. Sharad Mulchand Maniyar | 90,000 |
| 38. | Ms. Bharti Mukesh Sanghavi | 90,000 |
| 39. | Ms. Bhanu Jitendra Shah | 90,000 |
| 40. | Mr. Jitendra Harjivandas Shah | 90,000 |
| 41. | Mr. Akshay Bachubhai Shah | 90,000 |
| 42. | Ms. Sheela Akshay Shah | 90,000 |
| 43. | Ms. Nirmalaben Fatechand Sanghavi | 90,000 |
| 44. | Mr. Arpit Suresh Lodaya | 87,320 |
| 45. | Mr. Hitesh Manilal Shah | 80,000 |
| 46. | Mr. Manilal Rugnath Shah | 60,000 |
| 47. | Mr. Kushal Hitesh Shah | 60,000 |
| 48. | Mr. Fatechand R Sanghavi | 60,000 |
| | Total | 99,88,000 |

Secondary Issuances

| Sr. No. | Name of Shareholder | Date of Transaction | Promoter/ Promoter Group/ Director/Selling Shareholder | Number of Equity Shares Subscribed to/ Acquired | Number of Equity Shares Sold | Subscribed/ Acquired/ Transferred |
|---------|-----------------------------------|---------------------|--|---|------------------------------|---|
| 1. | Ms. Nirmalaben Fatechand Sanghavi | November 23, 2022 | Selling Shareholder | - | (40,000) | Transfer to Rajendra N Shah partner of RM Shah |
| 2. | Mr. Bhaven Vinod Pandya | August 22, 2022 | Selling Shareholder | - | (45,000) | Transfer to Harshil M Shah partner of Ashapura Trading. |
| 3. | Mr. Ketan Arvindbhai Shah | August 23, 2022 | Selling Shareholder | - | (45,000) | Transfer to Harshil M Shah partner of Ashapura Trading. |
| 4. | Mr. Kishore P Vora | August 23, 2022 | Selling Shareholder | - | (45,000) | Transfer to Harshil M Shah partner of Ashapura Trading. |
| 5. | Mr. Nisarg Shah | August 23, 2022 | Selling Shareholder | - | (40,915) | Transfer to Harshil M Shah partner of Ashapura Trading. |
| 6. | Mr Nisarg Shah | November 22, 2022 | Selling Shareholder | - | (4,085) | Transfer to Darshan V Shah partner of Giriraj Trading. |
| 7. | Ms. Nita Chandrakant Lakhani | November 22, 2022 | Selling Shareholder | - | (45,000) | Transfer to Darshan V Shah partner of Giriraj Trading. |
| 8. | Ms. Aneri Manish Lakhani | November 22, 2022 | Selling Shareholder | - | (45,000) | Transfer to Darshan V Shah partner of Giriraj Trading. |
| 9. | Mr. Madhukant Jitendra Joshi | November 22, 2022 | Selling Shareholder | - | (36,830) | Transfer to Darshan V Shah partner of Giriraj Trading. |
| 10. | Mr. Madhukant Jitendra Joshi | November 22, 2022 | Selling Shareholder | - | (8,170) | Transfer to Dharmesh N Shah partner of DD Shah. |
| 11. | Mr. Yash Madhukant Joshi | November 22, 2022 | Selling Shareholder | - | (45,000) | Transfer to Darshan V Shah partner of Giriraj Trading. |

| Sr. No. | Name of Shareholder | Date of Transaction | Promoter/ Promoter Group/ Director/Selling Shareholder | Number of Equity Shares Subscribed to/ Acquired | Number of Equity Shares Sold | Subscribed/ Acquired/ Transferred |
|---------|-------------------------------|---------------------|--|---|------------------------------|---|
| 12. | Mr. Pradeep Himatlal Shah | November 23, 2022 | Selling Shareholder | - | (45,000) | Transfer to Dharmesh N Shah partner of DD Shah. |
| 13. | Ms. Bhanuben Jitendra Shah | November 19, 2022 | Selling Shareholder | - | (45,000) | Transfer to Dharmesh N Shah partner of DD Shah. |
| 14. | Mr. Jitendra Harjivandas Shah | December 01, 2022 | Selling Shareholder | - | (45,000) | Transfer to Dharmesh N Shah partner of DD Shah. |
| 15. | Ms. Sheela Akshay Shah | November 24, 2022 | Selling Shareholder | - | (45,000) | Transfer to Rajendra N Shah partner of RM Shah. |
| 16. | Mr. Arpit Suresh Lodya | November 24, 2022 | Selling Shareholder | - | (43,660) | Transfer to Rajendra N Shah partner of RD Shah. |
| 17. | Mr. Fatechand R Sanghavi | November 23, 2022 | Selling Shareholder | - | (30,000) | Transfer to Rajendra N Shah partner of RM Shah. |
| 18. | M/s RM Shah | November 23, 2022 | Selling Shareholder | 30,000 | - | Transfer from Fatechand R Sanghavi. |
| 19. | M/s RM Shah | November 23, 2022 | Selling Shareholder | 45,000 | - | Transfer from Nirmalaben Fatechand Sanghavi. |
| 20. | M/s RM Shah | November 24, 2022 | Selling Shareholder | 12,255 | - | Transfer from Akshay Bachubhai Shah |
| 21. | M/s RM Shah | November 24, 2022 | Selling Shareholder | 45,000 | - | Transfer from Sheela Akshay Shah |
| 22. | M/s RM Shah | November 24, 2022 | Selling Shareholder | 43,660 | - | Transfer from Arpit Suresh Lodya |
| 23. | M/s Ashapura Trading | August 22, 2022 | Selling Shareholder | 45,000 | - | Transfer from Bhaven Vinod Pandya |
| 24. | M/s Ashapura Trading | August 23, 2022 | Selling Shareholder | 45,000 | - | Transfer from Ketanbhai Arvindray Shah |
| 25. | M/s Ashapura Trading | August 23, 2022 | Selling Shareholder | 45,000 | - | Transfer from Kishore P Vora |
| 26. | M/s Ashapura Trading | August 23, 2022 | Selling Shareholder | 40,915 | - | Transfer from Nisarg P Shah |
| 27. | M/s. Giriraj Trading | November 22, 2022 | Selling Shareholder | 4,085 | - | Transfer from Nisarg P Shah |
| 28. | M/s. Giriraj Trading | November 22, 2022 | Selling Shareholder | 45,000 | - | Transfer from Nita Chandrakant Lakhani |
| 29. | M/s. Giriraj Trading | November 22, 2022 | Selling Shareholder | 45,000 | - | Transfer from Aneri Manish Lakhani |
| 30. | M/s. Giriraj Trading | November 22, 2022 | Selling Shareholder | 45,000 | - | Transfer from Yash Madhukant Joshi |
| 31. | M/s. Giriraj Trading | November 22, 2022 | Selling Shareholder | 36,830 | - | Transfer from Madhukant Joshi |
| 32. | M/s. DD Shah | November 19, 2022 | Selling Shareholder | 45,000 | - | Transfer from Bhanuben J Shah |
| 33. | M/s. DD Shah | November 22, 2022 | Selling Shareholder | 8,170 | - | Transfer from Madhukant Shah |
| 34. | M/s. DD Shah | November 23, 2022 | Selling Shareholder | 45,000 | - | Transfer from Pradeep H Shah |

| Sr. No. | Name of Shareholder | Date of Transaction | Promoter/ Promoter Group/ Director/Selling Shareholder | Number of Equity Shares Subscribed to/ Acquired | Number of Equity Shares Sold | Subscribed/ Acquired/ Transferred |
|---------|---------------------|---------------------|--|---|------------------------------|---|
| 35. | M/s. DD Shah | November 24, 2022 | Selling Shareholder | 32,745 | - | Transfer from Akshay Bachubhai Shah |
| 36. | M/s. DD Shah | December 01, 2022 | Selling Shareholder | 45,000 | - | Transfer from Jitendra Harjivandas Shah |

I. Weighted average cost of acquisition (“WACA”), floor price and cap price

Comparison of weighted average cost of acquisition based on primary issue and or secondary sale/ acquisition of Equity Shares, are set out below:

| Types of transactions | Weighted average cost of acquisition (₹ per Equity Share) ** | Floor Price (₹ 82/-) | Cap Price (₹ 86/-)* |
|---|--|----------------------|---------------------|
| 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 this 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 granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days | NA | NA | NA |
| Weighted average cost of acquisition for last 18 months for secondary sale / acquisition of shares equity/convertible securities), where our Promoters or Promoter Group entities or Selling Shareholders or shareholder(s) having the right to nominate director(s) in our Board are a party to the transaction (excluding gifts), during the 18 months preceding the date of this Prospectus, where either acquisition or sale is equal to or more than five per cent of the fully diluted paid-up share capital of our Company (calculated based on the pre-issue capital before such transaction/s and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days* | NA | NA | NA |
| Since there were no primary or secondary transactions of equity shares of the Company during the 18 months preceding the date of filing of this Prospectus, the information has been disclosed for price per share of the Company based on the last five primary or secondary transactions (secondary transactions where Promoter /Promoter Group entities or Selling Shareholders or Shareholder(s) having the right to nominate director(s) on our Board, are a party to the transaction), not older than three years prior to the date of filing of this Prospectus irrespective of the size of the transaction. | | | |
| - Based on primary transactions | 19.10 | 4.29 | 4.50 |
| - Based on secondary transactions | 10.00 | 8.20 | 8.60 |

**As certified by AHSP & Co. LLP, Chartered Accountants, by way of their certificate dated September 23, 2024.

J. Justification for Basis of Offer Price

Detailed explanation for Offer Price/Cap Price being ₹ 86/- price of weighted average cost of acquisition of primary issuance price/secondary transaction price of Equity Shares (set out in H above) along with our Company’s KPIs and financial ratios for and Fiscal 2024, 2023 and 2022

The company offers a comprehensive range of financial services, including broking across equity, derivatives, commodities, and currency segments, with memberships in NSE, BSE, and MCX, as well as being a Depository Participant of CDSL. Its strategy includes expanding into market making services, combining fee-based revenue generation with investment opportunities, and increasing its portfolio by investing in companies it supports. Additionally, the company plans to enhance its offerings by adding Margin Trading Facility (MTF) services, having

already secured certifications from BSE and seeking approval from NSE, with funding for these expansions sourced from an upcoming IPO.

K. The Offer Price is 17.2 times of the face value of the equity shares

The Offer Price of ₹ 86/- has been determined by our Company and the Selling Shareholder in consultation with the Book Running Lead Manager, on the basis of assessment of market demand from investors for Equity Shares through the Book Building Process and is justified in view of the above qualitative and quantitative parameters.

The face value of our share is ₹5/- per share and the Offer Price is of ₹86/- per share are 17.2 times of the face value. Our Company and the selling shareholders in consultation with the Book Running Lead Manager believes that the Offer Price of ₹ 86/- per share for the Public Offer is justified in view of the above quantitative and qualitative parameters. Investor should read the above-mentioned information along with the section titled "*Risk Factors*" beginning on page 30 of this Prospectus and the financials of our Company including important profitability and return ratios, as set out in the chapter titled "*Restated Financial Information*" beginning on page 197 of this Prospectus.

STATEMENT OF POSSIBLE TAX BENEFITS

To,
The Board of Directors,
Rikhav Securities Limited
Office No. 922 - A, 9th Floor,
P. J. Towers, Dalal Street, Fort,
Mumbai - 400 001, Maharashtra, India.

Dear Sirs,

Sub: Statement of Tax Benefits ('The Statement') available to Rikhav Securities Limited ('The Company') and its shareholders under the Direct and Indirect Tax Laws in India

We hereby report that the enclosed annexure prepared by the management of Rikhav Securities Limited, states the special tax benefits available to the Company and the shareholders of the Company under the Income-Tax Act, 1961, the Central Goods and Services Tax Act, 2017, the Integrated Goods and Services Tax Act, 2017, the Union Territory Goods and Services Tax Act, 2017, respective State Goods and Services Tax Act, 2017 (collectively the "**GST Act**") presently in force in India. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Act. Hence, the ability of the Company or its shareholders to derive the tax benefits is dependent upon fulfilling such conditions which, based on business imperatives which the Company may face in the future, the Company may or may not choose to fulfil.

The benefits discussed in the enclosed Annexure cover only special tax benefits available to the Company and do not cover any general tax benefits available to the Company. Further, the preparation of enclosed statement and the contents stated therein is the responsibility of the Company's management. We are informed that; this Statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the proposed initial public offering of Equity shares ("**the Offer**") by the Company.

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

- a) The Company or its shareholders will continue to obtain these benefits in future; or
- b) The conditions prescribed for availing the benefits have been/would be met.

The contents of the enclosed statement are based on information, explanations and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company.

Limitations:

Our views are based on facts and assumptions indicated to us and the existing provisions of tax law and its interpretations, which are subject to change or modification from time to time by subsequent legislative, regulatory, administrative, or judicial decisions. Any such changes, which could also be retrospective, could have an effect on the validity of our views stated herein.

We assume no obligation to update this statement on any events subsequent to its issue, which may have a material effect on the discussions herein. This report including enclosed annexure are intended solely for your information and for the inclusion in the Draft Offer Document/ Offer Document or any other issue related material in connection with the proposed initial public offer of the Company and is not to be used, referred to or distributed for any other purpose without our prior written consent.

This statement has been prepared solely in connection with the Proposed Issue by the Company under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended.

ANNEXURE TO THE STATEMENT OF TAX BENEFITS

The information provided below sets out the special tax benefits available to the Company and the Equity Shareholders under the Income Tax Act, 1961 presently in force in India. It is not exhaustive or comprehensive and is not intended to be a substitute for professional advice. Investors are advised to consult their own tax consultant with respect to the tax implications of an investment in Equity Shares particularly in view of the fact that certain recently enacted legislation may not have a direct legal precedent or may have a different interpretation on the benefits, which an investor can avail.

A. SPECIAL DIRECT AND INDIRECT TAX BENEFITS TO THE COMPANY:

Under the Income Tax Act, 1961 (“the Act”)

Special tax benefits available to the Company

- The Company is not entitled to any special tax benefits under the Income Tax Act, 1961 and GST Act.

B. SPECIAL DIRECT AND INDIRECT TAX BENEFITS TO THE SHAREHOLDERS:

- The Shareholders of the Company are not entitled to any special tax benefits under the Income Tax Act, 1961 and GST Act.

Notes:

1. The above Annexure of special tax benefits sets out the provisions of Tax Laws in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the purchase, ownership and disposal of shares.
2. The above Annexure covers only the special tax benefits under the Act, read with the relevant rules, circulars and notifications and does not cover any benefit under any other law in force in India. This Annexure also does not discuss any tax consequences, in the country outside India, of an investment in the shares of an Indian company.
3. The above Annexure of special tax benefits is as per the current direct tax laws relevant for the assessment year 2024-25. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Tax Laws.
4. In respect of non-residents, the tax rates and consequent taxation mentioned above will be further subject to any benefits available under the relevant Double Taxation Avoidance Agreement, if any, entered into between India and the country in which the non-resident has fiscal domicile.
5. A new Section 115BAA has been inserted by the Taxation Laws (Amendment) Act, 2019 (“the Amendment Act, 2019”) with effect from Financial Year 2019-20 granting an option to domestic companies to compute corporate tax at a reduced rate of 25.168% (22% plus surcharge of 10% and cess of 4%), provided such companies do not avail specified exemptions/ incentives. The option under section 115BAA of the Act once exercised cannot be subsequently withdrawn for any future financial year. The Amendment Act, 2019 further provides that domestic companies availing such option will not be required to pay Minimum Alternate Tax (“MAT”) under Section 115JB. The CBDT has further issued Circular 29/2019 dated October 02, 2019 clarifying that since the MAT provisions under Section 115JB itself would not apply where a domestic company exercises option of lower tax rate under Section 115BAA, MAT credit would not be available.

In such a case, the Company is not allowed to claim any of the following deductions/ exemptions under the Act: -

- ✓ Deduction under the provisions of Section 10AA.
- ✓ Deduction under clause (ia) of sub-section (1) of Section 32 (additional depreciation).
- ✓ Deduction under section 32AD or Section 33AB or Section 33ABA
- ✓ Deduction under section 35AD or Section 35CCC
- ✓ Deduction under section 80G

Lower corporate tax rate under Section 115BAA of the Act and Minimum Alternate Tax ("MAT") credit under section 115JAA of the Act which are in general available and hence may not be treated as special tax benefits.

The Company has evaluated and decided to exercise the option permitted under Section 115BAA of the Act for the purpose of computing its income-tax liability for the Financial Year 2020-21 and onwards.

6. This Annexure is intended only to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of tax consequences, each investor is advised to consult his or her tax advisor with respect to specific tax consequences of his/her investment in the shares of the Company.
7. No assurance is given that the revenue authorities/ courts will concur with the views expressed herein. The views are based on the existing provisions of law and its interpretation, which are subject to changes from time to time. We do not assume responsibility to update the views consequent to such changes.

For M/s. Mundra & Co.

Chartered Accountants

Firm Registration Number: 013023C

CA Nitin Khandelwal

Partner

Membership No: 414387

Place: Jaipur

Date: September 23, 2024

UDIN: 24414387BKESBF7965

SECTION VI – ABOUT THE COMPANY

INDUSTRY OVERVIEW

The information in this chapter has been extracted from the websites of publicly available documents from various sources. The data may have been re-classified by us for the purpose of presentation. Neither we nor any other person connected with this Offer has independently verified the information provided in this chapter. Industry sources and publications, referred to in this chapter, generally state that the information contained therein has been obtained from sources generally believed to be reliable but their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured, and, accordingly, investment decisions should not be based on such information.

Global Economic Overview

Global Economy Remains Resilient despite Uneven Growth; Challenges Lie Ahead.

The global economy remains remarkably resilient, with growth holding steady as inflation returns to target. The journey has been eventful, starting with supply-chain disruptions in the aftermath of the pandemic, a Russian-initiated war on Ukraine that triggered a global energy and food crisis, and a considerable surge in inflation, followed by a globally synchronized monetary policy tightening. Yet, despite many gloomy predictions, the world avoided a recession, the banking system proved largely resilient, and major emerging market economies did not suffer sudden stops. Moreover, the inflation surge—despite its severity and the associated cost-of living crisis—did not trigger uncontrolled wage-price spirals. Instead, almost as quickly as global inflation went up, it has been coming down. On a year-over-year basis, global growth bottomed out at the end of 2022, at 2.3 percent, shortly after median headline inflation peaked at 9.4 percent. According to our latest projections, growth for 2024 and 2025 will hold steady around 3.2 percent, with median headline inflation declining from 2.8 percent at the end of 2024 to 2.4 percent at the end of 2025. Most indicators point to a soft landing. Markets reacted exuberantly to the prospect of central banks exiting from tight monetary policy. Financial conditions eased, equity valuations soared, capital flows to most emerging market economies excluding China have been buoyant, and some low-income countries and frontier economies regained market access there will be less economic scarring from the pandemic—the projected drop in output relative to pre-pandemic projections—for most countries and regions, especially for emerging market economies, thanks in part to robust employment growth. Astonishingly, the US economy has already surged past its pre-pandemic trend.

Resilient growth and faster disinflation point toward favourable supply developments, including the fading of earlier energy price shocks, the striking rebound in labour supply supported by strong immigration flows in many advanced economies. Decisive monetary policy actions, as well as improved monetary policy frameworks, especially in emerging market economies, have helped anchor inflation expectations. However, the transmission of monetary policy may have been more muted this time around in countries such as the United States, where an increased share of fixed-rate mortgages and lower household debt levels since the global financial crisis may have limited the drag on aggregate demand up to now.

Despite these welcome developments, numerous challenges remain, and decisive actions are needed. First, while inflation trends are encouraging, we are not there yet. Somewhat worryingly, the most recent median headline and core inflation numbers are pushing upward. This could be temporary, but there are reasons to remain vigilant. Most of the progress on inflation came from the decline in energy prices and goods inflation below its historical average. The latter has been helped by easing supply-chain frictions, as well as by the decline in Chinese export prices. But services inflation remains high sometimes stubbornly so—and could derail the disinflation path. Bringing inflation down to target remains the priority. Second, the global view can mask stark divergence across countries. The exceptional recent performance of the United States is certainly impressive and a major driver of global growth, but it reflects strong demand factors as well, including a fiscal stance that is out of line with long-term fiscal sustainability. This raises short-term risks to the disinflation process, as well as longer-term fiscal and financial stability risks for the global economy since it risks pushing up global funding costs. Something will have to give in the euro area, growth will pick up this year, but from very low levels, as the trailing effects of tight monetary policy and past energy costs, as well as planned fiscal consolidation, weigh on activity. Continued high wage growth and persistent services inflation could delay the return of inflation to target. However, unlike in the United States, there is scant evidence of overheating and the European Central Bank will also need to carefully calibrate the pivot toward monetary easing to avoid an excessive growth slowdown and inflation undershoot. While labour markets appear strong, that strength could prove illusory if European firms have been hoarding labour in anticipation of a pickup in activity that does not materialize.

Disinflation amid Economic Resilience

Economic activity was surprisingly resilient during the global disinflation of 2022–23. Growth in employment and incomes has held steady as favourable demand and supply developments have supported major economies, despite rising central

bank interest rates aimed at restoring price stability. As inflation converges toward target levels and central banks pivot toward policy easing, a tightening of fiscal policies aimed at curbing high government debt levels, with higher taxes and lower government spending, is expected to weigh on growth. The pace of expansion is also expected to remain low by historical standards as a result of factors including the long-term consequences of the COVID-19 pandemic, Russia's invasion of Ukraine, weak growth in productivity, and increasing geoeconomics fragmentation. In late 2023, headline inflation neared its pre-pandemic level in most economies for the first time since the start of the global inflation surge. In the last quarter of 2023, headline inflation for advanced economies was 2.3 percent on a quarter-over-quarter annualized basis, down from a peak of 9.5 percent in the second quarter of 2022. For emerging market and developing economies, inflation was 9.9 percent in the last quarter of 2023, down from a peak of 13.7 percent in the first quarter of 2022, but this average was driven by high inflation in a few countries; for the median emerging market and developing economy, inflation declined to 3.9 percent. This progress notwithstanding, inflation is not yet at target in most economies. As global inflation descended from its peak, economic activity grew steadily, defying warnings of stagflation and global recession. During 2022 and 2023, global real GDP rose by a cumulative 6.7 percent. That is 0.8 percentage point higher than the forecasts made at the time of the October 2022 World Economic Outlook (WEO) The United States and several large emerging market and middle-income economies displayed the greatest overperformance, with aggregate demand supported by stronger-than-expected private consumption amid still-tight—though easing—labour markets. Households in advanced economies supported their spending by drawing down accumulated pandemic-era savings. Larger-than-expected government spending further supported the expansion of aggregate demand in most regions. The overall budgetary stance—measured by the structural fiscal balance was more expansionary than expected, on average. Among large economies, the additional budgetary support, compared with October 2022 WEO forecasts, was estimated at 2 percent of GDP in the United States and 0.2 percent of GDP in the euro area, whereas in China,¹ the fiscal stance was mildly tighter than expected, by 0.7 percent of GDP. The euro area also displayed the smallest upside growth surprise, reflecting weak consumer sentiment and the lingering effects of high energy prices. In parallel, global headline inflation declined broadly in line with expectations, averaging just 0.1 percentage point more than predicted in the October 2022 WEO for 2022 and 2023. However, in lower-income countries, inflation was on average higher than expected, reflecting cases in which pass-through into domestic prices from international food, fuel, and fertilizer costs, as well as from currency depreciation, was greater than expected. Price pressures in some lower-income countries were significant. These factors also caused these economies to grow more slowly than expected, suggesting a negative supply shock. In China, inflation fell unexpectedly, with the decrease reflecting sharply lower domestic food prices and pass-through effects on underlying (core) inflation.

The resilience in global economic activity was compatible with falling inflation thanks to a post pandemic expansion on the supply side. A greater-than-expected rise in the labour force amid robust employment growth supported activity and disinflation in advanced economies and several large emerging market and middle-income economies. The labour force expansion reflected, in some economies, increased inflows of migrants, with faster growth in the foreign-born than in the domestic-born labour force since 2021 as well as higher labour force participation rates. Exceptions to this pattern include China, where labour market weakness, in the context of subdued demand, was broad based across sectors, and lower-income countries, where supply-side challenges held job creation back. Greater-than-expected additions to the stock of physical capital, with business investment responding to the strength in product demand, further bolstered the supply side in most regions, with exceptions including the euro area, where interest-rate-sensitive business investment, particularly in manufacturing, was subdued. A resolution of pandemic-era supply-chain problems allowed delivery times to decline and transportation costs to decrease (Figure 1.4). After attacks on commercial shipping in the Red Sea—through which 11 percent of global trade flows—global transportation costs increased, reflecting the rerouting of cargo from the Suez Canal to the Cape of Good Hope and continued trade disruptions from climate extremes in the Panama Canal, but remained well below their 2021–22 levels and have recently declined. The price of energy fell faster than expected from its peak (Figure 1.5), in part as a result of increased non-OPEC (Organization of the Petroleum Exporting Countries) oil production and increased natural gas output, most notably in the United States. Rising exports of Russian oil on account of the expanding non-Western-aligned oil tanker fleet carrying Russian oil and Russia's setting up its own maritime insurance added further to the world energy supply.

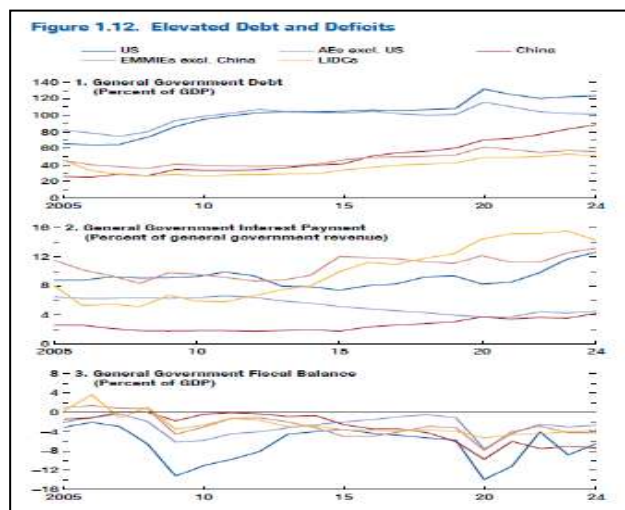
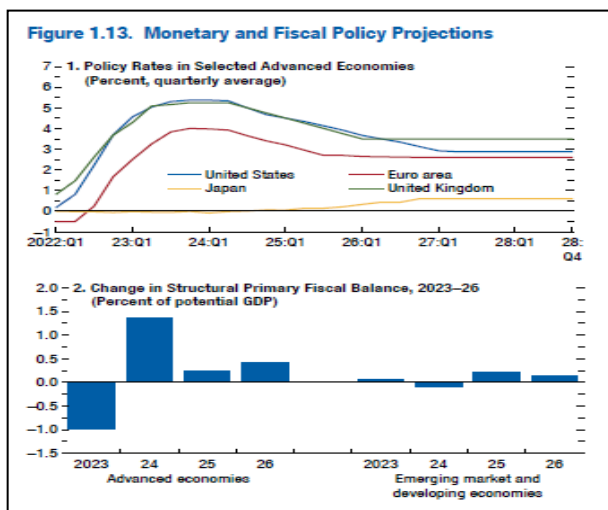
Inflation (and Expectations) in Decline

The fall in headline inflation since 2022 reflects the fading of relative price shocks notably those to energy prices as well as lower core inflation. The decline in energy prices reflects not only increased global energy supply, but also the effects of tight monetary policies. The monetary tightening by central banks in major advanced economies during 2022–23 may have contributed strongly to lowering energy prices owing to its high degree of synchronization and the associated effect on curbing world energy demand (as in the analysis of Auclert and others 2023).

Core inflation has declined as a result of the fading of effects of pass-through from past shocks to headline inflation, as well as because labour market pressures have eased. Pass-through effects include the effects of past relative price shocks notably those to the price of energy and supply shifts in various industries— on prices and costs in other industries through supply-chain inputs and wage demands. Near-term inflation expectations are an important pass-through channel because of their implications for both wage and price setting and have declined toward target levels in both advanced economies and

emerging market and developing economies, although measures of financial-market-based inflation expectations have recently shown signs of a pickup in the US.

The Outlook: Steady Growth and Disinflation



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

- Commodity price projections:** As explained in the Commodity Special Feature in this chapter, prices by, on average, 9.7 percent, with oil prices falling by about 2.5 percent. The decreases reflect abundant spare capacity and strong non-OPEC+ (Organization of the Petroleum Exporting Countries plus selected non-member countries, including Russia) supply growth. Coal and natural gas prices are expected to continue declining from their earlier peaks, by 25.1 percent for coal and 32.6 percent for natural gas in 2024, with the gas market becoming increasingly balanced on account of of fuel commodities are projected to fall in 2024 new supply, dampened demand, and high storage levels. The forecast for nonfuel commodity prices is broadly stable in 2024, with prices for base metals expected to fall by 1.8 percent, on account of weaker industrial activity in Europe and China. Food commodity prices are predicted to decline by 2.2 percent in 2024. Compared with those in the January 2024 WEO Update, forecasts for food prices have been revised slightly downward, driven by expectations of abundant global supplies for wheat and maize.
- Monetary policy projections:** With inflation projected to continue declining toward targets and longer-term inflation expectations remaining anchored, policy rates of central banks in major advanced economies are generally expected to start declining in the second half of 2024. Among major central banks, by the fourth quarter of 2024, the Federal Reserve’s policy rate is expected to have declined from its current level of about 5.4 percent to 4.6 percent, the Bank of England to have reduced its policy rate from about 5.3 percent to 4.8 percent, and the European Central Bank to have reduced its short-term rate from about 4.0 percent to 3.3 percent. For Japan, policy rates are projected to rise gradually, reflecting growing confidence that inflation will sustainably converge to target over the medium term despite Japan’s history of deflation.
- Fiscal policy projections:** Governments in advanced economies are expected to tighten fiscal policy in 2024 (Figure 1.13) and, to a lesser extent, in 2025–26. Among major advanced economies, the structural fiscal-balance-to-GDP ratio is expected to rise by 1.9 percentage points in the United States and by 0.8 percentage point in the euro area in 2024. In emerging market and developing economies, the projected fiscal stance is expected to be, on average, broadly neutral in 2024, with a tightening of about 0.2 percentage point projected for 2025.

Conclusions and Policy Recommendations

The chapter's analysis suggests that the global economy's declining actual growth and waning growth expectations largely reflect persistent headwinds. A significant slowdown in TFP has emerged as a key factor, with that slowdown driven by increased resource misallocation and slower growth in efficient TFP. A shrinking working-age population in major economies, coupled with lackluster business investment, has also contributed. For the most part, the implications of the analysis here are sobering for medium-term global growth prospects. Absent timely policy interventions and a boost from emerging technologies, global growth is likely to remain well below its pre-pandemic historical average in the medium term.

How could policies help elevate growth? The chapter's findings suggest that interventions should focus on reforms that promote market competition, trade openness, financial accessibility, and labour market flexibility. These could significantly boost TFP growth by alleviating institutional and financial barriers that impede the efficient allocation of capital and labor across firms. Such reforms offer substantial gains for growth and can be complemented by governance and external sector reforms (Budina and others 2023). Industrial policies targeted to specific sectors, if poorly designed, may impede resource allocation to more productive firms or sectors at the same time, policies designed to facilitate the flow and integration of migrant workers, alongside measures to boost labor force participation among older workers in advanced economies—through retirement reforms and labor market programs—could mitigate the increasing demographic pressures on labor supply. Encouraging the participation of women in emerging market economies, by expanding education enrollment and childcare support, could unlock their untapped potential. These efforts should be complemented by policies that reduce social barriers and gender discrimination to ensure talent is optimally allocated across jobs.

Investment in human capital, especially in low-income developing countries, is essential to leverage their demographic dividend. In regard to capital formation, since higher corporate leverage has held back business investment in emerging market economies, reforming mechanisms for restructuring and insolvency and eliminating debt bias in corporate tax policies can also help support medium-term growth. To lessen the negative growth impact from increased geo economic fragmentation, it is important to steer clear of damaging unilateral trade and industrial policies. The global medium-term prospects are not all doom and gloom. Resilience amid various shocks and the emerging promise of technologies such as AI could prove transformative for medium-term global growth. To fully harness this potential, countries must strengthen their regulatory frameworks, including intellectual property protection, and revisit redistributive and other adjustment programs to ensure that the benefits from AI are shared fairly and wide. Looking beyond the medium term, policies geared toward promoting innovation play a crucial role in defining the path of future global growth.

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

Indian Economy Overview

Introduction

Strong economic growth in the first quarter of FY23 helped India overcome the UK to become the fifth-largest economy after it recovered from the COVID-19 pandemic shock. Nominal GDP or GDP at Current Prices in the year 2023-24 is estimated at Rs. 293.90 lakh crores (US\$ 3.52 trillion), against the First Revised Estimates (FRE) of GDP for the year 2022-23 of Rs. 269.50 lakh crores (US\$ 3.23 trillion). The growth in nominal GDP during 2023-24 is estimated at 9.1% as compared to 14.2% in 2022-23. Strong domestic demand for consumption and investment, along with Government's continued emphasis on capital expenditure are seen as among the key driver of the GDP in the first half of FY24. During the period January-March 2024, India's exports stood at US\$ 119.10 billion, with Engineering Goods (25.01%), Petroleum Products (17.88%) and Organic and Inorganic Chemicals (7.65%) being the top three exported commodity. Rising employment and increasing private consumption, supported by rising consumer sentiment, will support GDP growth in the coming months.

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

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

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

Market Size

Real GDP or GDP at Constant (2011-12) Prices in the year 2023-24 is estimated at Rs. 172.90 lakh crores (US\$ 2.07 trillion), against the First Revised Estimates (FRE) of GDP for the year 2022-23 of Rs. 160.71 lakh crores (US\$ 1.92 trillion). The growth in real GDP during 2023-24 is estimated at 7.6% as compared to 7.0% in 2022-23. There are 113 unicorn startups in India, with a combined valuation of over US\$ 350 billion. As many as 14 tech startups are expected to list in 2024 Fintech sector poised to generate the largest number of future unicorns in India. With India presently has the third-largest unicorn base in the world. The government is also focusing on renewable sources by achieving 40% of its energy from non-fossil sources by 2030. India is committed to achieving the country's ambition of Net Zero Emissions by 2070 through a five-pronged strategy, 'Panchamrit'. Moreover, India ranked 3rd in the renewable energy country attractive index.

According to the McKinsey Global Institute, India needs to boost its rate of employment growth and create 90 million non-farm jobs between 2023 to 2030 in order to increase productivity and economic growth. The net employment rate needs to grow by 1.5% per annum from 2023 to 2030 to achieve 8-8.5% GDP growth between same time period. India's current account deficit (CAD) narrowed to 1.2% of GDP in the October-December quarter. The CAD stood at US\$ 10.5 billion for the third quarter of 2023-24 compared to US\$ 11.4 billion or 1.3% of GDP in the preceding quarter. This was largely due to higher service exports.

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

Recent Developments

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

- According to HSBC Flash India PMI report, business activity surged in April to its highest level in about 14 years as well as sustained robust demand. The composite index reached 62.2, indicating continuous expansion since August 2021, alongside positive job growth and decreased input inflation, affirming India's status as the fastest-growing major economy.
- As of April 12, 2024, India's foreign exchange reserves stood at US\$ 643.162 billion.
- In 2023, India saw a total of US\$ 49.8 billion in PE-VC investments.
- Merchandise exports in March 2024 stood at US\$ 41.68 billion, with total merchandise exports of US\$ 437.06 billion during the period of April 2023 to March 2024.
- India was also named as the 48th most innovative country among the top 50 countries, securing 40th position out of 132 economies in the Global Innovation Index 2023. India rose from 81st position in 2015 to 40th position in 2023. India ranks 3rd position in the global number of scientific publications.
- In March 2024, the gross Goods and Services Tax (GST) stood at second highest monthly revenue collection at Rs. 1.78 lakh crore (US\$ 21.35 billion), of which CGST is Rs. 34,532 crore (US\$ 4.14 billion), SGST is Rs. 43,746 crore (US\$ 5.25 billion).
- Between April 2000–December 2023, cumulative FDI equity inflows to India stood at US\$ 971.52 billion.

- In February 2024, the overall IIP (Index of Industrial Production) stood at 147.2. The Indices of Industrial Production for the mining, manufacturing and electricity sectors stood at 139.6, 144.5 and 187.1, respectively, in February 2024.
- According to data released by the Ministry of Statistics & Programme Implementation (MoSPI), India's Consumer Price Index (CPI) based retail inflation reached 5.69% in December 2023.
- Foreign Institutional Investors (FII) inflows between April-July (2023-24) were close to Rs. 80,500 crore (US\$ 9.67 billion), while Domestic Institutional Investors (DII) sold Rs. 4,500 crore (US\$ 540.56 million) in the same period. As per depository data, Foreign Portfolio Investors (FPIs) invested (US\$ 8.06 billion) in India during January-April 2024.
- The wheat procurement during RMS 2023-24 (till May) was estimated to be 262 lakh metric tonnes (LMT) and the rice procured in KMS 2023-24 was 385 LMT. The combined stock position of wheat and rice in the Central Pool is over 579 LMT (Wheat 312 LMT and Rice 267 LMT).

Government Initiatives

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

- In February 2024, the Finance Ministry announced the total expenditure in Interim 2024-25 estimated at Rs. 47,65,768 crore (US\$ 571.64 billion) of which total capital expenditure is Rs. 11,11,111 crore (US\$ 133.27 billion).
- On January 22, 2024, Prime Minister Mr. Narendra Modi announced the 'Pradhan Mantri Suryodaya Yojana'. Under this scheme, 1 crore households will receive rooftop solar installations.
- On September 17, 2023, Prime Minister Mr. Narendra Modi launched the Central Sector Scheme PM-VISHWAKARMA in New Delhi. The new scheme aims to provide recognition and comprehensive support to traditional artisans & craftsmen who work with their hands and basic tools. This initiative is designed to enhance the quality, scale, and reach of their products, as well as to integrate them with MSME value chains.
- On August 6, 2023, Amrit Bharat Station Scheme was launched to transform and revitalize 1309 railway stations across the nation. This scheme envisages development of stations on a continuous basis with a long-term vision.
- On June 28, 2023, the Ministry of Environment, Forests, and Climate Change introduced the 'Draft Carbon Credit Trading Scheme, 2023'.
- From April 1, 2023, Foreign Trade Policy 2023 was unveiled to create an enabling ecosystem to support the philosophy of 'AtmaNirbhar Bharat' and 'Local goes Global'.
- To enhance India's manufacturing capabilities by increasing investment and production in the sector, the government of India has introduced the Production Linked Incentive Scheme (PLI) for Pharmaceuticals.
- Prime Minister's Development Initiative for North-East Region (PM-DevINE) was announced in the Union Budget 2022-23 with a financial outlay of Rs. 1,500 crore (US\$ 182.35 million).
- Prime Minister Mr Narendra Modi has inaugurated a new food security scheme for providing free food grains to Antodaya Ann Yojna (AAY) & Primary Household (PHH) beneficiaries, called Pradhan Mantri Garib Kalyan Ann Yojana (PMGKAY) from January 1, 2023.
- The Amrit Bharat Station scheme for Indian Railways envisages the development of stations on a continuous basis with a long-term vision, formulated on December 29, 2022, by the Ministry of Railways.
- On October 7, 2022, the Department for Promotion of Industry and Internal Trade (DPIIT) launched Credit Guarantee Scheme for Start-ups (CGSS) aiming to provide credit guarantees up to a specified limit by start-ups, facilitated by

Scheduled Commercial Banks, Non-Banking Financial Companies and Securities and Exchange Board of India (SEBI) registered Alternative Investment Funds (AIFs).

- Telecom Technology Development Fund (TTDF) Scheme was launched in October 2022 by the Universal Service Obligation Fund (USOF), a body under the Department of Telecommunications. The objective is to fund R&D in rural-specific communication technology applications and form synergies among academia, start-ups, research institutes, and the industry to build and develop the telecom ecosystem.
- Home & Cooperation Minister Mr. Amit Shah laid the foundation stone and performed Bhoomi Pujan of Tanot Mandir Complex Project under Border Tourism Development Programme in Jaisalmer in September 2022.
- In August 2022, Mr. Narendra Singh Tomar, Minister of Agriculture and Farmers Welfare inaugurated four new facilities at the Central Arid Zone Research Institute (CAZRI), which has been rendering excellent services for more than 60 years under the Indian Council of Agricultural Research (ICAR).
- In August 2022, a Special Food Processing Fund of Rs. 2,000 crore (US\$ 242.72 million) was set up with National Bank for Agriculture and Rural Development (NABARD) to provide affordable credit for investments in setting up Mega Food Parks (MFP) as well as processing units in the MFPs.
- In July 2022, Deendayal Port Authority (DPA) announced plans to develop two Mega Cargo Handling Terminals on a Build-Operate-Transfer (BOT) basis under Public-Private Partnership (PPP) Mode at an estimated cost of Rs. 5,963 crore (US\$ 747.64 million).
- In July 2022, the Union Cabinet chaired by Prime Minister Mr. Narendra Modi, approved the signing of the Memorandum of Understanding (MoU) between India & Maldives. This MoU will provide a platform to tap the benefits of information technology for court digitization and can be a potential growth area for IT companies and start-ups in both countries.
- India and Namibia entered a Memorandum of Understanding (MoU) on wildlife conservation and sustainable biodiversity utilization on July 20, 2022, for establishing the cheetah into the historical range in India.
- In July 2022, the Reserve Bank of India (RBI) approved international trade settlements in Indian rupees (Rs.) to promote the growth of global trade with emphasis on exports from India and to support the increasing interest of the global trading community.
- The Agnipath Scheme aims to develop a young and skilled armed force backed by an advanced warfare technology scheme by providing youth with an opportunity to serve Indian Army for a 4-year period. It is introduced by the Government of India on June 14, 2022.
- In June 2022, Prime Minister Mr. Narendra Modi inaugurated and laid the foundation stone of development projects worth Rs. 21,000 crore (US\$ 2.63 billion) at Gujarat Gaurav Abhiyan at Vadodara.
- Mr. Rajnath Singh, Minister of Defence, launched 75 newly developed Artificial Intelligence (AI) products/technologies during the first-ever 'AI in Defence' (AIDef) symposium and exhibition organized by the Ministry of Defence in New Delhi on July 11, 2022.
- In June 2022, Prime Minister Mr. Narendra Modi laid the foundation stone of 1,406 projects worth more than Rs. 80,000 crore (US\$ 10.01 billion) at the ground-breaking ceremony of the UP Investors Summit in Lucknow. The Projects encompass diverse sectors like Agriculture and Allied industries, IT and Electronics, MSME, Manufacturing, Renewable Energy, Pharma, Tourism, Defence & Aerospace, and Handloom & Textiles.
- The Indian Institute of Spices Research (IISR) under the Indian Council for Agricultural Research (ICAR) inked a Memorandum of Understanding (MoU) with Lysterra LLC, a Russia-based company for the commercialization of bio capsule, an encapsulation technology for bio-fertilization on June 30, 2022.
- As of April 2022, India signed 13 Free Trade Agreements (FTAs) with its trading partners including major trade agreements like the India-UAE Comprehensive Partnership Agreement (CEPA) and the India-Australia Economic Cooperation and Trade Agreement (IndAus ECTA).
- 'Mission Shakti' was applicable with effect from April 1, 2022, aimed at strengthening interventions for women's safety, security, and empowerment.

- The Union Budget of 2022-23 was presented on February 1, 2022, by the Minister for Finance & Corporate Affairs, Ms. Nirmala Sitharaman. The budget had four priorities PM GatiShakti, Inclusive Development, Productivity Enhancement and Investment, and Financing of Investments. In the Union Budget 2022-23, effective capital expenditure is expected to increase by 27% at Rs. 10.68 trillion (US\$ 142.93 billion) to boost the economy. This will be 4.1% of the total Gross Domestic Production (GDP).
- Strengthening of Pharmaceutical Industry (SPI) was launched in March 2022 by the Ministry of Chemicals & Fertilisers to provide credit linked capital and interest subsidy for Technology Upgradation of MSME units in pharmaceutical sector, as well as support of up to Rs. 20 crore (US\$ 2.4 million) each for common facilities including Research centre, testing labs and ETPs (Effluent Treatment Plant) in Pharma Clusters, to enhance the role of MSMEs.
- Under PM GatiShakti Master Plan, the National Highway Network will develop 25,000 km of new highways network, which will be worth Rs. 20,000 crore (US\$ 2.67 billion). In 2022-23. Increased government expenditure is expected to attract private investments, with a production-linked incentive scheme providing excellent opportunities. Consistently proactive, graded, and measured policy support is anticipated to boost the Indian economy.
- In February 2022, The Ministry of Social Justice & Empowerment launched the Scheme for Economic Empowerment of Denotified/Nomadic/SemiNomadic tribal communities (DNTs) (SEED) to provide basic facilities like good quality coaching, and health insurance. livelihoods initiative at a community level and financial assistance for the construction of houses.
- In February 2022, Minister for Finance and Corporate Affairs Ms. Nirmala Sitharaman said that productivity linked incentive (PLI) schemes would be extended to 14 sectors to achieve the mission of AtmaNirbhar Bharat and create 60 lakh jobs with an additional production capacity of Rs. 30 trillion (US\$ 401.49 billion) in the next five years.
- In the Union Budget of 2022-23, the government announced funding for the production-linked incentive (PLI) scheme for domestic solar cells and module manufacturing of Rs. 24,000 crore (US\$ 3.21 billion).
- In the Union Budget of 2022-23, the government announced a production-linked incentive (PLI) scheme for Bulk Drugs which was an investment of Rs. 2,500 crore (US\$ 334.60 million).
- In the Union Budget of 2022, Minister for Finance & Corporate Affairs Ms. Nirmala Sitharaman announced that a scheme for design-led manufacturing in 5G would be launched as part of the PLI scheme.
- In September 2021, Union Cabinet approved major reforms in the telecom sector, which are expected to boost employment, growth, competition, and consumer interests. Key reforms include rationalization of adjusted gross revenue, rationalization of bank guarantees (BGs), and encouragement of spectrum sharing.
- In the Union Budget of 2022-23, the government has allocated Rs. 44,720 crore (US\$ 5.98 billion) to Bharat Sanchar Nigam Limited (BSNL) for capital investments in the 4G spectrum.
- Minister for Finance & Corporate Affairs Ms. Nirmala Sitharaman allocated Rs. 650 crore (US\$ 86.69 million) for the Deep Ocean mission that seeks to explore vast marine living and non-living resources. Department of Space (DoS) has got Rs. 13,700 crore (US\$ 1.83 billion) in 2022-23 for several key space missions like Gaganyaan, Chandrayaan-3, and Aditya L-1 (sun).
- In May 2021, the government approved the production-linked incentive (PLI) scheme for manufacturing advanced chemistry cell (ACC) batteries at an estimated outlay of Rs. 18,100 crore (US\$ 2.44 billion); this move is expected to attract domestic and foreign investments worth Rs. 45,000 crore (US\$ 6.07 billion).
- Minister for Finance & Corporate Affairs Ms. Nirmala Sitharaman announced in the Union Budget of 2022-23 that the Reserve Bank of India (RBI) would issue Digital Rupee using blockchain and other technologies.
- In the Union Budget of 2022-23, Railway got an investment of Rs. 2.38 trillion (US\$ 31.88 billion) and over 400 new high-speed trains were announced. The concept of "One Station, One Product" was also introduced.
- To boost competitiveness, Budget 2022-23 has announced reforming the 16-year-old Special Economic Zone (SEZ) act.

- In June 2021, the RBI (Reserve Bank of India) announced that the investment limit for FPI (foreign portfolio investors) in the State Development Loans (SDLs) and government securities (G-secs) would persist unaffected at 2% and 6%, respectively, in FY22.
- In November 2020, the Government of India announced Rs. 2.65 trillion (US\$ 36 billion) stimulus package to generate job opportunities and provide liquidity support to various sectors such as tourism, aviation, construction, and housing. Also, India's cabinet approved the production-linked incentives (PLI) scheme to provide ~Rs. 2 trillion (US\$ 27 billion) over five years to create jobs and boost production in the country.
- Numerous foreign companies are setting up their facilities in India on account of various Government initiatives like Make in India and Digital India. Prime Minister of India Mr. Narendra Modi launched the Make in India initiative with an aim to boost the country's manufacturing sector and increase the purchasing power of the average Indian consumer, which would further drive demand and spur development, thus benefiting investors. The Government of India, under its Make in India initiative, is trying to boost the contribution made by the manufacturing sector with an aim to take it to 25% of the GDP from the current 17%. Besides, the government has also come up with the Digital India initiative, which focuses on three core components: the creation of digital infrastructure, delivering services digitally, and increasing digital literacy.
- On January 29, 2022, the National Asset Reconstruction Company Ltd (NARCL) will acquire bad loans worth up to Rs. 50,000 crore (US\$ 6.69 billion) about 15 accounts by March 31, 2022. India Debt Resolution Co. Ltd (IDRCL) will control the resolution process. This will clean up India's financial system, help fuel liquidity, and boost the Indian economy.
- National Bank for Financing Infrastructure and Development (NaBFID) is a bank that will provide non-recourse infrastructure financing and is expected to support projects from the first quarter of FY23; it is expected to raise Rs. 4 trillion (US\$ 53.58 billion) in the next three years.
- By November 1, 2021, India, and the United Kingdom hope to begin negotiations on a free trade agreement. The proposed FTA between these two countries is likely to unlock business opportunities and generate jobs. Both sides have renewed their commitment to boost trade in a manner that benefits all.
- In August 2021, Prime Minister Mr. Narendra Modi announced an initiative to start a national mission to reach the US\$ 400 billion merchandise export target by FY22.
- In August 2021, Prime Minister Mr. Narendra Modi launched a digital payment solution, e-RUPI, a contactless and cashless instrument for digital payments.
- In April 2021, Dr. Ahmed Abdul Rahman AlBanna, Ambassador of the UAE to India and Founding Patron of IFIICC, stated that trilateral trade between India, the UAE and Israel is expected to reach US\$ 110 billion by 2030.
- India is expected to attract investment of around US\$ 100 billion in developing the oil and gas infrastructure during 2019-23.
- The Government of India is expected to increase public health spending to 2.5% of the GDP by 2025

Road Ahead

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

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

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

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

Global Services Industry

The services industry is the true MVP, accounting for over 80% of U.S. economic activity and boasting mind-boggling figures like the \$13.3 trillion contribution to the global economy in 2020. From the bustling world of hospitality employing over 300 million people to the lucrative realms of consulting, logistics, healthcare, cybersecurity, and beyond, this powerhouse sector is not just a support act; it's the headliner commanding trillions in revenue and shaping the future of commerce in ways that would make any A-lister envious.

Consulting

- The consulting services market is projected to reach \$1.17 trillion globally by 2024.
- The global market for energy consulting services is projected to grow at a CAGR of 10.9% from 2021 to 2028.
- The global market for supply chain consulting services is poised to reach \$24.19 billion by 2028.

Interpretation

As the consulting services industry continues to flourish on a global scale, one thing is abundantly clear: businesses are investing in expertise like never before. With the energy consulting sector seeing a particularly electrifying growth rate and the supply chain consulting market building resilience for the future, it's evident that the future of consulting is not just bright, but also sustainable and well-organized. In a world where knowledge is power, these statistics signal a valuable shift towards strategic decision-making and efficiency, proving that consulting is no longer just a luxury, but a vital component for businesses aiming to thrive in a rapidly evolving marketplace.

Hospitality and Tourism

- The hospitality and tourism services industry employed over 300 million people worldwide pre-COVID-19.
- The online food delivery services market size was valued at \$107.44 billion in 2020.

Interpretation

The statistics from the services industry paint a vivid picture of the vast and diverse landscape of employment and consumer behavior pre-COVID-19. With over 300 million people employed in the hospitality and tourism sector globally, it's clear that this industry is a cornerstone of the global workforce. Meanwhile, the staggering \$107.44 billion market size of online food delivery services in 2020 showcases the growing reliance on convenience and technology in our daily lives. As we navigate the post-pandemic world, these numbers serve as a reminder of the resilience and adaptability required in the ever-evolving services sector.

Information Technology

- Digital services accounted for 62% of the total U.S. services trade surplus in 2020.
- The global cybersecurity services market is forecasted to reach \$170.4 billion by 2026.
- The IT services market is projected to reach \$1.17 trillion by 2026.
- The global telecom services market size is expected to reach \$1.6 trillion by 2026.
- The cloud services market is expected to reach \$832.1 billion by 2025.

- The market value of the global IT managed services industry is expected to reach \$329.5 billion by 2027.
- The market size of the global digital marketing services industry is forecasted to reach \$610.55 billion by 2026.
- The market value of the global fleet management services industry is estimated to reach \$41.96 billion by 2027.
- The global market for e-learning services is poised to reach \$387.73 billion by 2026.
- The global market size of the social media management services industry is poised to reach \$35.71 billion by 2026.

Interpretation

In a world where bytes are the new bricks and clicks are the currency, the services industry is booming like a digital supernova. With cyber threats lurking in every corner of the web, the cybersecurity market is gearing up to be the ultimate superhero, armed with a forecasted \$170.4 billion cape by 2026. Meanwhile, the IT services market is set to soar to a mind-boggling \$1.17 trillion, proving that in the digital age, tech is not just a luxury but a necessity. And as the cloud floats high in the digital sky, the forecasted \$832.1 billion market beckons all to harness its power. With e-learning, digital marketing, fleet management, and social media management joining the digital dance, it's clear that the services industry is not just evolving; it's revolutionizing the way we live, work, and connect.

Outsourcing

- The global logistics services market is estimated to reach \$9.6 trillion by 2030.
- The business process outsourcing (BPO) industry is estimated to reach \$405.6 billion by 2027.
- The global human resource (HR) services market size is expected to reach \$674.75 billion by 2028.
- The global engineering services outsourcing (ESO) market is expected to reach \$1.49 trillion by 2028.
- The market size of the global facility management services industry is forecasted to reach \$1.92 trillion by 2028.
- The global market for outsourced customer care services is estimated to reach \$110.28 billion by 2026.
- The global market size of the architecture, engineering, and construction (AEC) outsourcing services industry is projected to hit \$15.48 billion by 2027.
- The global market for HR outsourcing services is expected to reach \$134.2 billion by 2027.
- The market size of the global data entry services industry is anticipated to reach \$3.7 billion by 2026.
- The market size of the global transcription services industry is estimated to reach \$44.3 billion by 2026.

Interpretation

In an increasingly interconnected world where trends are as fast-paced as a delivery drone on steroids, it's no surprise that the numbers in the services industry are skyrocketing faster than you can say "outsourcing." From logistics to HR, from data entry to customer care, these statistics paint a vivid picture of a world where efficiency, specialization, and delegation reign supreme. With trillions looming on the horizon in markets ranging from engineering services to facility management, it's clear that the service industry is not just a support system but a powerhouse driving global business in the 21st century. So next time you outsource that data entry task or dial a customer care hotline, remember - you're not just making a call, you're riding the wave of a multi-trillion dollar industry that shows no signs of slowing down.

Professional Services

- The services industry accounts for over 80% of U.S. economic activity.
- In 2020, the global services sector contributed \$13.3 trillion to the world economy.
- The healthcare services industry in the U.S. is valued at \$3.8 trillion.

- The global cleaning services market size was valued at \$74.77 billion in 2020.
- The consulting services industry in Asia-Pacific is forecasted to grow at a CAGR of 11.04% from 2021 to 2028.
- The global legal services market is projected to reach \$1.2 trillion by 2027.
- The global financial services market size is estimated to reach \$28.5 trillion by 2028.
- The legal services industry in the U.S. generated revenues of \$288 billion in 2020.
- The global market size of the customer experience management (CEM) services industry is expected to reach \$14.82 billion by 2027.
- The market size of the global real estate services industry is anticipated to reach \$1.76 trillion by 2027.
- The global market size of the property management services industry is projected to hit \$35.93 billion by 2026.
- The market value of the global public relations (PR) services industry is forecasted to reach \$117.8 billion by 2027.
- The global market size of the event management services industry is expected to reach \$1.52 trillion by 2027.
- The global market for translation services is projected to grow at a CAGR of 6.1% from 2021 to 2028.
- The market value of the global market research services industry is anticipated to reach \$85.3 billion by 2027.

Interpretation

In a world where the bottom line speaks louder than words, the services industry stands as the unassuming powerhouse fueling economies globally. From the towering heights of the financial services market to the intricate web of legal and consulting services, it's evident that the backbone of the modern economy is made up of transactions, consultations, and interactions. As the numbers dance in trillion-dollar territory, one thing is clear - behind every dollar sign lies a story of expertise, innovation, and the relentless pursuit of meeting the needs of a dynamic market. The services industry isn't just about providing a service; it's about shaping the very fabric of our economic landscape, one transaction at a time.

(Source: <https://gitnux.org/services-industry-statistics/>)

Indian Services Industry

Introduction

The reforms of the 1990s have been associated with the expansion of the service sector in India. Midway through the 1980s, the service sector began to expand, but it took off in the 1990s when India started a series of economic reforms in response to a serious balance of payments issue.

The services sector is not only the dominant sector in India's GDP but has also attracted significant foreign investment, has contributed significantly to exports, and has provided large-scale employment. India's services sector covers a wide variety of activities such as trade, hotel and restaurants, transport, storage and communication, financing, insurance, real estate, business services, community, social and personal services, and services associated with construction. To enhance India's commercial services exports, share in the global services market from 3.3% and permit a multi-fold expansion in the GDP, the government is also making significant efforts in this direction.

The service sector has over 50% contribution to India's GDP, and it had witnessed a growth of 9.1% in 2022-23. Out of 8.12 million jobs in FY23, service sector companies in IT, banking, and finance accounted for almost half of the new jobs generated. The services sector of India remains the engine of growth for India's economy and contributed 55% to India's Gross Value Added at current prices in FY24 (as per advance estimates). The services category ranked first in FDI inflows, as per data released by the Department for Promotion of Industry and Internal Trade (DPIIT).

India is a unique emerging market in the globe due to its unique skills and competitive advantage created by knowledge-based services. The Indian services industry, which is supported by numerous government initiatives like smart Cities, clean India, and digital India is fostering an environment that is strengthening the services sector. The sector has the potential to open up a multi-trillion-dollar opportunity that might stimulate symbiotic growth for all nations. Service

providers in India continued to signal positive demand trends in June, which underpinned a stronger increase in new business volumes and further job creation.

In December 2023, services exports grew by 1.3% to US\$ 31.6 billion, driven by software, business, and travel services. While Imports declined by 1.2%, resulting in record high net earnings of US\$ 16.0 billion.

During October-December 2023, India experienced a 5.1% YoY to US\$ 87.7 billion with a trade surplus of US\$ 44.9 billion, growth in services exports, driven by software, business, and travel services.

Market Size

The services industry performed well in H2:2022-23, boosted by contact-intensive services and building activities. India 's IT and business services market is projected to reach US\$ 19.93 billion by 2025.

The PMI services reduced in April 2024, to reach at 60.8. PMI for services continued to expand, but at a slower pace. With the fastest growing (9.2%) service sector globally, the sector accounts for a 66% share of India's GDP and generates about 28% of the total employment in India. As per the First India's medical tourism industry is poised for a robust resurgence, with projections indicating a significant rebound in the number of medical tourists surpassing pre-pandemic levels. Approximately 7.3 million medical tourists are expected to visit India in the calendar year 2024.

Recent Investments/ developments

Some of the investments/ developments in the services sector in the recent past are as follows:

- The Indian services sector was the largest recipient of FDI inflows worth US\$ 109 billion between April 2000-March 2024.
- According to the Ministry of Commerce and Industry, the service sector received US\$ 6. billion in equity inflows in FY24.
- According to RBI's Scheduled Banks' Statement, deposits of all scheduled banks collectively surged by a whopping Rs. 2.04 lakh crore (US\$ 2,452 billion) for FY24.
- The Indian hotel industry experienced a resurgence in 2023, fuelled by domestic leisure travel, MICE events, and business travellers' return. Premium hotels saw higher occupancy and room rates, with continued domestic travel growth expected in 2024.
- India's telephone subscriber base stood at 1,199.28 million as of March 2024.
- At the end of December 2023, the top five service providers controlled 98.35% of the total broadband subscribers. These service providers were Reliance Jio Infocom Ltd stood at 470.19 million, followed by Bharti Airtel 264.76 million, Vodafone Idea 127.29 million, BSNL 25.12 million and Atria Convergence 2.23 million.
- Since the launch of the Startup India initiative in 2016, DPIIT has recognized 122, 943 entities as startups as of February 2024.
- As per report by BCG, by 2030, the fintech sector is expected to reach a value of US\$ 1.5 trillion. The Asia-Pacific region is set to surpass the US, emerging as the leading global fintech market by the same year.
- India took the lead with the fintech adoption rate of 87%, substantially higher than the world average of 64%.
- India took the lead with the fintech adoption rate of 87%, substantially higher than the world average of 64%.
- According to the IVCA-EY monthly PE/VC roundup, October 2022 recorded investments worth US\$ 3.3 billion across 75 deals, including six large deals worth US\$ 2.2 billion. Exits were recorded at US\$ 1.6 billion across 15 deals in October 2022.
- The Indian healthcare industry represents approximately US\$ 372 billion and is experiencing a compounded annual growth rate (CAGR) of 22%. With the significant population size, there exists substantial potential for expansion, as stated by G.S.K. Velu, the chairman & managing director of Trivitron Healthcare & Neuberger Diagnostics Group.

- In June 2022, HCL Technologies (HCL), a leading global technology company, announced the opening of its new 9,000 sq. ft. delivery centre in Vancouver, Canada. The new centre will significantly expand its presence in the country to serve clients primarily in the HiTech industry.
- The IT-BPM sector holds the potential to grow between 10-15% per annum. The IT and fintech segments provide over US\$ 155 billion in gross value to the economy annually.
- The IT and business services market will grow at a CAGR of 8.3% between 2021-26, reaching a US\$ 20.5 billion valuation by the end of 2026.
- By October 2021, the Health Ministry's eSanjeevani telemedicine service, crossed 14 million (1.4 crore) teleconsultations since its launch, enabling patient-to-doctor consultations, from the confines of their home, and doctor-to-doctor consultations.
- The Indian healthcare industry is expected to shift to digitally enabled remote consultations via teleconsultation. The telemedicine market in India is expected to increase at a CAGR of 31% from 2020 to 2025.

Government Initiatives

The Government of India recognises the importance of promoting growth in the services sector and provides several incentives across a wide variety of sectors like health care, tourism, education, engineering, communications, transportation, information technology, banking, finance, and management among others.

- Centre has formulated an 'Action Plan for Champion Sectors in Services' to give focused attention to 12 identified Champion Services Sectors.
- India's tourism and hospitality sector may earn US\$ 50.9 billion as visitor exports by 2028.
- As per 2022 University Grants Commission (UGC) statistics, there are a total of 1,072 universities in the country, including 460 state universities, 128 deemed to be universities (a status of autonomy granted to high-performing institutes and universities by the Department of Higher Education), 54 central universities (established by the Department of Higher Education), and 430 private universities.
- The Government of India has adopted a few initiatives in the recent past, some of these are as follows: As of November 9, 2022, the number of bank accounts opened under the government's 'Pradhan Mantri Jan Dhan Yojana (PMJDY)' scheme reached 47.39 crore and deposits in Jan Dhan bank accounts totalled Rs. 1.76 lakh crore (US\$ 21.59 billion).
- In October 2021, the government launched a production-linked incentive (PLI) scheme to boost manufacturing of telecom and networking products in India. The scheme is expected to attract an investment of ~Rs. 3,345 crore (US\$ 446.22 million) over the next four years and generate additional employment for >40,000 individuals.
- In October 2021, the government launched phase II of the Mahatma Gandhi National Fellowship to empower students and boost skill development.
- In October 2021, the PM Ayushman Bharat Health Infrastructure Mission was launched by the government, to strengthen the critical healthcare network across India in the next four to five years.
- The Indian government is planning to introduce a credit incentive programme worth Rs. 50,000 crore (US\$ 6.8 billion) to boost healthcare infrastructure in the country. The programme will allow companies to access funds to ramp up hospital capacity or medical supplies with the government acting as a guarantor.
- Under the Union Budget 2021-22, the government allocated Rs. 7,000 crore (US\$ 963.97 million) to the BharatNet programme to boost digital connectivity across India.
- The FDI limit for insurance companies has been raised from 49% to 74% and 100% for insurance intermediates.
- On January 15, 2021, the third phase of Pradhan Mantri Kaushal Vikas Yojana (PMKVY) was launched in 600 districts with 300+ skill courses. Spearheaded by the Ministry of Skill Development and Entrepreneurship, the third phase will focus on new-age and COVID-related skills. PMKVY 3.0 aims to train eight lakh candidates.

- In January 2021, the Department of Telecom, Government of India, signed an MoU with the Ministry of Communications, Government of Japan, to strengthen cooperation in the areas of 5G technologies, telecom security and submarine optical fibre cable systems.
- In the next five years, the Ministry of Electronics and Information Technology is working to increase the contribution of the digital economy to 20% of GDP. The government is working to build a cloud-based infrastructure for collaborative networks that can be used for the creation of innovative solutions by AI entrepreneurs and startups.
- On Independence Day 2020, Prime Minister Mr. Narendra Modi announced the National Digital Health Mission (NDHM) to provide a unique health ID to every Indian and revolutionise the healthcare industry by making it easily accessible to everyone in the country. The policy draft is under 'public consultation' until September 21, 2020.
- In September 2020, the Government of Tamil Nadu announced a new electronics & hardware manufacturing policy aligned with the old policy to increase the state's electronics output to US\$ 100 billion by 2025. Under the policy, it aims to meet the requirement for incremental human resources by upskilling and training >100,000 people by 2024.
- The government of India has launched the National Broadband Mission to provide Broadband access to all villages by 2022.

Road Ahead

Both domestic and global factors influence the growth of the services sector. An extensive range of service industries has experienced double-digit growth in recent years, supported by digital technologies and institutional frameworks made possible by the government. The ease of doing business in India has significantly increased for domestic and foreign firms due to considerable advancements in culture and the government outlook. Due to ongoing changes in the areas of lowering trade barriers, easing FDI regulations, and deregulation, India's services sector is poised to grow at a healthy rate in the coming years. Over the next 10 years, the National Digital Health Blueprint can unlock the incremental economic value of over US\$ 200 billion for the healthcare industry in India.

India's digital economy is estimated to reach US\$ 1 trillion by 2025. By the end of 2023, India's IT and business services sector is expected to reach US\$ 14.3 billion with 8% growth. The implementation of the Goods and Services Tax (GST) has created a common national market and reduced the overall tax burden on goods. It is expected to reduce costs in the long run on account of the availability of GST input credit, which will result in a reduction in the prices of services. India's software service industry is expected to reach US\$ 1 trillion by 2030.

Due to ongoing changes in the areas of lowering trade barriers, easing FDI regulations, and deregulation, India's services sector is poised to grow at a healthy rate in the coming years.

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

Global Financial Services Industry

The financial services industry is making moves worth a staggering \$22.7 trillion! Despite the chaos of 2020, fintech investments soared to \$44 billion, proving that money never sleeps. From the rise of robo-advisors managing trillions in assets to the exponential growth of blockchain wallets and cryptocurrency adoption, the financial world is a whirlwind of innovation and opportunity.

Financial services industry size

- The global financial services industry is worth around \$22.7 trillion.
- In 2020, global payments revenue totaled \$1.9 trillion.
- The wealth management market is expected to reach \$118 trillion by 2025.
- The global insurance market is valued at over \$5 trillion.
- E-commerce transactions accounted for 16% of global payments volume in 2020.
- The global life insurance market is estimated to reach \$4.3 trillion by 2026.
- Peer-to-peer lending volume is projected to reach \$589 billion by 2025.
- The global credit card market is worth over \$4 trillion.
- The global digital asset management market is expected to reach \$5.1 billion by 2025.
- Global assets under management (AUM) are expected to reach \$145.4 trillion by 2025.
- In 2020, there were over 240 billion non-cash transactions globally.

- The global hedge fund industry manages assets worth approximately \$4 trillion.
- The global pension fund assets are estimated to be around \$52 trillion.
- The global microfinance market size is expected to reach \$313.02 billion by 2027.
- Around 2 billion people worldwide are unbanked, according to the World Bank.
- The global trade finance market is valued at over \$61 trillion.
- Regulatory compliance costs for financial institutions exceed \$270 billion annually.
- The global private equity market reached a record \$4.1 trillion in assets under management in 2020.
- Mobile wallet transactions are projected to exceed \$3.5 trillion globally by 2022.
- The global crowdfunding market size is expected to reach \$28.8 billion by 2027.
- The global Islamic finance industry is estimated to be worth \$3.69 trillion.
- ESG (environmental, social, and governance) assets under management are expected to double to \$53 trillion by 2025.
- Global remittance flows are expected to reach \$930 billion in 2021.
- The global cryptocurrency market capitalization surpassed \$2 trillion in April 2021.
- Global sustainable finance assets under management are projected to reach \$40.5 trillion by 2025.
- The global credit union industry serves over 274 million members.
- Online brokerage accounts account for 63% of total retail trading volume.
- The global trade finance gap is estimated at \$1.5 trillion.
- The number of open banking users worldwide is expected to exceed 79 million by 2023.
- Private equity deal value amounted to \$853 billion in the first half of 2021.
- Global pension funds had total assets worth \$34.5 trillion in 2020.
- Real-time payments are expected to account for 21% of global payment revenues by 2024.
- The global neo banking market is projected to reach \$394.6 billion by 2026.
- More than 2 billion adults globally remain unbanked, according to the World Bank.
- The share of digital lending in the total personal loan market is set to reach 30% by 2023.
- The global gig economy is expected to hit \$455.2 billion by 2023.
- The global commercial insurance market size is estimated to be around \$1.2 trillion.
- Global mobile wallet transaction value is forecasted to reach \$14 trillion by 2025.
- The global Islamic banking industry boasts assets worth over \$2.7 trillion.
- The global gig economy is projected to account for 43% of the total workforce by 2025.
- The global virtual event market is estimated to reach \$404 billion by 2027.
- The global decentralized finance (DeFi) market is projected to grow to \$501.91 billion by 2026.
- The wealth management industry saw a total AUM of \$118 trillion in 2020.

Interpretation

The numbers don't lie, and in the world of financial services, they speak volumes. With trillions swirling around in various sectors, from digital assets to pension funds, the industry is a behemoth of wealth and opportunity. As the global economy marches forward, embracing trends like peer-to-peer lending and sustainable finance, it's clear that financial institutions are navigating a landscape as vast and intricate as ever. So, buckle up, because whether you're banking on blockchain or investing in ESG, the ride is only getting richer – figuratively and literally.

Fintech adoption rates fell under Mobile banking usage

- In 2020, fintech adoption rates reached 33% globally.

Interpretation

The 33% global fintech adoption rate in 2020 is not just a number—it's a sign that the financial services industry is undergoing a tech revolution. With a third of the world embracing fintech offerings, it's clear that convenience, innovation, and digital solutions are no longer just buzzwords, but the new normal for consumers navigating the ever-evolving landscape of finance. The future is digital, and those who don't adapt may find themselves left behind in this brave new world of money management.

Fintech investment

- Fintech investment in 2020 reached \$44 billion globally, despite the COVID-19 pandemic.
- 56% of banks are implementing AI in customer service.
- The number of blockchain wallets has been growing at a compound annual growth rate of 32% since 2014.

- Cryptocurrency adoption has grown by 881% over the past year.
- Crowdfunding platforms raised over \$34 billion in 2020.
- 81% of banks plan to increase AI-related investments in the next three years.
- Insurtech investments reached \$7.1 billion in 2020.
- Payment companies process an average of 452 digital transactions per second.
- Around 51% of global consumers have used buy now, pay later (BNPL) services.
- Venture capital investment in fintech companies reached \$105 billion in the first half of 2021.
- 78% of banks plan to partner with fintech companies in the next 3-5 years.
- The global Insurtech market is expected to grow to \$10.14 billion by 2025.
- Commercial banks worldwide spent \$18.8 billion on blockchain technology in 2021.
- The global cryptocurrency ATM market size is expected to reach \$183.7 million by 2025.
- The global alternative finance market volume exceeded \$70 billion in 2020.
- Wealth management firms invest an average of \$5.7 billion annually in digital transformation.
- FinTech investments in Asia reached \$21.8 billion in 2020.
- Insurtech companies globally raised \$7.1 billion in funding in 2020.
- The global Reg Tech market size is expected to reach \$21.73 billion by 2027.
- Worldwide venture capital investment in blockchain technology reached \$4.2 billion in 2021.
- The global wealth tech market is expected to exceed \$5.7 billion by 2027.
- Over 2.5 million Americans invest in peer-to-peer lending platforms.
- The global insurance technology (Insurtech) market size is forecasted to reach \$10.1 billion by 2025.

Interpretation

In a world where financial services are evolving faster than ever before, it seems that even a global pandemic couldn't slow down the fintech revolution. The staggering numbers speak for themselves: from the exponential rise in blockchain wallets to the explosive growth of cryptocurrency adoption and the relentless push towards AI integration in banking, the industry is in a state of constant flux. With banks increasingly turning to technology to enhance customer service and streamline operations, it's clear that the future of finance lies in innovation. As crowdfunding platforms soar, payment companies process transactions at lightning speed, and Insurtech investments surge, it's evident that traditional barriers are being shattered at an unprecedented pace. So, buckle up, because the financial services industry is hurtling towards a future where collaboration between traditional players and disruptive fintech companies will be the key to success.

Mobile banking usage

- Mobile banking usage has increased by 50% in the past five years.
- 67% of consumers worldwide have used a mobile wallet at least once.
- The number of mobile payment users is projected to reach 1.31 billion by 2023.
- Digital banking penetration is expected to rise to 67% by 2025.
- Over 3.8 billion people globally are using digital banking platforms in 2021.
- Over 40% of global consumers have used voice assistants for banking activities.
- COVID-19 accelerated the adoption of digital banking, with a 25% growth in mobile banking users.

Interpretation

In a world where cash is no longer king, the Financial Services Industry is experiencing a digital revolution faster than you can say "Swipe right for savings!" With mobile banking usage skyrocketing by 50% and over 3.8 billion people already tapping away on digital platforms, it's clear that the future of finance is just a touch screen away. From mobile wallets to voice-activated assistants handling our banking needs, it seems even our money is keeping up with the latest tech trends. So, whether you're counting your pennies or your bitcoins, the digital age of finance is here to stay – and it's not taking any checks.

Robo-advisors growth projections

- By 2025, robo-advisors are projected to manage around \$8 trillion in assets.
- The global robo-advisory market is projected to reach \$16.4 billion by 2026.

Interpretation

As robots continue to outperform humans in managing finances, it seems the age-old adage of "letting your money work for you" has taken on a literal twist. With robo-advisors projected to handle a staggering \$8 trillion in assets by 2025 and

the global market expected to reach \$16.4 billion by 2026, it appears that the future of financial services is not just digital, but algorithmic. While this may spell convenience and efficiency for many investors, one can't help but wonder if we're slowly but surely handing over the keys to the kingdom to our silicon counterparts. From Wall Street to Main Street, the rise of the robot in finance signals a new era where data rules and bytes outweigh traditional insight.

(Source: <https://gitnux.org/financial-services-industry-statistics/>)

Indian Financial Services Industry

Introduction

India has a diversified financial sector undergoing rapid expansion both in terms of strong growth of existing financial services firms and new entities entering the market. The sector comprises commercial banks, insurance companies, non-banking financial companies, co-operatives, pension funds, mutual funds and other smaller financial entities. The banking regulator has allowed new entities such as payment banks to be created recently, thereby adding to the type of entities operating in the sector. However, the financial sector in India is predominantly a banking sector with commercial banks accounting for more than 64% of the total assets held by the financial system.

The Government of India has introduced several reforms to liberalise, regulate and enhance this industry. The Government and Reserve Bank of India (RBI) have taken various measures to facilitate easy access to finance for Micro, Small and Medium Enterprises (MSMEs). These measures include launching Credit Guarantee Fund Scheme for MSMEs, issuing guidelines to banks regarding collateral requirements and setting up a Micro Units Development and Refinance Agency (MUDRA). With a combined push by Government and private sector, India is undoubtedly one of the world's most vibrant capital markets.

Market Size

As of March 2024, AUM managed by the mutual funds industry stood at Rs. 53.40 lakh crore (US\$ 641.75 billion) Inflow in India's mutual fund schemes via systematic investment plans (SIP) from April 2023 to March 2024 stood at Rs. 2 lakh crore (US\$ 24.04 billion).

Equity mutual funds registered a net inflow of Rs. 22.16 trillion (US\$ 294.15 billion) by end of December 2021. The net inflows were Rs. 7,303.39 crore (US\$ 888 million) in December as compared to a 21-month low of Rs. 2,258.35 crore (US\$ 274.8 million) in November 2022.

Another crucial component of India's financial industry is the insurance industry. The insurance industry has been expanding at a fast pace. The total first-year premium of life insurance companies reached US\$ 32.04 billion in FY23. In FY23 (until December 2022) non-life insurance sector premiums reached Rs. 1.87 lakh crore (US\$ 22.5 billion).

Furthermore, India's leading bourse, the Bombay Stock Exchange (BSE), will set up a joint venture with Ebix Inc to build a robust insurance distribution network in the country through a new distribution exchange platform. In FY23, US\$ 7.17 billion was raised across 40 initial public offerings (IPOs). The number of companies listed on the BSE increased from 135 in 1995 to 5,357 as of March 2024.

According to the statistics by the Futures Industry Association (FIA), a derivatives trade association, the National Stock Exchange of India Ltd. (NSE) emerged as the world's largest derivatives exchange in 2020 in terms number of contracts traded. NSE was ranked 4th worldwide in cash equities by number of trades as per the statistics maintained by the World Federation of Exchanges (WFE) for CY20.

Investments/Developments

The Financial Services Industry has seen major achievements in the recent past:

In February 2024, Unified Payments Interface (UPI) recorded 12.10 billion transactions worth Rs. 18.28 lakh crore (US\$ 220.77 billion).

The number of transactions through immediate payment service (IMPS) reached 534.6 million (by volume) and amounted to Rs. 5.58 trillion (US\$ 68.61 billion) in February 2024.

- India's PE/VC investments were at US\$ 77 billion in 2021, which was 62% higher than in 2020.
- In 2021, Prosus acquired Indian payments giant BillDesk for US\$ 4.7 billion.

- In September 2021, eight Indian banks announced that they are rolling out—or about to roll out—a system called ‘Account Aggregator’ to enable consumers to consolidate all their financial data in one place.
- In September 2021, Piramal Group concluded a payment of Rs. 34,250 crore (US\$ 4.7 billion) to acquire Dewan Housing Finance Corporation (DHFL).

Government Initiatives

Some of the major Government Initiatives are

- In 2023, the government revamped the credit guarantee scheme. The inflow of Rs. 9,000 crore (US\$ 1,080.97 million) into the corpus of the Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE) will give MSMEs more access to collateral-free loans.
- In September 2021, the international branch of the National Payments Corporation of India (NPCI), NPCI International Payments (NIPL), has teamed with Liquid Group, a cross-border digital payments provider, to enable QR-based UPI payments to be accepted in 10 countries in north and southeast Asia.
- On September 30, 2021, the Reserve Bank of India communicated that the applicable average base rate to be charged by non-banking financial companies – micro-finance institutions (NBFC-MFIs) to their borrowers for the quarter beginning October 1, 2021, will be 7.95%.
- On September 30, 2021, the IFSC Authority constituted an expert committee to recommend an approach towards the development of a sustainable finance hub and provide a road map for the same.
- In August 2021, Prime Minister Mr. Narendra Modi launched e-RUPI, a person and purpose-specific digital payment solution. e-RUPI is a QR code or SMS string-based e-voucher that is sent to the beneficiary’s cell phone. Users of this one-time payment mechanism will be able to redeem the voucher at the service provider without the usage of a card, digital payments app, or Internet banking access.

Road Ahead

India’s financial services industry has experienced huge growth in the past few years. This momentum is expected to continue. India’s private wealth management Industry shows huge potential. India is expected to have 16.57 lakh HNWIs in 2027. This will indeed lead India to be the fourth-largest private wealth market globally by 2028. India’s insurance market is also expected to reach US\$ 250 billion by 2025. This will further offer India an opportunity of US\$ 78 billion in additional life insurance premiums from 2020-30.

India is today one of the most vibrant global economies on the back of robust banking and insurance sectors. The relaxation of foreign investment rules has received a positive response from the insurance sector, with many companies announcing plans to increase their stakes in joint ventures with Indian companies. Over the coming quarters, there could be a series of joint venture deals between global insurance giants and local players.

The Association of Mutual Funds in India (AMFI) is targeting a nearly five-fold growth in AUM to Rs. 95 lakh crore (US\$ 1.15 trillion) and more than three times growth in investor accounts to 130 million by 2025.

India's mobile wallet industry is estimated to grow at a CAGR of 23.9% between 2023 and 2027 to reach US\$ 5.7 trillion.

According to Goldman Sachs, investors have been pouring money into India’s stock market, which is likely to reach >US\$ 5 trillion, surpassing the UK, and become the fifth-largest stock market worldwide by 2024.

(Source: <https://www.ibef.org/industry/financial-services-india>)

Indian Financial Market

Indian financial market refers to the system of institutions, instruments, and regulations in the country that are instrumental in facilitating the transfer of funds between different participants of the market. The strength of any modern economy is based on the soundness of its financial system. We have all seen the impact of a collapsing financial system in our neighboring countries. The financial system of a country comprises of a few main elements namely, financial institutions, financial markets, financial instruments, and financial intermediaries. The Indian financial markets have witnessed many changes in recent years and are faced with everchanging trends that ultimately shape the financial markets.

Here are recent trends in the Indian financial market.

- Growth of Digital Finance
- There has been an exponential increase in digital finance in India over recent years. This is further backed by various measures under the 'Digital India' vision of the government. This includes digital payment methods such as [UPI](#), mobile banking, and e-wallets. This growth is also the result of the increase in internet and smartphone penetration which has taken digital finance to even the rural parts of the country.
- Focus on Financial Inclusion
- Financial inclusion has been the focus of the Indian government and regulators for many years now. Many measures for financial inclusion include increasing access to financial services for under-served populations such as farmers and small businesses.
- Rise of Mutual Funds [Mutual funds](#) have become increasingly popular and a staple among retail investors as a way to invest in the stock market. The introduction of direct plans has also made them more accessible and cost-effective for the average investor.
- Increased Focus on ESG Investing Social consciousness has been increasing greatly among the public at large over the years. This has therefore resulted in an increase in [Environmental, Social, and Governance](#) (ESG) investing which is gaining prominence as investors increasingly seek to align their investments with their values.
- Emergence of Robo-Advisors
- Financial markets have also seen a rise in Robo-advisors. These are algorithms that provide investment advice based on AI. Such platforms are becoming quite popular by offering low-cost and personalized investment solutions to businesses and investors.
- These trends are shaping the future of the Indian financial market and are likely to continue to drive growth and innovation in the years to come.

Indian Capital Market

Capital markets facilitate the buying and selling of financial instruments, enabling businesses to raise long-term funds for fixed capital requirements and investors to invest in securities for their future. They are crucial for economic growth and wealth creation, as they provide a reliable source of funding for businesses and investment opportunities for individuals.

Despite heightened geopolitical risks, rising interest rates and volatile commodity prices, Indian capital markets have been one of the best performing among emerging markets in FY24, reflecting India's bright economic stature. Capital markets are becoming prominent in India's growth story, with an expanding share in capital formation and investment landscape on the back of technology, innovation, and digitization. The following sections present the significant trends in primary markets, secondary markets, and institutional investment in India.

Two types of capital markets primarily exist in India, which are discussed below:

1. Primary Market

In the primary capital market, a company sells new stocks or bonds to the public, like in an initial public offering (IPO). This market, also called the new issues market, allows investors to buy securities directly from the company. To make this happen, the company works with an underwriting firm to assess its offering and create a detailed prospectus describing the securities being issued.

Strict regulations govern all offerings in the primary market. Companies are required to submit filings to regulatory bodies like the Securities and Exchange Commission (SEC) and other relevant securities agencies. They must await approval of these filings before proceeding with their public debut.

Securities in the primary market are often inaccessible to small investors as companies and their investment bankers prioritize rapid distribution of all available securities to fulfill volume demands. Their marketing focus leans towards attracting large investors capable of making significant purchases. These promotional activities often involve

roadshows or presentations, during which investment bankers and company executives engage with potential investors to underscore the value of the securities on offer.

Amid healthy domestic economic performance and a favorable investment climate, primary markets remained robust during FY24, facilitating capital formation of ₹10.9 lakh crore (which approximates 29 per cent of the gross fixed capital formation of private and public corporates during FY23), compared to ₹9.3 lakh crore in FY23. Of the total amount mobilized in FY24, 78.8 per cent was raised through debt issuances. Fund mobilization through all three modes, viz., equity, debt, and hybrid, increased by 24.9 per cent, 12.1 per cent and 513.6 per cent, respectively, in FY24 compared to the previous year.

The number of initial public offers (IPOs) increased by 66 per cent in FY24 from 164 in FY23 to 272 in FY24, while the amount raised grew by 24 per cent (from ₹54,773 crore in FY23 to ₹67,995 crore in FY24). SME platforms at the exchanges witnessed heightened activities during FY24 as the number of IPOs/FPOs (Follow-on Public Offers) of SMEs increased by 1.6 times (from 125 in FY23 to 196 in FY24), while the corresponding fund-raised rose by more than two and half times over the previous year (from ₹2,333 crore in FY23 to ₹6,095 crore in FY24). As per E&Y Global IPO trends report, Indian exchanges were global leaders in IPO listings. India's share consistently rose to 17 per cent in 2023 from 6 per cent and 11 per cent in 2021 and 2022, respectively.⁴⁶ Reflecting the buoyant market conditions, Qualified Institutional Placements (QIPs)⁴⁷ emerged as a critical equity fundraising mechanism for the corporates during FY24. Resource mobilization through rights issues more than doubled to ₹15,110 crore during FY24, compared to ₹6,751 crore in the previous year.

2. Secondary Market

Within the secondary market, previously issued securities are exchanged among investors on platforms regulated by entities like the SEC (Security and Exchange Commission). Unlike the primary market, issuing companies do not play a role in secondary market transactions. Nasdaq and the New York Stock Exchange are examples of secondary marketplaces.

India among the best-performing markets

After enduring a highly turbulent global environment in FY23, global stock markets recovered and performed well during FY24. All the major markets, except China and Hong Kong, delivered better returns during the period compared to the previous year. Indian stock market was among the best-performing markets, with India's Nifty 50 index ascending by 26.8 per cent during FY24, as against (-)8.2 per cent during FY23. FY24 saw stellar performances from the US, Brazilian and Japanese markets among the global markets. There was evidence of an AI-led tech stock surge, with the tech-heavy US Nasdaq index rising by 34 per cent during FY24 after delivering heavy losses in FY23.

The exemplary performance of the Indian stock market compared to the world and emerging markets over the years can be primarily attributed to India's resilience to global geo-political and economic shocks, its solid and stable domestic macroeconomic outlook, and the strength of the domestic investor base. Mirroring the positive outlook on Indian markets, India's weight in the MSCI-EM index has increased to 17.7 per cent at the end of FY24 from 13.7 per cent at the end of April 23, the second-highest share among the EMs in the index.

The market capitalization of the Indian stock market has seen a remarkable surge over the years. Significant interest from domestic and global investors in the Indian stock market as an attractive investment destination and sustained IPO activity placed the Indian market fifth in the world by market capitalization in FY24. India's market capitalization to GDP ratio has improved significantly over the last five years to 124 per cent in FY24, compared to 77 per cent in FY19, far higher than that of other emerging market economies like China and Brazil. It is essential to strike a note of caution. The market capitalization to GDP ratio is not necessarily a sign of economic advancement or sophistication. Financial assets are claims on real goods and services. If equity market claims on the real economy are excessively high, it is a harbinger of market instability rather than market resilience.

The value traded increased across all segments in the exchanges, except currency derivatives during FY24, with increased investors' participation and positive market trends. Commodity derivatives turnover rose by 87 per cent in FY24, driven by an increase in turnover of options contracts of the energy segment.

Market capitalization to GDP ratios across countries (percentage)

| Years | India | China | Brazil | Japan | South Korea | United Kingdom | United States |
|--------|-------|-------|--------|-------|-------------|----------------|---------------|
| Dec-19 | 77 | 60 | 65 | 121 | 89 | 106 | 159 |
| Dec-20 | 95 | 79 | 68 | 129 | 122 | 92 | 197 |
| Dec-21 | 113 | 80 | 50 | 136 | 127 | 108 | 208 |
| Dec-22 | 105 | 65 | 42 | 126 | 96 | 91 | 158 |
| Dec-23 | 124 | 61 | 44 | 147 | 114 | 71 | 179 |

Note: *GDP figures are taken from the World Federation of Exchanges (WFE), and market capitalisation is calculated as the sum of the market capitalisation of NASDAQ and NYSE Source: CEIC Database, World Bank, WFE

Indian capital markets have witnessed a broad-based expansion across various sub-markets, with the country's equity market capitalization reaching ₹415 lakh crore (USD 5 trillion) in May 2024, placing it fifth in the global rankings.

(Source: <https://www.fisdom.com/indian-financial-market-recent-trends/#Recent Trends in Financial Market>
<https://www.thehindu.com/business/Budget/68432023-Economic-Survey-2023-24-Complete-document>
<https://www.jaroeducation.com/blog/what-is-capital-market-and-its-trends-2024/>)

Services Under Indian Capital Market

1. Stock Broking

Stock Brokers in India are essential intermediaries who facilitate the trading of securities on behalf of clients. They operate on stock exchanges like the National Stock Exchange (NSE) and the Bombay Stock Exchange (BSE). Stock brokers play a vital role in connecting individual and institutional investors to financial markets, ensuring efficient execution of trades, and providing essential market insights and support.

2. Market Maker in India

A market maker is an individual or company that provides “two-way” prices for a particular security or asset. This means they quote two different prices: a “bid” price, which is the price they are willing to buy the security at, and an “ask” or “offer” price, which is the price they are willing to sell the security at. Without market makers, it would be challenging for investors to find someone willing to take the opposite side of their trade. Imagine trying to sell a rare item, but there's no one interested in buying it. Market makers solve this problem by standing ready to purchase or sell securities at any given time, ensuring that counterparties are always available for trades.

The difference between the bid and ask prices is called the “bid-ask spread,” it represents the market maker's profit or compensation for providing liquidity to the market. Market makers are obligated to continuously quote bid and ask prices, even during periods of market volatility or uncertainty. They must also be prepared to buy or sell a certain number of shares or units of the security for which they are making a market.

3. Derivatives Trading

Derivatives are financial contracts that derive their value from an underlying asset. These could be stocks, indices, commodities, currencies, exchange rates, or the rate of interest. These financial instruments help you make profits by betting on the future value of the underlying asset. So, their value is derived from that of the underlying asset. This is why they are called ‘Derivatives’.

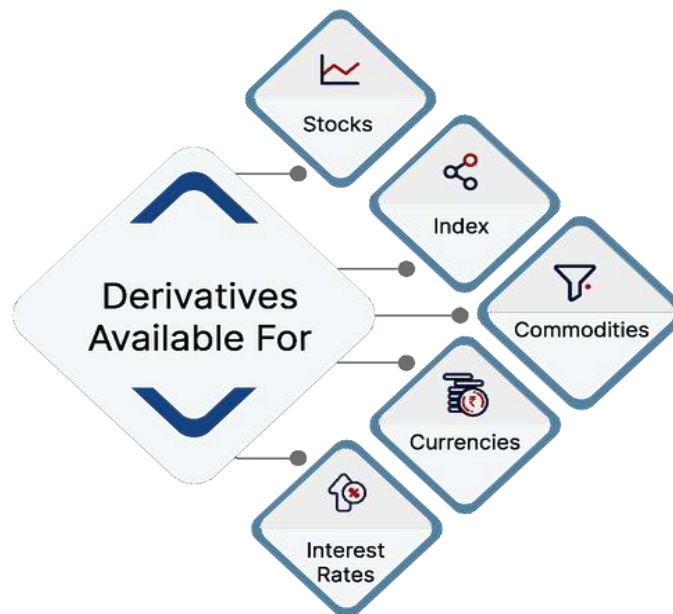
❖ Derivative Trading

A derivative is a formal financial contract allowing the investor to buy or sell an asset for future periods. A fixed and predetermined expiry date is set for a derivative contract. Trading derivatives on the stock market is better than buying the underlying asset since the gains can be significantly exaggerated. In addition, derivative trading is a leveraged form of trading, meaning you can buy a large amount of underlying assets by paying a small amount. Different derivatives, such as stocks, commodities, currencies, benchmarks, and so on, can be traded. There are two types of derivative contracts: futures and options. Since both the seller and the investor forecast the underlying asset's price for a particular future date, they are essentially the same. However, futures and options are different because, in futures, there is a legal obligation on both buyers and sellers to honour the contract's expiration.

In the case of options, however, the buyer or the seller may buy and sell before the expiry of the contract by exercising their rights or by letting the contract expire without exercising their rights. The two types of options are the Call option and the Put option. Investors are confident that the underlying asset will increase by a call option. On the other hand, when they feel satisfied that the price of their underlying asset will fall, they purchase a Put option.

❖ Use of Derivatives

In the Indian markets, futures and options are standardized contracts, which can be freely traded on exchanges. These could be employed to meet a variety of needs.



❖ Earn money on shares that are lying idle

So, you don't want to sell the shares you bought for the long term but want to take advantage of price fluctuations in the short term. You can use derivative instruments to do so. The derivatives market allows you to conduct transactions without selling your shares - also called physical settlement.

❖ Benefit from arbitrage

Arbitrage trading is when you buy low in one market and sell high in another. Simply put, you are taking advantage of price differences in the two markets.

❖ Protect your securities

Protect your securities against fluctuations in prices. The derivative market offers products that allow you to hedge against a fall in the price of shares that you possess. It also provides products that protect you from a rise in the price of shares that you plan to purchase. This is called hedging.

❖ Transfer of risk

By far, the most critical use of these derivatives is the transfer of market risk from risk-averse investors to those with a risk appetite. Risk-averse investors use derivatives to enhance safety while risk-loving investors like speculators conduct risky, contrarian trades to improve profits. This way, the risk is transferred. There are a wide variety of products available and strategies that can be constructed, which allow you to pass on your risk. If the benefits have intrigued you enough and you want to start trading immediately, here is how to buy and sell future contracts.

4. Depository Participant

Depository Participants (DPs) are intermediaries between depositories (like NSDL and CDSL) and investors. They facilitate the electronic holding and transfer of securities.

Roles and Functions of Depository Participants

The Depository Participant's role is multi-fold as it helps simplify the investment process:

(a) Acting as Intermediary

The primary function of a DP is to link the depository's services to investors/traders. DPs help open demat accounts with depositories. They also help in securities transfers and facilitate the trading process.

Dematerialization/ Rematerialization

- **Dematerialization:** Converting physical assets like shares into electronic form for easy trading and management.

Role of DP: Facilitates the conversion by maintaining electronic records of investors' holdings securely. It helps the investors to secure their investments in electronic format, without the fear of wear and tear, forgery, theft, and loss of the physical share certificates.

- **Rematerialization:** Transforming electronic securities back into physical form as per the investor's request.

Role of DP: Acts as an intermediary, coordinating the process and ensuring accurate conversion of electronic holdings into physical certificates.

Pledging of securities

Depository Participant also help in pledging of shares, and in hypothecation too. Pledging helps investors borrow money as a loan keeping the shares as collateral, while the shareholder/investor retains the ownership.

Portfolio Management Services

Some of the DPs also offer portfolio management services. This includes advising investors about different investment opportunities, tracking their investments, etc.

Facilitating IPO investments

DPs play a pivotal role in helping interested investors take part in IPOs. From offering details of upcoming IPOs to receiving applications, Depository Participant take care of the entire process.

OUR BUSINESS

The following information is qualified in its entirety by, and should be read together with, the more detailed financial information and other information included in this Prospectus, including the information contained in “Risk Factors”, “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and “Financial Information of the Company” beginning on page 30, 203 and 197 respectively of this Prospectus. The financial figures used in this section, unless otherwise stated, have been derived from our Company’s consolidated restated Audited financial statements. Further, all references to “RSL”, “Rikhav Securities Limited.”, ‘the Company’, ‘our Company’ and ‘the Company’ and the terms ‘we’, ‘us’ and ‘our’, are to Rikhav Securities Limited.

Overview

Our company “Rikhav Securities Limited” (RSL), established in the year 1995, is engaged the business of equity broking, investing, and trading activities. We are registered with SEBI as a stock broker and hold memberships with BSE Limited (BSE), the National Stock Exchange of India (NSE), and the Multi Commodity Exchange (MCX). Our services encompass a comprehensive range of financial activities such as, equity broking, we offer cash delivery, intra-day trading, futures, and options. We are actively involved in trading across various derivative and commodity segments. Additionally, as a Self-Clearing Member of both the Indian Clearing Corporation Limited (ICCL) and NSE Clearing Limited (NCL), we ensure the smooth settlement of trades. We also assist clients in participating in Initial Public Offerings (IPOs) and provide depository services, including the opening and maintenance of demat accounts. As a mutual fund advisor and distributor, we guide clients through mutual fund investments, ensuring they navigate their options effectively.

Our company also engaged in the business of Market Making by way of supporting companies that have recently listed their securities on stock exchanges. By facilitating the buying and selling of these securities post-initial public offerings (IPOs), we enhance liquidity and market efficiency. We were registered as a Market Maker with the BSE Limited (BSE) in 2012 and with the National Stock Exchange (NSE) in 2016, accumulating over a decade of experience in this field. As on the date of this Prospectus, we have executed market-making mandates for 66 companies listed on SME platforms. Our market-making activities involve providing two-way quotes during trading hours to ensure liquidity in the SME segment. Our revenue model includes fixed fees from corporates, which consist of one-time and annual fees, as well as additional earnings from spreads and other trading activities in secondary market transactions. Our commitment in market making continues to contribute to the dynamic and efficient functioning of the securities market.

Our Company is also engaged in making proprietary investments in various tradable securities. We invest in both securities and derivatives, currency with sufficient liquidity. The investment strategies are mostly to earn arbitrage gain done based on analysis and investment rationale.

Our broking and other services are offered through our online and digital platforms, and our network of 24 Authorized Persons (the “**Authorized Persons**”) for the NSE equity segments, 23 Authorized Persons for the NSE Derivative segment, 8 Authorized Persons for the NSE Currency segment, 24 Authorized Persons and for the BSE Equity segment to acquire new clients and support existing clients with their business-related needs. Our client outreach spans several pin codes across India. As part of our financial product distribution business, we serve a diverse range of clients by facilitating investments in financial instruments and providing a variety of wealth solutions.

At Rikhav Securities Limited, we believe in delivering quality financial services to Retail Individual and High Net Worth clients. With over two decades of industry experience, we provide tailored Private Client Broking services for active equity traders and comprehensive depository services through CDSL. Our integrated approach combines trading and depository solutions in one seamless platform. Our diverse clientele includes institutional clients, high net worth individuals, and retail investors across India. We use a knowledge-based approach and personalized strategies to align with each client's investment objectives. Our commitment to integrating industry expertise with advanced technology ensures a superior client experience. As a growing Indian domestic brokerage house, we are dedicated to meeting our client financial goals with precision and excellence.

Our business model involves working with Authorized Persons (APs) who are registered in compliance with SEBI and stock exchange requirements. The APs are responsible for bringing in clients by offering comprehensive services, including account opening, KYC, trade execution, query resolution, and client servicing. During the account opening process, APs determine the brokerage fees to be charged to clients, which are based on defined slab rates. The brokerage is charged to clients for each trade, and RSL collects all the brokerage fees, accounting for this as Revenue from Operations. RSL then retains a fixed portion of the brokerage to cover infrastructure and back-end support costs. The remaining brokerage amount is disbursed to the APs on a monthly basis, recorded as Expenses in RSL accounts. Our Company has continuously adapted to the evolving financial landscape, embracing change and innovation to meet the diverse needs of its clients and stakeholders. The company's operations have not only expanded but have also demonstrated an ability to navigate complexities, leading to consistent growth and enhancing its future prospects.

Over the years, we have significantly enhanced client engagement and experience through the digitization of our processes and the augmentation of our technological platform. We launched our mobile application for broking services in 2024 and implemented KYC authentication and complete client onboarding through electronic and digital mediums in 2020. We provide our broking services by placing orders on behalf of our clients and through a web-based mobile application, which are integrated to enable a seamless trading and investment experience. This positions us to benefit from the development of the Indian financial market, the increased emphasis on digitalization, and the growth in returns from such financial investments.

Our goal is to enhance our brokerage operations and market position by implementing a multi-faceted strategy. To boost trades and transactions, we intend to enhance our trading platforms, offer advanced trading tools, and promote high-volume trading with incentives. Increasing retail broking revenues will involve exploring diversified revenue streams and optimizing our fee structure. Additionally, we intend to focus on market making for SME companies to improve liquidity and trading volumes, thereby attracting more investors. Our implementation plan includes assessing current operations, integrating advanced technology, launching client engagement strategies, and continuously monitoring and optimizing performance. By addressing these areas, we seek to expand our client base, drive trading activity, increase revenues, and strengthen our overall market presence.

Our company benefits from an experienced management team with extensive experience in the Indian financial services and broking sectors. This experienced leadership has been a driving force behind our comprehensive business growth. Each member of our senior management team brings significant expertise to our operations. Our Promoters, Mr. Hitesh Himatlal Lakhani and Mr. Rajendra N Shah, each have over 15 years of experience in the broking industry and are the founders of Rikhav Securities Limited. Their industry knowledge and strategic vision have been instrumental in shaping our company's success. Additionally, Mr. Monil Rajendra Shah, another Promoter, has 3 years of experience in stock broking and mutual fund distribution. Their visionary strategies and leadership enable us to effectively anticipate, guide, manage, and develop key aspects of our business operations. They also help us leverage customer relationships to drive further growth. For a detailed overview of our management team and our promoters, please refer to the chapters titled “*Our Management*” and “*Our Promoter and Promoter Group*” on pages 174 and 188 of this Prospectus. We attribute our success to their sustained efforts in process improvements, and expanding our operational scale. We believe that the combined experience and industry insight of our management team, along with their expertise in regulatory affairs, sales, marketing, and finance, position us to capitalize on both current and future market opportunities.

Over the past three Fiscals, our business has grown significantly, as evidenced by the following operational and financial performance metrics for the specified periods.

As per Restated Consolidated Financial Information:

(₹ in Lakhs, otherwise mentioned)

| Key Financial Performance | September 2024 | 30, March 31, 2024 | March 31, 2023 | March 31, 2022 |
|---|----------------|--------------------|----------------|----------------|
| Revenue from Operations ⁽¹⁾ | 9,285.81 | 10,416.17 | 4,946.76 | 3,549.91 |
| EBITDA ⁽²⁾ | 6,271.77 | 4,824.87 | 2,337.52 | 1,832.45 |
| EBITDA Margin (%) ⁽³⁾ | 67.54% | 46.32% | 47.25% | 51.62% |
| PAT | 5,037.32 | 4,264.63 | 1,957.17 | 1,762.47 |
| PAT Margin (%) ⁽⁴⁾ | 54.25% | 40.94% | 39.56% | 49.65% |
| Return on equity (%) ⁽⁵⁾ | 30.85% | 36.60% | 22.91% | 26.29% |
| Return on capital employed (%) ⁽⁶⁾ | 30.66% | 29.48% | 26.68% | 28.07% |
| Debt-Equity Ratio (times) ⁽⁷⁾ | 0.14 | 0.35 | 0.10 | 0.20 |
| Net fixed asset turnover ratio (times) ⁽⁸⁾ | 43.01 | 51.01 | 23.72 | 40.01 |

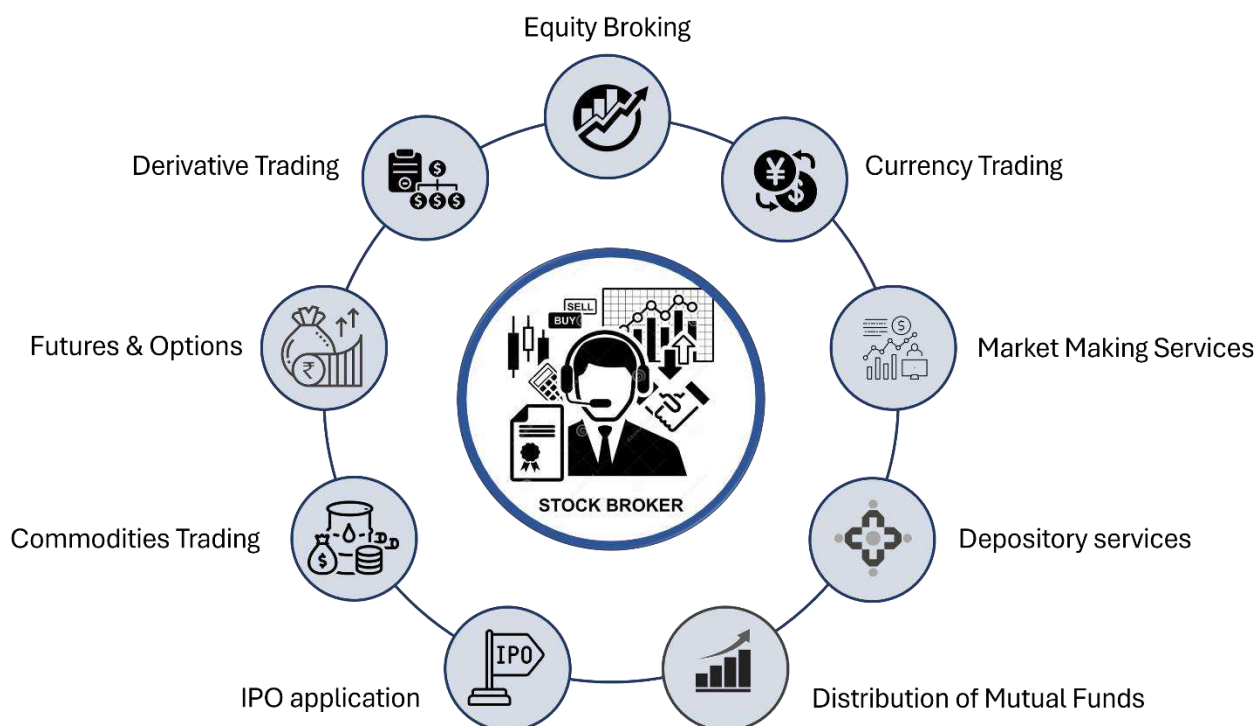
*As certified by M/s. Mundra & Co, Chartered Accountants, by way of their certificate dated January 01, 2025.

Notes:

- 1) Revenue from operation means revenue from sale of our products
- 2) EBITDA is calculated as Profit before tax + Depreciation + Finance Costs – Other Income
- 3) EBITDA Margin is calculated as EBITDA divided by Revenue from Operations
- 4) PAT Margin is calculated as PAT for the period/year divided by revenue from operations
- 5) Return on Equity is calculated by comparing the proportion of net income against the amount of average shareholder equity
- 6) Earnings before interest and taxes (EBIT) / Capital employed
- 7) Debt to Equity ratio is calculated as Total Debt divided by equity
- 8) Revenue from operation/Net fixed Asset

Our Business Verticals

Our business verticals are set out below:



1. STOCK BROKING

Our company is engaged in the business of trading of shares, stocks, forex, arbitrage business including Brokerage business, which comprises of equity brokerage (Cash and Derivatives segment), currency brokerage and clearing services.

1) Equity Broking:

Our Company is a member of NSE and BSE in the cash equities and derivative segments. We have also started providing trading facilities on mobile through “**Rikhav Plus App**”. The clients using this application have access to real time quotes, personalized portfolio tracking tools, charting and quote applications, real time market commentary and news. Our digital trading platforms, industry expertise, robust tools and honest personalized services help clients in doing their activities efficiently & effectively. We cater to the needs of our clients i.e. corporate, high net worth individuals (both resident and non-resident Indians), and retail investors in the secondary market segments (Cash, F&O and CD). We set our retail brokerage fees based on a number of factors, including customer transaction volumes and product types. Our Company is also engaged in making proprietary investments in various tradable securities.

We provide personalized trade and execution services along with real time information to our clients. Our trading volumes for the year ended on September 30, 2024 are as follows:

| Stock Exchange | Trading Volumes* | | | |
|----------------|-----------------------------|------------------------------|------------------------------|------------------------------------|
| | Cash Equities (₹ Crores) | Equity Futures (₹ Crores) | Equity Options (₹ Crores) | Currency Derivatives (₹ Crores) |
| BSE | 675.81 | 15.73 | 51.34 | 0.00 |
| NSE | 4,443.86 | 37,766.07 | 9,792.30 | 1,317.14 |

*As certified by AHSP & Co. LLP, Chartered Accountants, by way of their certificate dated January 01, 2025.

2) Derivatives Trading:

Our Company is a member of NSE and BSE in the derivative segments. Under this segment, we allow our clients to perform futures trading as well as options trading for higher growth rates. Derivatives market allows conducting

transactions without actually selling shares. The derivative market offers products that allow to hedge investors against a fall in the price of shares that investors possess.

The term ‘Derivative’ signifies that it has no independent value. A futures contract being a type of derivative is an agreement between 2 parties to buy or sell an asset at a certain price and time in the future. In simple terms, a stock futures contract enables the purchase or sale of a stock at a preset price for delivery on a later date. When you own less capital and seek to purchase more shares is the simple meaning for the term “F&O Trading”. The Authorised exchanges like NSE and BSE offer Futures and options on stocks and Indices in the Indian financial markets. F&O is nothing but Futures and Options. These markets are called Hedging markets. The term hedging has a simple meaning with the explanation of a cover that helps you prevent your losses in the equity/cash market. We invest in both securities and derivatives, currency with sufficient liquidity. The investment strategies are mostly to earn arbitrage gain done based on analysis and investment rationale.

Types of Derivatives:

| | |
|-------------------------------|---|
| Forwards & Futures | Finances that obligate the buyers to purchase an asset at a pre-agreed price on a specified future date. |
| Options | Options provide the buyer of the contracts the right, but not the obligation, to purchase or sell the underlying asset at a predetermined price. |
| Swap | Swaps are derivative contracts that allow the exchange of cash flows between two parties. The most popular types of swaps are interest rate swaps, commodity swaps, and currency swaps. |
| Warrants | A warrant is a derivative instrument which gives the warrant-holder a right to buy the underlying stock at a pre-determined strike price. |

3) Currency Trading

Our Company is a member of National Stock Exchange – Currency Derivatives and Bombay Stock Exchange. We Offers currency trading, leveraged currency trading, arbitrage desk & currency hedging solutions for investors, traders, arbitrageurs & hedgers We provide trading facilities to our clients in various currencies such as USD, EUR, JPY and GBP.

Currency Trading normally done with the objective of making profits. Forex trading is the largest market in the world. All currency trading is done in pairs. Quite different from the stock market, where you can buy or sell a single stock, you have to buy one currency and sell another currency in the Forex market. Nearly all currencies are priced out to the fourth decimal point. In simple terms, the objective of trading Forex online is to make money. Big Corporations sometimes use it to offset a contract or future purchase that they plan to make. Retail traders tend to book their profits from the different value of the currencies over a period of time.

4) Clearing Services

We are registered as a clearing member on NCL (Equity, Equity Derivative, and Currency Derivative segments) and ICCL - BSE (Equity Segment). We provide self-clearing services across various segments of the exchanges. We believe that the relationships we establish through our clearing services with different trading members on both stock exchanges have helped us improve our brand recognition and allow for the cross-selling of our financial products.

2. DEPOSITORY SERVICES

Our Company offers depository services to our broking customers as well as to non-broking customers, as a value-added service. We also offer depository facility to our Equity trading clients as a part of integrated service offering through CDSL, where our company is registered as Depository participant. In simple words, the Depository Participant (DP) is the link between the depository (CDSL) and the investors. We have a client base of more than 18,400 active customers in our Depository.

The Depository is mainly concerned with the objective of reducing the settlement risk by ensuring the seamless operations involved in trading, settlement, and transfer of the Securities. We offer depository facility to our equity trading clients as a part of integrated service offering through CDSL, where our Company is registered as depository participant. The effective management of transactions by skilled professionals has helped out our Company to gain the trust of the clients over the years as depicted below.

3. MARKET MAKER

Our Company is engaged in the business of market making and as Market Makers our Company facilitate the issuer companies viz. companies to list their securities on the SME Exchanges with buying and selling of their securities, at the time of initial public offers. Our Company obtained the registration as Market Maker from the BSE in the year 2012 and from NSE in the year 2016. Market Making is an act of providing liquidity to scrips by way of two-way quotes on the counter. Our Company creates liquidity in the market as Marker Maker, for the companies which are intending to list on the Stock Exchanges.

4. DISTRIBUTION OF MUTUAL FUNDS

At Rikhav Securities Limited, we distributing a wide range of mutual funds, including equity, debt, hybrid funds, and tax-saving ELSS schemes. Our services are designed to provide comprehensive support throughout the investment process, with a centralized platform for accessing multiple mutual fund schemes and regular updates on portfolio performance. By leveraging our extensive network and relationships with high-net-worth individuals and corporates, we effectively market and distribute mutual fund products.

5. IPO APPLICATION

We as a Registered Stock Broker under the SEBI (Stock Brokers and Sub-Brokers) Regulations, 1992 provide service of applying for active Initial Public Offers to our clients. Our clients can apply for active initial public offers through our website- <https://ipo.meon.co.in/rikhav>. Apart from the services mentioned above we are also engaged in making proprietary investments in various tradable securities with the strategy to earn arbitrage gain done based on analysis and investment rationale.

Revenue Bifurcation

The table below illustrates our revenues from these business verticals for the last three financial years:

As per Audited Financial Statement:

(₹. in Lakhs)

| Particulars | Revenues Bifurcation* | | | | | | | |
|---------------------------------|-----------------------|---------------|------------------|---------------|-----------------|---------------|-----------------|---------------|
| | September 30, 2024 | | March 31, 2024 | | March 31, 2023 | | March 31, 2022 | |
| | Amount | % | Amount | % | Amount | % | Amount | % |
| Brokerage & Commission Fees | 387.61 | 4.17 | 781.21 | 7.51 | 707.08 | 14.56 | 618.61 | 17.54 |
| Market Making Annual Fees | 44.30 | 0.48 | 71.75 | 0.69 | 41.26 | 0.85 | 15.71 | 0.45 |
| Demat Operation | 32.30 | 0.35 | 31.79 | 0.31 | 26.55 | 0.55 | 53.49 | 1.52 |
| Revenue from Trading Income | 6,460.98 | 69.48 | 5,194.87 | 49.93 | 3,582.67 | 73.78 | 1,536.89 | 43.58 |
| F&O and Currency Trading Income | 2,341.41 | 25.18 | 4,279.39 | 41.13 | 441.78 | 9.10 | 1,249.18 | 35.42 |
| Others | 32.86 | 0.35 | 45.63 | 0.44 | 56.88 | 1.17 | 53.09 | 1.51 |
| Total | 9299.46 | 100.00 | 10,404.64 | 100.00 | 4,856.21 | 100.00 | 3,526.96 | 100.00 |

*As certified by M/s. AHSP & Co. LLP, Chartered Accountants, by way of their certificate dated January 02, 2025.

Our Strengths

We believe that the following competitive strengths have contributed to our business growth and will continue to drive our success.

a) Long term relationship with the clients

Long term client relationships provide the foundation for our business. Our dedicated focus on client coverage and our ability to provide timely solutions and faster resolution of customer complaints, if any, has helped us to establish long-term relationships with High-net-worth clients thereby leading to long term sustainable and scalable business operations. This key strength has helped us to receive repeat business from our clients and provide us with an advantage in attracting better brokerage fees and commissions. We also believe that because of our timely trade execution, competitive pricing and customer service, we enjoy goodwill amongst our customers.

Our ability to attract and retain client is broadly a result of our customer centric approach and service. Our dedicated client service constitutes a fundamental aspect of our value proposition to our investors. We believe that a seamless digital onboarding process, efficient service execution, and robust grievance resolution mechanisms are the pillars of our client centric value proposition.

b) An integrated financial services platform

We are engaged in broking services across segments like - Equity, Derivatives, Commodity and currency. We have membership of NSE - equity, derivative and currency segments and membership of BSE for the equity segment. We also have a membership of MCX for commodity clients. We are the Depository Participant of CDSL (Central Depository Services Limited) and Market Making of SMEs Companies. We believe that our wide range of services enables us to build stronger relationships with our clients and increase business volumes of our company. We continue to explore opportunities to build new businesses and widen our portfolio by adding other services, where we can leverage our experience. We believe that our presence in diverse lines of business of financial services enables us to mitigate risks arising from product and client concentration.

c) Risk management system

We have established general risk management procedures for trading activities, including instruments, strategies, position and trading limits for trading desks, business units and/or individual traders, periodic stress testing and cash flow. We have also positioned resources in terms of people, technology and processes to manage our risk management. We periodically review and modify the procedures as necessary or appropriate. Our management team analyses this data in conjunction with our risk management policies and takes appropriate action where necessary to minimize risk. These procedures cover our internal control system, customer margin requirement and risk management of relationship members.

d) Experienced management team with proven execution capabilities

Our Company is managed by a team of competent personnel having knowledge of core aspects of our business. Our promoters' viz. Our Promoters Mr. Hitesh Himatlal Lakhani and Mr. Rajendra N Shah with their knowledge and experience are well assisted by our young professional directors Mr. Monil Rajendra Shah and other Key Managerial Persons supported by our management team's collective experience and capabilities, which enable us to understand and anticipate market trends, manage our business operations and growth, leverage customer relationships, and respond to changes in customer preferences. We believe that the knowledge and experience of our promoters, along with the team of skilled personnel, provide us with a significant competitive advantage. We believe that our experience, knowledge and human resources will enable us to drive the business in a successful and profitable manner.

Our Strategies

We strive for complete transparency and satisfaction of our clients with an unwavering thrust and focus on professional excellence and integrity. We will focus on increasing our customer base in all our products, give them a platform of choice to transact and support them with quality research as well as on capturing the significant growth opportunities across the Indian financial services spectrum. Our key strategic initiatives are described below:

a) Augment our fund based capacities for stock broking and allied activities

Our company is proposing a strategic approach to market making services that combines fee-based revenue generation with strategic investment opportunities. By providing market making services, we will earn fees based on our role in facilitating trading activity and maintaining liquidity in the market. In addition to this, we plan to invest our funds in the companies for which we offer market making services. This dual approach enables us to benefit from early-stage investment opportunities while also supporting market liquidity. As we expand the number of companies in our market making portfolio, our fee-based revenue will increase, enhancing our ability to onboard additional companies. This scalability provides us with a unique competitive advantage over new entrants in the capital market. Additionally, we propose entering into market making agreements with companies whose IPOs are managed by merchant bankers. This strategic alignment will help ensure that our investments are well-positioned within the capital markets.

Our company intends to expand its operations by adding a new sector to its business profile focused on Margin Trading Facility (MTF) and aims to maintain an MTF book. We have already received certifications from both exchanges, namely BSE Limited (dated July 17, 2017), and are in the process of applying for certification from NSE. We plan to launch our services using the proceeds from the upcoming IPO.

For further details regarding the capital being raised through this Issue, please refer to section “*Objects of the Offer*” on page 94 of this Prospectus. We intend to focus more on Institutional and HNI broking as well as executing more block deals.

b) Hiring and retaining talented employees

We constantly intend to continue our focus on providing healthy and comfortable work climate for our employees and provide various programs and benefits for the personal well-being and career development. Employees are essential for the success of every organization. As part of our business strategy, we are focused on attracting and retaining high quality talent as we continue to expand our service offering. We have recruited and retained talented employees from a variety of backgrounds. We expect to continue to attract talented employees through our retention initiatives. We intend to invest adequate time and resources for training our employees, which we believe would foster mutual trust, improve the quality of our services and place further emphasis on continued retention.

c) Embrace Technological Advancements

To maintain our risk management system and reduce operational errors, we need to be well-equipped with the latest software and hardware available in the market. Our investment in technology will help us achieve economies of scale as we expand our product and service offerings. To ensure operational efficiency and mitigate risk, we have established a dedicated data center at our corporate office and invested in high-performance trading software. We have entered into agreements with technology partners to set up our network and provide servers and desktops. By leveraging these technologies, we aim to enhance our risk management capabilities and streamline operations as we grow.

The adequate and efficient servers and network is key for success in the market making and stock broking business. Although our Company has adequate numbers of servers and laptops that are commensurate with our current operation size, but our Company intends to invest in additional resources for enhancing and advancing the technology to cater to the existing clients and to be equipped for adding more clients.

d) Focus on risk management

Since our Company is dealing in the financial services, risk management is of utmost importance. Our Company intends to monitor and control risk exposure through financial, credit, operational, compliance and legal reporting systems based on mandatory regulatory requirements and as per our business needs. Our Company plans to further strengthen our risk management procedures by evaluating and managing the market, credit and other risks to which we are exposed, as well as protecting our reputation in the market.

Since the beginning, the plan of our Company has been in pursuing the most economical model in every aspect. This helps us to achieve operational efficiency. We believe that investment in technology and automation tools can improve team productivity, enabling our people to handle more transactions and challenges and improve the quality of services that are being rendered.

e) Entering into new geographies

We are currently located in Mumbai, Maharashtra and Gujarat. Going forward we plan to establish our presence in the western and central region and we intend to set up branch offices in major cities. Our emphasis is on expanding the scale of our operations as well as growing our network across India, which we believe will provide attractive opportunities to grow our client base and revenues.

f) Grow our fee-based revenues

Our objective is to diversify revenue streams and reduce reliance on transaction-based income. We plan to expand our offerings by enhancing our distribution of third-party mutual fund schemes, and establishing a market-making function for fixed income securities focused on SME companies. This initiative will not only provide liquidity in the market but also allow us to capture spreads, contributing significantly to our revenue. Additionally, we will introduce more diverse investment portfolios, encompassing equity, fixed income, and alternative assets to cater to varying client risk appetites and investment goals. Through these strategies, we aim to create a more resilient and comprehensive revenue model that fosters increased client loyalty and strengthens our market position.

g) Optimize operational efficiencies

Since the beginning, the thrust of our Company has been in pursuing the most economical model in every aspect of manpower and installations to enable ourselves to achieve operational efficiencies. We shall continue to invest in

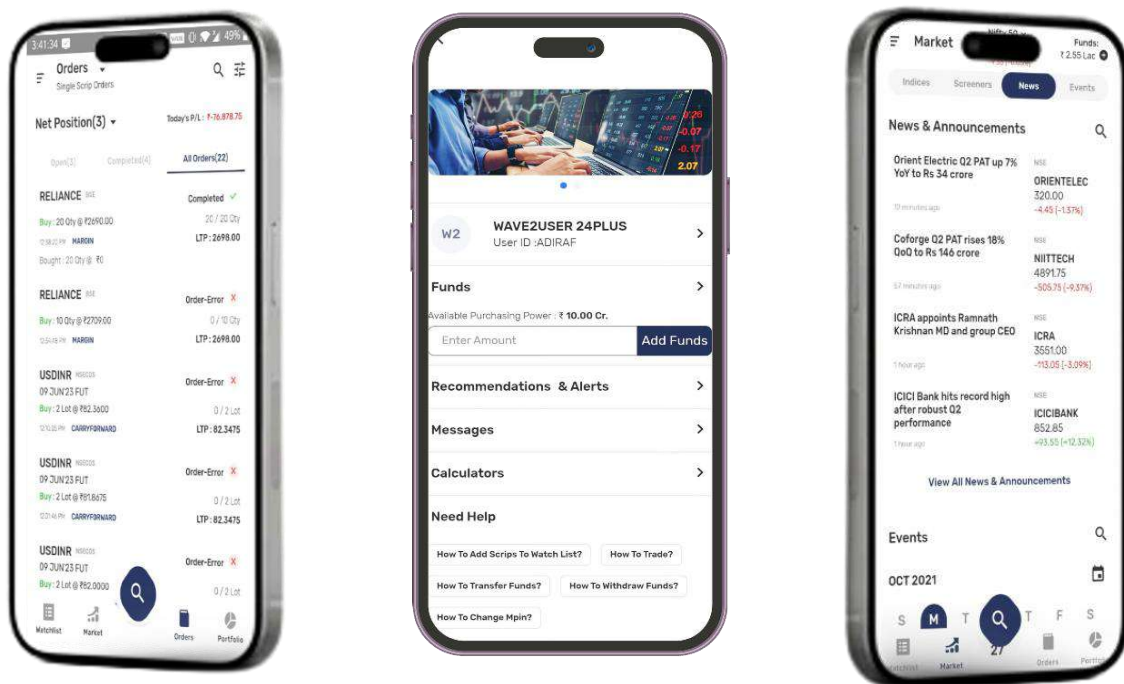
technology and related platforms to increase our operational efficiencies. We believe that investment in technology / automation tools can improve staff productivity, enabling our people to handle more transactions / challenges and improve quality of services.

Our Trading Platform

Rikhav Plus Mobile (ODIN App):

Rikhav Plus Mobile Application provides a platform for our clients' trading and investment requirements. The application enables clients to maintain a comprehensive portfolio management for an individual and family members. Through the Rikhav Plus Mobile Application, our clients may trade in equity, futures and options, currencies across stock exchanges, make investments in mutual funds. The application provides live market updates enabling our clients to make real-time trading decisions and execute such trades in a seamless manner. Provides weekly high low – along with monthly and 52 - week high low of all scripts.

The application provides technical chart indicators and overlays to help clients analyse different aspects of the securities. Rikhav Plus App helps to trade conveniently on one go. keeps user updated with latest stock news, trade in forex, shares, derivatives, create multiple and personalized watchlist and also watch mutual fund data. Rikhav Plus App is based on SPT (Secure, Protected, and Trusted). users can store their data with full security. we have added authentication procedure for extra layer of security on a trusted platform which is SEBI registered. Some of the features of mobile application are as follows: https://play.google.com/store/apps/details?id=com.wave.rikhavplus&pcampaignid=web_share



Trade Easy:

Consolidated Scrip Overview - User can access information of all scrip across different exchanges with real time market depth, bids and offers, charts and 52-week low and high price.

Clean and simple UI - Easy search and simple navigation that helps users streamline trading activities in a few clicks.

Customizable Watchlist - Users can customize their watchlist that will help them to keep a track of all the scrips that they are interested in.

Trade Fast:

Quick order Placement – Buying and selling from different places i.e.- Scrip overview, orderbook, portfolio and watchlist.

Price Alerts - Users get notified when exchanges indexes and spots reach target price.

Holding Alerts - Timely updates when there is up and down in holdings.

Trade Secure:

Secure – Secure retrieval and storage of data.

Protected – Security authentication that adds another layer of security to prohibit unauthorized access.

Trusted – A trusted platform which is SEBI regulated.

ODIN DEALER:

ODIN DEALER is a multi-client coordination system designed to streamline operations across various client codes. This method allows a single dealer to efficiently manage and implement updates, features, and maintenance for multiple clients simultaneously.

ODIN DEALER is a multi-client coordination system designed to streamline operations across various client codes. This system enables a single dealer to efficiently manage and implement updates, features, and maintenance for multiple clients simultaneously.

By centralizing management, ODIN DEALER simplifies the complexities associated with handling multiple clients, ensuring that all clients receive consistent updates and features at the same time. This approach not only optimizes resource allocation but also enhances communication between the dealer and clients, allowing for quicker responses to issues and updates. Additionally, the system facilitates scalability, making it easier to onboard new clients or features without overwhelming the dealer. With centralized data from multiple clients, ODIN DEALER also provides valuable insights and analytics for informed decision-making.

ODIN DIET:

The ODIN DIET approach focuses on single-client operations, allowing developers to maintain a dedicated codebase for each project. This method is ideal for projects that require personalized attention and tailored solutions. By prioritizing individualized client interactions, the ODIN DIET framework fosters deeper collaboration and greater flexibility in responding to client feedback and evolving needs. This ultimately leads to more effective and satisfying outcomes, enhancing the client-developer relationship.

Business Related Software

The details of software are mentioned below:

| Software name | Supplier Company | Usage | Version | Registration Date | Expiry/ Renewal Date |
|-------------------------------------|--|-----------------------|----------------|--------------------|----------------------|
| ATINS | Multitrade Softech Private Limited | Algo Trading Software | 3.0.0. E | September 30, 2020 | Renewed Monthly |
| ODIN Client, ODIN Diet, Mobile Wave | 63 Moons Technologies Private Limited | Trading Software | 10.0.5.0 ED | November 01, 2008 | Renewed Annually |
| GETS | Greeksoft Technologies Private Limited | Algo Trading Software | 5.0e | October 01, 2018 | Renewed Monthly |
| XTS, XTS Web Trader | Symphony Fintech Solutions Private Limited | Trading Software | 2.0.0.1_P160_1 | March 01, 2024 | Renewed Annually |
| TECHEXCEL | Techexcel Software Solutions Private Limited | Backoffice | Ver No.22.06P | November 01, 2008 | Renewed Annually |

Risk Management

We have an established risk management and surveillance policy for all our businesses to manage and mitigate the risks, we are exposed to. Our risk management systems are fully integrated with our electronic brokerage platform, which allows us to manage our risks in real time by tracking trigger prices for every customer position with a margin. This integration allows us to dynamically change margin requirements based on trading volume, improve pricing of margin products, and/or provide our customers with higher leverage.

Our risk management system monitors our market exposure on the basis of the total margin collected from clients, the total margin deposited with the exchanges and the lines of credit available from the banks. Our management team analyses this data in conjunction with our risk management policies and takes appropriate action where necessary to minimize risk.

Compliance

Sector in which our company is highly regulated and our Company has skilled employees and technologies in place to fulfil our statutory obligations towards market regulators and the clients. Our Board, through the Audit Committee, oversees our compliance framework. We have adopted various policies and procedures related to internal compliance, including a code of practice and procedure for fair disclosure of unpublished price sensitive information, an anti-money laundering policy and vigil mechanism policy etc. These policies have been adopted to ensure compliance with relevant laws and applicable regulatory guidelines issued by the relevant regulatory, statutory and enforcement authorities, from time to time. We have a standard process of identifying and addressing compliance risks and regularly review our policies and procedures related to internal compliance.

Information Technology

We believe that an appropriate information technology infrastructure is important in order to support the growth of our business. Information technology has changed and will continue to change the ways that securities and other financial products are marketed, traded, distributed and settled. This creates both opportunities and challenges for our business. Our IT capability is critical to the efficient operation and performance of our businesses. We have devoted substantial strategic resources to IT, continued to innovate in IT for the Indian securities industry. We are committed to the ongoing development, maintenance and use of IT in various business activities. We expect technology developments to greatly improve client service quality through increased connectivity and the provision of customized value added products and services. We also expect technology developments to improve our trading, execution and clearing capabilities, improve our sales targeting, aid us in effectively managing our risks and improve our overall efficiency and productivity.

Customers, Sales and Marketing

We will focus on providing timely and high-quality services to our existing clients. This includes regular communication, personalized support, and proactive engagement to anticipate their needs, our commitment to transparency, prompt query resolution, and reliable delivery remains central to our marketing strategy. We will focus on two key phases: first, enhancing business with existing clients by strengthening relationships through timely, high-quality services that foster trust and encourage repeat business; second, expanding our reach to High Net Worth Individuals (HNIs) by offering tech-based trading solutions tailored to their needs. To achieve this, we plan to establish a dedicated in-house development team that specializes in creating customized trading solutions for HNI clients who rely on proprietary trading algorithms. This approach leverages our strengths and positions us to meet evolving market demands.

Competition

We face competition from other broking outfits spread throughout the country. The market for our services are highly competitive. We compete with a number of entities that provide similar services in each of the business lines in which we operate. We compete on the basis of a number of factors, including depth of client relationships, service offerings, reputation, service quality, reliability, price and convenience. Our strengths are our customized brokerage plans, extensive technical and fundamental research support, efficient and reliable risk management systems. We firmly believe that in spite of intense competition, we can create a space for ourselves by offering our clients with all the financial services including Equity, Equity Derivatives, Currency Derivatives and Mutual Funds at attractive prices under one roof.

Human Resource

We believe that our employees are key contributors to our business success. We focus on attracting and retaining the best possible talent. Our Company looks for specific skill-sets, interests and background that would be an asset for its kind of business.

As on September 30, 2024, we have around 394 personnel on our payroll to look after the day-to-day business operations, administrative, secretarial, legal and accounting functions in accordance with their respective designated duties. The department wise break – up of such personnel are as follows:

| Sr. No | Category | No of Employees |
|---------------|-----------------------|------------------------|
| 1. | Arbitrage & Operation | 311 |

| Sr. No | Category | No of Employees |
|--------------|-------------------------|-----------------|
| 2. | Dealing | 17 |
| 3. | Accounts & Billing | 12 |
| 4. | Admin & Human Resource | 11 |
| 5. | RMS Department | 09 |
| 6. | Sales & Marketing | 08 |
| 7. | Compliance & Legal | 07 |
| 8. | Demat & Account Opening | 05 |
| 9. | Taxation | 05 |
| 10. | DP Department | 04 |
| 11. | IT Department | 04 |
| 12. | Management Trainee | 01 |
| Total | | 394 |

Export and Export Obligations

As on the date, we do not have any export obligation.

Collaboration

As on date of this Prospectus, our Company has not entered into any technical or financial collaboration agreements.

Insurance

Operating our business involves many risks, which, if not insured, could adversely affect our business and results of operations. We maintain insurance coverage that we consider customary in the industry against certain of the operating risks. We constantly evaluate the risks in an effort to be sufficiently covered for all known risks. We believe that the amount of insurance coverage presently maintained by us represents an appropriate level of coverage required to insure our business and operations and is in accordance with the industry standard in India.

Properties


Following Properties are owned / taken on lease / license by our company:

| Sr. No. | Date of Lease and License | Lessor/ Owner | Address | Period of Lease/ Rented /Owned | Area | Monthly Ren | Purpose |
|---------|---------------------------|--|--|--------------------------------|------------------------|--|-------------------|
| 1. | February 08, 2013 | BSE Limited | Office No. 922 - A, 9 th Floor, P. J. Towers, Dalal Street, Fort, Mumbai - 400 001, Maharashtra, India. | Perpetual | 100 sq. ft | Rent ₹ 1/- per month and Maintenance including Property tax will be charged@ ₹ 20/- per month per sq. ft. and increases from time to time. | Registered Office |
| 2. | August 26, 2024 | Rikhav Insurance Brokers Private Limited | B - Wing, Office No. 501 & 502, O2 Commercial Building, Asha Nagar Park Road, Mulund West, Mumbai - 400 080, Maharashtra, India. | 36 Months | 3,659.73 Sq. ft | ₹ 1,50,000/- | Corporate Office |
| 3. | December 20, 2024 | Ms. Bharti Hitesh Lakhani | B - 34/35/36 Matruchhaya, Sarojini Naidu, | 60 Months | 1,202.00 Square Metres | Total Rent ₹ 1,20,000 | Branch Office |

| Sr. No. | Date of Lease and License | Lessor/ Owner | Address | Period of Lease/ Rented /Owned | Area | Monthly Ren | Purpose |
|---------|---------------------------|----------------------------|---|--------------------------------|---------------|-------------|----------------|
| | | | Road, Mulund (W) Mumbai 400080, Maharashtra, India | | | | |
| 4. | December 10, 2024 | Mr. Devendra Parasmal Jain | 1589/0, Paras Bhavan, Survey No. 3422, situated at Sutharwad, Opp L.R. Palace Building, Siddhanath Mandir Road, Nehru Street, Vapi Town, Vapi – 396191, Dist. Valsad, Gujarat, India. | 36 Months | 250.00 Sq. ft | ₹ 3,000/- | Virtual Office |

Intellectual Property

Trademarks / patents / copyright/registered/objected/abandoned in the name of our company:

| Sr. No | Brand Name/Logo Trademark | Class | Trademark Registration Number | Owner | Date of Validity | Authority | Status |
|--------|---|-------|-------------------------------|---------------------------------|---|------------------------------|------------|
| 1. |  | 36 | 1928014 | M/s. Rikhav Securities Limited, | From February 26, 2020 to February 26, 2030 | Trade Marks Registry, Mumbai | Registered |

Domain:

| Sr. No | Domain Name and ID | Sponsoring Registrar and ID | Registrant Name, ID and Address | Creation Date | Registry Expiry Date |
|--------|--|-----------------------------|---------------------------------|-------------------|----------------------|
| 1. | www.rikhav.net | 699781333_DOMAIN_NET VRSN | GoDaddy.com, LLC IANA ID:146 | December 07, 2006 | December 07, 2024 |

KEY INDUSTRY REGULATIONS AND POLICIES

The following description is a summary of the relevant regulations and policies as prescribed by the GoI and other regulatory bodies that are applicable to our business. The information detailed below has been obtained from various legislations, including rules and regulations promulgated by regulatory bodies, and the bye laws of the respective local authorities that are available in the public domain. The regulations set out below may not be exhaustive and are merely intended to provide general information to the shareholders and neither designed, nor intended to substitute for professional legal advice. For details of government approvals obtained by us, see the section titled “Government and Other Approvals” on page 236 of this Prospectus.

THE COMPANIES ACT

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

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

SEBI REGULATIONS

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

TAX RELATED REGULATIONS

Income Tax Act, 1961

Income Tax Act, 1961 is applicable to every Domestic / Foreign Company whose income is taxable under the provisions of this Act or Rules made under it depending upon its “Residential Status” and “Type of Income” involved. U/s 139(1) every Company is required to file its Income tax return for every Previous Year by 31st October of the Assessment Year. Other compliances like those relating to Tax Deduction at Source, Advance Tax, Minimum Alternative Tax and like are also required to be complied by every Company.

Goods and Service Tax Act, 2017

The Central Goods and Services Tax Act, 2017 is an Act to make a provision for levy and collection of tax on intra-State supply of goods or services or both by the Central Government and for matters connected therewith or incidental thereto. In line with CGST Act, each state Governments has enacted State Goods and Service Tax Act for respective states. Goods and Services Tax (GST) is a comprehensive indirect tax on manufacture, sale and consumption of goods and services throughout India to replace taxes levied by the central and state governments on goods as services. This method allows GST-registered businesses to claim tax credit to the value of GST they paid on purchase of goods or services or both as part of their normal commercial activity. The mechanism provides for two level taxation of interstate and intra state transactions. When the supply of goods or services happens within a state called as intra-state transactions, then both the CGST and SGST will be collected. Whereas if the supply of goods or services happens between the states called as inter-state transactions and IGST will be collected. Exports are considered as zero-rated supply and imports are levied the same taxes as domestic goods and services adhering to the destination-based taxation principle in addition to the Customs Duty which has not been subsumed in the GST.

Customs Act, 1962

The provisions of the Customs Act, 1962 and rules made there under are applicable at the time of import of goods i.e. bringing into India from a place outside India or at the time of export of goods i.e. taken out of India to a place outside

India. Any Company requiring to import or export any goods is first required to get it registered and obtain an IEC (Importer Exporter Code) in terms of provisions of the Foreign Trade Development and Regulation Act, 1992. Imported goods in India attract basic customs duty, additional customs duty and cesses in terms of the provisions of the Customs Act, 1962, Customs Tariff Act, 1975 and the relevant provisions made thereunder. The rates of basic customs duty are specified under the Customs Tariff Act 1975. Customs duty is calculated on the assessable value of the goods. Customs duties are administrated by Central Board of Indirect Taxes and Customs under the Ministry of Finance.

State Tax on Profession, Trades, Callings and Employment Rules, 1975

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

BUSINESS/TRADE RELATED LAWS/REGULATIONS

Industry Specific Regulations

The Securities and Exchange Board of India Act, 1992

The Securities and Exchange Board of India Act, 1992 (“SEBI Act”) provides for the establishment of the Securities and Exchange Board of India to protect the interests of investors in securities and to promote the development of, and to regulate the securities market and for matters connected therewith or incidental thereto by such measures as it thinks fit. Through the SEBI Act, the Board can conduct enquiries, investigations, audits and inspection of stock exchanges, mutual funds, intermediaries including stock brokers, self-regulatory organizations and other persons associated in the securities market. It also has the authority to undertake cease and desist proceedings, adjudicate offences and impose penalties under the SEBI Act.

Securities and Exchange Board of India (Intermediaries) Regulations, 2008

In order to interpose between issuers and investors, SEBI has recognized many types of capital market intermediaries in India. Intermediaries such as merchant bankers, underwriters, debenture trustees, bankers to an issue, registrars to an issue and share transfer agents and portfolio manager are the intermediaries that function inter alia in the primary markets. Regulating and registering the working of such intermediaries forms an essential function of the SEBI. SEBI implements the SEBI (Intermediaries) Regulations, 2008 which entails a multi-stage process of registration, supervision through on-site and off-site inspections, and enforcement through initiation of adjudication, enquiry against violations of rules and regulations and prosecutions.

Securities Contracts (Regulation) Act, 1956

The Securities Contracts (Regulation) Act, 1956 (“SCRA”) seeks to prevent undesirable transactions in securities by regulating the business of stock exchanges and by providing for certain other matters connected therewith. The SCRA provides the conditions for grant of recognition to stock exchanges by the Central Government as also withdrawal of recognition. Any recognized stock exchange may, subject to the previous approval of SEBI, make bye-laws for the regulation and control of contracts which inter-alia includes:

- the opening and closing of markets and the regulation of the hours of trade;
- the fixing, altering or postponing of days for settlements;
- the determination and declaration of market rates, including the opening, closing highest and lowest rates for securities;
- the listing of securities on the stock exchange, the inclusion of any security for the purpose of dealings and the suspension or withdrawal of any such securities, and the suspension or prohibition of trading in any specified securities;

- the regulation of dealings by members for their own account; and
- the obligation of members to supply such information or explanation and to produce to the business as the governing body may require;

SEBI (Stock Brokers and Sub-Brokers) Regulations, 1992

The SEBI (Stock Brokers and Sub-Brokers) Regulations, 1992 (“Stock Broker Regulations”) govern the registration and functioning of stock brokers, sub-Brokers and clearing members. In terms of the Stock Broker Regulations, stock brokers are required to abide by a code of conduct and are subject to penalties for non-compliance of the Stock Broker Regulations. SEBI has the authority to inspect the books of accounts of stock brokers and in case of violations by the stock broker of the provisions of the SCRA, to take such appropriate action as it deems fit after giving an opportunity for hearing. Further, in case of any change in its status or constitution, the stock broker is required to obtain the prior permission of SEBI in order to continue to buy, sell or deal in securities in any stock exchange. Master Circular for Stock Brokers SEBI, from time to time, has been issuing various circulars/directions to Stock Brokers. In order to enable the Brokers to have access to the provisions of the applicable circulars at one place, SEBI issues Master Circulars. The Company has to ensure compliance with respect to the Master Circulars so issued from time to time. The latest being Master Circular dated 17th May 2023.

SEBI (Prohibition of Insider Trading) Regulations, 2015

SEBI (Prohibition of Insider Trading) Regulations, 2015 (“Insider Trading Regulations”) prohibits an insider from trading in securities that are listed or proposed to be listed on a stock exchange when in possession of unpublished price sensitive information, relating to a company or securities listed or proposed to be listed. ‘Insider’ includes a connected person or a person in possession of unpublished price sensitive information. An insider can trade in the securities of the Company by formulating a trading plan and presenting it to the compliance officer, designated by the Board of Directors for ensuring compliance with the Insider Trading Regulations, for his approval and public disclosure pursuant to which trades may be carried out by the insider in accordance with the trading plan. Every person on being appointed as a key managerial person or a director of the Company or upon becoming a promoter, shall disclose the holding of securities of the Company on the date of appointment or becoming a promoter, to the Company within 7 (seven) days from such appointment or becoming promoter. Further, every promoter, employee and director of a company shall disclose to the Company the number of such securities acquired or disposed of within 2 (two) trading days of such transaction if the value of the transaction or series of transactions over any calendar quarter exceeds a traded value of 10 (ten) lakhs or such other value as may be specified. Subsequently every Company shall notify the stock exchange on which such securities are listed within 2 (two) days of receipt of information pertaining to acquisition or disposal of securities of the Company.

Stock Exchange Rules, Regulations and Bye-laws

Further, the Company is also regulated by the rules, regulation and by-laws of the stock exchanges where it is registered as a trading member. Hence it is also governed by the rules, regulations and by-laws of the NSE and the BSE, the stock exchanges on which it is a trading member.

SEBI (Mutual Fund Regulations), 1996

The SEBI (Mutual Fund Regulations), 1996 provide for the registration of mutual fund, constitution and management of mutual funds, operation of trustees and their rights and obligations. Further they also provide for procedure for launching mutual fund schemes, manner of advertising mutual funds, liability in case a mutual fund contravenes any of the regulations or the SEBI Act, 1992.

Depositories Act, 1996

The Depositories Act, 1996 (as amended from time to time) provides for regulation of depositories in securities and other related matters. Every person subscribing to securities offered by an issuer has the option either to receive the security certificates or hold securities with a depository. All securities held by a depository are required to be dematerialized and in a fungible form. A depository after obtaining a certificate of commencement of business from SEBI can enter into an agreement with one or more participants as its agent. Any person, through a participant, may enter into an agreement with any depository for availing its services.

Depository Regulations, 2018

The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018, as amended from time to time (“Depository Regulations”) provide inter alia the eligibility criteria and the procedure for obtaining the certificate of registration to carry on business as a depository participant. They also provide the various rights and obligations of the

depository participants. On registration, the depository participant is required to adhere to a code of conduct prescribed under the Depository Regulations. The depository is deemed to be the registered owner for the purposes of effecting transfer of ownership of security on behalf of a beneficial owner. The depository does not have any voting rights or any other rights in respect of securities held by it. The beneficial owner of the securities is entitled to all the rights and benefits and is subjected to all the liabilities in respect of his securities held by a depository. Master Circular for Depositories SEBI, from time to time, has been issuing various circulars/directions to Depositories. Section 2 of the Circular pertains to Depository Participants. The Company has to ensure compliance with respect to the Master Circulars so issued from time. The latest being Master Circular dated 06th October 2023.

Master Circular for Mutual Funds

The Chapter 15 of the Master Circular for Mutual Funds dated 19th May 2023 provides inter-alia that a mutual fund shall not deal with an intermediary viz. distributors, brokers, agents etc. in relation to selling and marketing of mutual fund units unless they have cleared the certification examination conducted by National Institute of Securities Markets (NISM) and that empanelment of intermediaries by mutual funds shall be in accordance with the guidelines specified by SEBI and Association of Mutual Funds in India (AMFI).

SEBI (Certification of Associated Persons in Securities Markets) Regulations 2007

The SEBI (Certification of Associated Persons in Securities Markets) Regulations, 2007 requires the principal or employee of an intermediary to obtain a certificate for engagement with such classes of intermediaries within 2 (two) years from the date of the engagement with the intermediary if the associated person was engaged by an intermediary prior to the date specified by SEBI or within 1 (one) year from the date of the engagement with the intermediary if the associated person was engaged by an intermediary on or after the date specified by SEBI.

National Stock Exchange (Futures & Options) Trading Regulations, 2000

National Stock Exchange (Futures & Options) Trading Regulations, 2000 (“F&O segment Regulations”) regulations shall be in addition to the provisions of the Securities Contracts (Regulations) Act, 1956, the Securities Contracts (Regulations) Rules, 1957, Securities and Exchange Board of India Act, 1992 and Rules and Byelaws of National Stock Exchange of India Limited (NSEIL), as may be applicable to Trading Members and Participants. F&O segment Regulations mean the National Securities Clearing Corporation (Futures & Options Segment) Regulations and includes business rules, code of conduct and such other procedures, circulars, directives and orders as issued by the Relevant Authority from time to time thereunder.

Information Technology Act, 2000

Information Technology Act, 2000 (“IT Act”) is an Act to provide legal recognition for transactions carried out by means of electronic data interchange and other means of electronic communication, commonly referred to as “electronic commerce”, which involve the use of alternatives to paper-based methods of communication and storage of information, to facilitate electronic filing of documents with the Government agencies and others. As the company is engaged in the business as Depository Participants (“DP”), DP may provide the services of issuing the statement of demat accounts in an electronic mode if the Beneficial Owner so desires. The DP will require to furnish to the Beneficial Owner the statement of demat accounts under its digital signature, which is governed under the IT Act, 2000. However if the DP does not have the facility of providing the statement of demat account in the electronic mode, then the Participant shall be obliged to forward the statement of demat accounts in physical form.

Telecom Commercial Communication Customer Preference Regulations, 2018 (“TCCCPR-2018”) and various Directions issued thereunder

The Telecom Commercial Communication Customer Preference Regulations, 2018 (TCCCPR-2018) are a set of rules that protect customers from unsolicited commercial communications (UCC) while also allowing principal entities to send commercial messages to customers who have opted in. The Telecom Regulatory Authority of India (TRAI) notified the TCCCPR-2018 on July 19, 2018. Some guidelines for sending commercial communications under the TCCCPR-2018 include: (i) Principal entities must acquire digital consent from their consumers in coordination with their service provider, (ii) Promotional voice calls must use the 140 numbering series, while transitional and service voice calls must use the 160 numbering series, (iii) SMS headers must be reviewed, and unused headers must be surrendered, (iv) Content templates must use a limited number of variables, (v) A minimum number of aggregators (registered telemarketers) must be used, or SMS can be sent directly through the telecom service provider (TSP) and (vi) Customer data and information must be kept confidential and secure to prevent leakage and misuse.

These regulations requires all senders of commercial communication (Transactional/ Service/ Promotional Communications) - Such as Banks, Mutual funds, Insurance Companies, Mutual Funds, Stock brokers, other Financial Institutions, Corporates, Enterprises, SMEs and any entity who wishes to send commercial communication to its existing or prospective customers) shall get themselves registered with any of the Telecom Service Providers (TSPs) (referred to as an “Access Provider” in TRAI Act).

The senders of transactional communication shall be assigned 160 numbering series for making transactional and service calls to their customers but the regulations restricts the mixing of promotional /upsell/cross sell/ offer –related communication on such transactional or service calls.

National Digital Communications Policy, 2018 (the “NDCP 2018”)

The NDCP 2018 was approved by the Government on September 26, 2018. The policy seeks to support India’s transition to a digitally empowered economy and society. The NDCP 2018 aims to accomplish the following strategic objectives by 2022: (i) provision of broadband for all, (ii) creating four million additional jobs in the digital communications sector, (iii) enhancing the contribution of the digital communications sector to eight percent of India’s GDP, (iv) propelling India to the top 50 nations in the ICT Development Index published by the United Nations International Telecommunication Union, (v) enhancing India’s contribution to global value chains, and (vi) ensuring digital sovereignty.

Information Technology (Intermediaries Guidelines and Digital Media Ethics Code) Rules, 2021 (“IT Intermediaries Rules”)

The DOIT has IT Intermediaries Rules requiring intermediaries receiving, storing, transmitting, or providing any service with respect to electronic messages to not knowingly host, publish, transmit, select or modify any information prohibited under the IT Intermediaries Rules, to disable hosting, publishing, transmission, selection or modification of such information once they become aware of it, as well as specifying the due diligence to be observed by intermediaries. The IT Intermediary Rules also make it mandatory for an intermediary to publish its privacy policy, rules, and regulations on its website, and establish a grievance redressal mechanism.

The Digital Personal Data Protection Act, 2023

An Act to provide for the processing of digital personal data in a manner that recognizes both the right of individuals to protect their personal data and the need to process such personal data for lawful purposes and for matters connected therewith or incidental thereto. The Act applies to the processing of digital personal data within India where such data is: (i) in digital form; or (ii) in non-digital form and digitized subsequently. It will also apply to the processing of personal data outside India if it is for offering goods or services in India.

Data Center Policy, 2020

Indian Data Centre market has seen tremendous growth in the past decade, riding on the explosion of data through smartphones, social networking sites, ecommerce, digital entertainment, digital education, digital payments and many other digital businesses / services. This growth in data is further stimulated by adoption of emerging technologies such as quantum computing, artificial intelligence, internet of things etc. While the Data Centre sector is witnessing growth in the country, there are known impediments to its growth such as lack of infrastructure or Industry status of the Data Centres, complex clearance processes, time consuming approvals, high cost of power, lack of published standards, absence of specialized building norms for building the Data Centres, submarine cable network connectivity limited to few states and high cost of capital and operational expenditure etc. This policy aims to offset these challenges in order to accelerate the current pace of growth and propel India in becoming a global Data Centre hub.

Telemarketing Laws

The Department of Telecommunications (“DoT”) has framed telemarketing guidelines which regulate commercial messages transmitted through telecommunication services and are applicable to the telemarketing activities by our Company in relation to our business. These guidelines require any person or entity engaged in telemarketing to obtain registration from the DoT. Telemarketing guidelines were issued by the Telecom Regulatory Authority of India (“TRAI”) as the Telecom Unsolicited Commercial Communications Regulations, 2007 (the “Unsolicited Communications Regulations”). The Unsolicited Communications Regulations required telemarketers to, inter alia, obtain registration and discontinue the transmission of unsolicited commercial messages to telephone subscribers registered with a national data base established under the regulations. The Unsolicited Communications Regulations have now been replaced with the Telecom Commercial Communications Customer Preference Regulations, 2010 (the “Customer Preference Regulations”), issued by the TRAI on December 1, 2010. The Customer Preference Regulations prohibit the transmission of unsolicited commercial communication via calls or SMS, except commercial communication relating to certain categories specifically

chosen by the subscribers, certain exempted transactional messages and any message transmitted on the directions of the Government or their authorized agencies, impose penalties on access providers for any violations, require setting-up customer complaint registration facilities by access providers and provide for black listing of telemarketers in specified cases. Further, the Customer Preference Regulations prohibit the transmission of commercial messages other than between 9 a.m. to 9 p.m. Under the Customer Preference Regulations, no person, or legal entity who subscribes to a telecom service provided by an access provider, may make any commercial communication without obtaining a registration as a telemarketer from the TRAI.

Revised Guidelines for Other Service Providers, 2021 (the “Revised OSP Guidelines”)

The Department of Telecommunications, vide guidelines issued on June 23, 2021 bearing reference number No. 18-8/2020-CS-I(Pt.) has superseded the erstwhile guidelines dated November 5, 2020. The Revised OSP Guidelines provide for general and specific guidelines to be followed by OSPs and security conditions to be adhered to in its operation. An Indian company registered under the Companies Act, 2013 providing voice-based business process outsourcing services to their customers may be registered as an OSP. OSP centres in India require no prior registration and the erstwhile distinction between international and domestic OSPs has been eliminated. The Revised OSP Guidelines provide for self-regulation of operations with certain records and logs required to be maintained and to be submitted periodically to the Department of Telecommunication on request.

REGULATIONS RELATED TO FOREIGN TRADE AND INVESTMENT

The Foreign Direct Investment

The Government of India, from time to time, has made policy pronouncements on Foreign Direct Investment (“FDI”) through press notes and press releases. The Department for Promotion of Industry and Internal Trade (DPIIT), Ministry of Commerce & Industry, Government of India makes policy pronouncements on FDI through Consolidated FDI Policy Circular/Press Notes/Press Releases which are notified by the Department of Economic Affairs (DEA), Ministry of Finance, Government of India as amendments to the Foreign Exchange Management (Non-Debt Instruments) Rules, 2019 under the Foreign Exchange Management Act, 1999 (42 of 1999) (FEMA). DPIIT has issued consolidated FDI Policy Circular of 2020 (“FDI Policy 2020”), which with effect from October 15, 2020, consolidates and supersedes all previous press notes, press releases and clarifications on FDI Policy that were in force. The Government proposes to update the consolidated circular on FDI policy once every year and therefore, FDI Policy 2020 will be valid until an updated circular is issued.

The reporting requirements for any investment in India by a person resident outside India under Foreign Exchange Management (Non-Debt Instruments) Rules, 2019 are specified by the RBI. Regulation 4 of the Foreign Exchange Management (Mode of Payment and Reporting of Non-Debt Instruments) Regulations, 2019 vide notification No. FEMA. 395/2019-RB dated 17.10.2019 issued by the RBI stipulates the reporting requirement for any investment in India by a person resident outside India. All the reporting is required to be done through the Single Master Form (SMF) available on the Foreign Investment Reporting and Management System (FIRMS) platform at <https://firms.rbi.org.in>.

The FDI Policy permits foreign investment up to 100% of equity/FDI cap through the automatic route in companies that fall Pune E – Stock Broking Limited 135 under the Other Financial Services’ sector. Our Company is a stock broking company engaged in the financial services sector and is regulated by SEBI. Accordingly, foreign investment up to 100% of equity/FDI cap is permitted in our Company under the automatic route subject to compliance of certain conditions which are inter-alia as follows:

- Minimum capitalization norms, inter alia shall be subject to conditionality’s, as specified by the concerned Regulator/Government Agency.
- The financial services need to be regulated by one of the Financial Sector Regulators.
- Downstream investments by any of these entities will be subject to the extant sectoral regulations and provisions of Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2017, as amended from time to time, now being the Foreign Exchange Management (Non-Debt Instruments) Rules, 2019 read with Foreign Exchange Management (Non-Debt Instruments) Regulations, 2019

Foreign Exchange Management Act, 1999 (“FEMA”) and Regulations framed thereunder:

Foreign investment in India is governed primarily by the provisions of the FEMA which relates to regulation primarily by the RBI and the rules, regulations and notifications there under, and the policy prescribed by the Department of Promotion of Industry and Internal Trade, Ministry of Commerce & Industry, Government of India. As laid down by the FEMA

Regulations no prior consents and approvals are required from the Reserve Bank of India, for Foreign Direct Investment under the 'automatic route' within the specified sectoral caps. In respect of all industries not specified as FDI under the automatic route, and in respect of investment in excess of the specified sectoral limits under the automatic route, approval may be required from the FIF and/or the RBI. The RBI, in exercise of its power under the FEMA, has notified the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017 ("FEMA Regulations") to prohibit, restrict or regulate, transfer by or issue security to a person resident outside India and Foreign Exchange Management (Export of Goods and Services) Regulations, 2015 for regulation on exports of goods and services.

Ownership restrictions of FIIs

Under the portfolio investment scheme, the total holding of all FIIs together with their sub-accounts in an Indian company is subject to a cap of 24% of the paid-up capital of a company, which may be increased up to the percentage of sectoral cap on FDI in respect of the said company pursuant to a resolution of the board of directors of the company and the approval of the shareholders of the company by a special resolution in a general meeting. The total holding by each FII, or in case an FII is investing on behalf of its sub-account, each sub-account should not exceed 10% of the total paid-up capital of a company

Laws related to Overseas Investment by Indian Entities

Overseas investment by Indian Entities are governed under Foreign Exchange Management Act, 1999 under which the central Government of India have notified Foreign Exchange Management (Overseas Investment) Rules, 2022 in suppression of Foreign Exchange Management (Transfer or Issue of Any Foreign Security) Regulations, 2004 and the Foreign Exchange Management (Acquisition and Transfer of Immovable Property Outside India) Regulations, 2015. Followed by the rules, RBI has vide notification no. RBI/2022-2023/110, A.P. (DIR Series) Circular No.12 dated August 22, 2022 have issued Foreign Exchange Management (Overseas Investment) Directions, 2022 and Foreign Exchange Management (Overseas Investment) Regulations, 2022. These legislations frame the investment fields, mode and cap for various sectors and regions, by any person resident in India and the reporting requirements.

LAWS RELATED TO ENVIRONMENTAL LAWS

National Environmental Policy, 2006

The dominant theme of this policy is that while conservation of environmental resources is necessary to secure livelihoods and well-being of all, the most secure basis for conservation is to ensure that people dependent on particular resources obtain better livelihoods from the fact of conservation, than from degradation of the resource.

Environment (Protection) Act, 1986 as amended ("EPA")

The EPA has been enacted for the protection and improvement of the environment. It stipulates that no person carrying on any industry, operation or process shall discharge or emit or permit to be discharged or emitted any environmental pollutant in excess of such standards as may be prescribed. Further, no person shall handle or cause to be handled any hazardous substance except in accordance with such procedure and after complying with such safeguards as may be prescribed. EPA empowers the Central Government to take all measures necessary to protect and improve the environment such as laying down standards for emission or discharge of pollutants, providing for restrictions regarding areas where industries may operate and generally to curb environmental pollution. Pollution control boards have been constituted in all states in India to exercise the powers and perform the functions provided for under these statutes for the purpose of preventing and controlling pollution. Companies are required to obtain consents of the relevant state pollution control boards for emissions and discharge of effluents into the environment.

LAWS RELATING TO INTELLECTUAL PROPERTY

Trademarks Act, 1999

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

The Patents Act, 1970:

The Patents Act, 1970 as amended from time to time, in India has been enacted to protect inventions. Patents provide the exclusive rights for the owner of a patent to make, use, exercise, distribute and sell a patented invention. The patent registration confers on the patentee the exclusive right to use, manufacture and sell his invention for the term of the patent.

LAWS RELATED TO EMPLOYMENT OF MANPOWER

Code on Wages, 2019

The Code on Wages, 2019 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 received the assent of the President of India on August 8, 2019. It regulates, inter alia, the minimum wages payable to employees, the manner of payment and calculation of wages and the payment of bonus to employees. Only few section of the Code has yet been notified vide notification no. S.O. 4604(E) dated December 18, 2020.

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 Central Government.

The Code on Social Security, 2020

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

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

*The Code on Wages, 2019, The Code on Social Security, 2020, (enacted by the Parliament of India and assented to by the President of India) will come into force as may be notified in the Official Gazette by the Central Government of India, different dates may be appointed for different provisions of the Codes.

Employees Provident Fund and Miscellaneous Provisions Act, 1952

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

Employees State Insurance Act, 1948, as amended (the "ESIC Act")

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

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

The Gratuity Act establishes a scheme for the payment of gratuity to employees engaged in every factory, mine, oil field, plantation, port and railway company, every shop or establishment in which ten or more persons are employed or were employed on any day of the preceding twelve months and in such other establishments in which ten or more employees are employed or were employed on any day of the preceding twelve months, as notified by the Central Government from time to time. Penalties are prescribed for non-compliance with statutory provisions.

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

Certain other laws and regulations that may be applicable to our Company in India include the following:

- Industrial Disputes Act, 1947 (“ID Act”)
- Payment of Bonus Act, 1965 (“POB Act”)
- Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (“SHWW Act”)
- Equal Remuneration Act, 1976 (“ER Act”)
- Workmen Compensation Act, 1923 (“WCA”)
- Maternity Benefit Act, 1961 (“Maternity Act”)
- Industrial Employment Standing Orders Act, 1946
- Apprentice Act, 1961 read with The National Policy of Skill Development and Entrepreneurship 2015,

OTHER GENERAL REGULATIONS

Indian Stamp Act, 1899(the “Stamp Act”)

Under the Indian Stamp Act, 1899 (the “Stamp Act”) stamp duty is payable on instruments evidencing a transfer or creation or extinguishment of any right, title or interest in immovable property. Stamp duty must be paid on all instruments specified under the Stamp Act at the rates specified in the schedules to the Stamp Act. The applicable rates for stamp duty on instruments chargeable with duty vary from state to state. Instruments chargeable to duty under the Stamp Act, which are not duly stamped are incapable of being admitted in court as evidence of the transaction contained therein and it also provides for impounding of instruments that are not sufficiently stamped or not stamped at all.

The Insolvency and Bankruptcy Code, 2016

The Insolvency and Bankruptcy Code, 2016 (the “code”) cover Insolvency of individuals, unlimited liability partnerships, Limited Liability partnerships (LLPs) and Companies. The Code establish an Insolvency Regulator (The Insolvency and Bankruptcy Board of India) to exercise regulatory oversight over (a) Insolvency Professionals, (b) Insolvency Professional Agencies and (c) Information Utilities. Any creditor in the nature of financial or operational, in case of nonpayment of its debt within the due date have the right to file an insolvency and bankruptcy against the debtor under the Code with the appropriate authority. The Code has established fast track insolvency resolution process for all companies and other business entities. The process will have to be completed within 90 days, which may be extended up to 45 more days if 75% of financial creditors agree. Extension shall not be given more than once.

Consumer Protection Act, 1986 (COPRA)

The Consumer Protection Act, 1986 (“COPRA”) aims at providing better protection to the interests of customers and for that purpose makes provisions for the establishment of authorities for the settlement of consumer disputes. The COPRA provides a mechanism for the consumer to file a complaint against a trader or service provider in cases of unfair trade practices, restrictive trade practices, defects in goods, deficiency in services; price charged being unlawful and goods being hazardous to life and safety when used. The COPRA provides for a three tier consumer grievance redressal mechanism at the national, state and district levels. Non-compliance of the orders of these authorities attracts criminal penalties.

State Laws

We operate in various states. Accordingly, legislations passed by the state governments are applicable to us in those states. These include legislations relating to, among others, Shops and Establishment Act, classification of fire prevention and safety measures and other local licensing. Further, we require several approvals from local authorities such as municipal bodies. The approvals required may vary depending on the state and the local area.

Shops & Commercial Establishments Act of the respective States in which the Company has an established place of business/ office (“Shops Act)

The Shops Act provides for the regulation of conditions of work in shops, commercial establishments, restaurants, theatres and other establishments. The Act is enforced by the Chief Inspector of Shops (CIS) and various inspectors under the supervision and control of Deputy/Assistant Labour Commissioners of the concerned District, who in turn functions under the supervision of Labour Commissioner. Such legislations regulate the working and employment conditions of the workers employed in shops and establishments including commercial establishments and provide for fixation of working hours, rest intervals, overtime, holidays, leave, termination of service, maintenance of shops and establishments and other rights and obligations of the employers and employees.

Municipality Laws

Pursuant to the Constitution (Seventy-Fourth Amendment) Act, 1992, the respective state legislatures in India have power to endow the municipalities with power to implement schemes and perform functions in relation to matters listed in the Twelfth Schedule to the Constitution of India. The respective states of India have enacted laws empowering the municipalities to issue trade license for operating eating outlets and implementation of regulations relating to such license along with prescribing penalties for non-compliance.

Approvals from Local Authorities

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

Other regulations:

Apart from the above list of laws – which is inclusive in nature and not exhaustive - general laws like the Indian Contract Act 1872, Specific Relief Act 1963, Negotiable Instrument Act 1881, The Information Technology Act, 2000, Sale of Goods Act 1930 and Consumer Protection Act 1986, The Arbitration & Conciliation Act, 1996 are also applicable to the company.

PROPERTY RELATED LAWS

The Company is required to comply with central and state laws in respect of property. Central Laws that may be applicable to our Company's operations include the Land Acquisition Act, 1894, the Transfer of Property Act, 1882, Registration Act, 1908, Indian Stamp Act, 1899, Bombay Stamp Act, 1958 and Indian Easements Act, 1882.

HISTORY AND CERTAIN CORPORATE MATTERS

Brief History of Our Company

Our Company was originally incorporated under the name “*Brijmohan Sagarmal Finance Limited*” under the provisions of the Companies Act, 1956 vide Certificate of Incorporation dated March 21, 1995, issued by the Additional, Registrar of Companies, Maharashtra. Subsequently the name of the company was changed to “*Rikhav Securities Limited*” vide special resolution passed by the shareholders at the Extra Ordinary General Meeting held on November 12, 2005 and a Fresh Certificate of Incorporation pursuant to change of name dated February 13, 2006, was issued by Registrar of Companies, Maharashtra, Mumbai. The Corporate Identification Number of our Company is U99999MH1995PLC086635.

Mr. Brijmohan S. Agarwal, Mr. Santkumar B. Agarwal, Mr. Basantkumar B. Agarwal, Mr. Vinodkumar B. Agarwal, Ms. Pusha S. Agarwal, Ms. Urmila B. Agarwal and Ms. Aruna V. Agarwal were the initial subscribers to the Memorandum of Association of our Company. Mr. Hitesh Himatlal Lakhani, Mr. Rajendra N Shah, Ms. Bharti Hitesh Lakhani, Ms. Vaishali R Shah, Mr. Deep Hitesh Lakhani, Mr. Monil Rajendra Shah and M/s. Hitesh Himatlal Lakhani HUF are the current promoters of the company. For further details of our promoter please refer the chapter titled “*Our Promoters and Promoter Group*” beginning on page 188 of this Prospectus.

Our Company has 52 (Fifty-Two) shareholders as on the date of filing of this Prospectus.

Changes in the Registered Office of the Company since Incorporation

The Registered Office of the Company is situated at Office No. 922-A, 9th Floor, P. J. Towers, Dalal Street, Fort, Mumbai - 400 001, Maharashtra, India.

Except as stated below no change in our Registered Office since incorporation of the Company till the date of the Prospectus.

| From | To | With effect from | Reason for Change |
|--|--|-------------------|---------------------------------------|
| Office No. 412, 4 th Floor, Stock Exchange Tower, Dalal Street, Fort, Mumbai - 400 023, Maharashtra, India. | 35-36, 4 th floor Matruchayya Building, S.N. Road, Mulund West, Mumbai - 400080, Maharashtra, India. | November 12, 2005 | For better administrative convenience |
| 35-36, 4 th Floor Matruchayya Building, S.N. Road, Mulund West, Mumbai - 400080, Maharashtra, India. | Office No. 922-A, 9 th Floor, P. J. Towers, Dalal Street, Fort, Mumbai - 400 001, Maharashtra, India. | June 16, 2013 | For better administrative convenience |

Major events and milestones of our Company

The table below sets forth some of the key events and milestones in the history of our Company:

| Year | Key Events/Milestones/Achievements |
|------|--|
| 1995 | Company was incorporated as Public Company named as Brijmohan Sagarmal Finance Limited |
| 2006 | Name of the Company changed to Rikhav Securities Limited |
| 2007 | Registered as Trading Member in Capital Market of BSE |
| 2007 | Registered as Trading Member in Capital Market of NSE |
| 2007 | Registered as Trading Member in F&O Trading of NSE |
| 2007 | Registered as Depository Participant in CDSL |
| 2007 | First Demat Account opened |
| 2007 | Received Certificate of Registration as Participant from SEBI |
| 2008 | Registered as Trading Member in MCX |
| 2008 | Registered as Trading Member in Currency Derivative Segment in MCX |
| 2008 | Our Company crossed the 5,000 mark in opening of Demat Accounts |
| 2010 | Our Company crossed the 10,000 mark in opening of Demat Accounts |
| 2011 | Registered as Trading Member in F&O segment in BSE |

| Year | Key Events/Milestones/Achievements |
|------|---|
| 2011 | Registered as Trading Member in Cash Market in BSE |
| 2011 | Registered as Currency Trading Member in NSE |
| 2011 | Registered as Trading Member in Currency Derivative Segment in NSE |
| 2012 | Registered as Market Maker in SME segment of NSE and BSE |
| 2012 | Received Permanent Registration Certificate as a Depository Participant of CDSL |
| 2013 | Received Certificate of Registration as F&O Trading Member in MCX |
| 2013 | Received Certificate of Registration as Cash Member in MCX |
| 2013 | Received Certificate of Registration as Self Clearing Member in MCX |
| 2016 | Active participation in the first weekly Option Contracts on the NIFTY Bank Index |
| 2016 | Our Company crossed the 15,000 mark in opening of Demat Accounts |
| 2019 | Our Company crossed the 20,000 mark in opening of Demat Accounts |
| 2024 | Mobile Application Launched |

Awards, accreditations, and accolades received by our Company

Set out below are some of the key awards, accreditations, recognition, and appreciation received by our Company:

| Year | Particulars |
|------|---|
| 2013 | Received Award from CDSL for Excellent Performer in Depository Services |
| 2015 | Received certificate of appreciation from NSE for support of Company in making the NIFTY 50 Index Derivatives contract the World's largest traded index options contract in 2015. |
| 2016 | Received certificate of appreciation from NSE for being top performer member in Currency Futures. |
| 2017 | Received Award from ICICI for being IPO Star Performer |
| 2018 | Received Award from ICICI for being IPO Champion |
| 2018 | Received Award from MCX for Recognition and Sincere Appreciation in 15 years journey of MCX |
| 2019 | Received Award from NSE for their 25 years Contribution in NSE |
| 2022 | Received Award from NSE for celebrating Silver Jubilee of Nifty 50 & 20 years of Derivatives Trading |

Main Objects of our Company as per the Memorandum of Association

The main objects of our Company as set forth in the Memorandum of Association of our Company are as follows:

- To carry on business as Financiers, Issue House, Managers to the Issue, Underwriters, Sub-Underwriters, Share Brokers, Sub Brokers to apply, subscribe, hold and/ or acquire membership, dealership registration, licenses, permits, directorship authorization, agency or such other position in, for and of, one or more. Stock Exchange, debt securities and foreign exchanges and such other exchanges sources, association, organization, institution, societies, corporation, securities and exchange board of India and banks in India and abroad to enable us to act, carry on operate, perform services of shares and stock brokers, Depository participant, underwriters, jobbers, market , custodian mutual fund, merchant banker, register and share transfer agent financial leasing, hire purchase, insurance, and reinsurance currencies and to trade in future and options and to do other activates relating to Finance & Securities.

Amendments to our Memorandum of Association

The following changes have been made in the Memorandum of Association of our Company Since Incorporation:

| Date of Meeting | Type | Nature of Amendment |
|-------------------|------|---|
| November 12, 2005 | EOGM | Clause I of our Memorandum of Association was amended to reflect: Amendment of Memorandum of Association pursuant to Change of name of our Company from " <i>Brijmohan Sagarmal Finance Limited</i> " to " <i>Rikhav Securities Limited</i> ". vide a fresh certificate of incorporation issued by Registrar of Companies, Maharashtra, Mumbai pursuant to change of name dated February 13, 2006. |

| Date of Meeting | Type | Nature of Amendment |
|------------------------|-------------|---|
| November 12, 2005 | EOGM | Clause V of our Memorandum of Association was amended to reflect: Increase in authorized share capital from ₹ 1,00,00,000 (Rupees One Crore) divided into 10,00,000 (Ten Lakhs) Equity Shares of ₹10/- each to ₹ 2,00,00,000 (Rupees Two Crore) divided into 20,00,000 (Twenty Lakhs) Equity Shares of ₹10/- each. |
| March 31, 2008 | EOGM | Clause V of our Memorandum of Association was amended to reflect: Increase in authorized share capital from ₹ 2,00,00,000 (Rupees Two Crore) divided into 20,00,000 (Twenty Lakhs) Equity Shares of ₹10/- each to ₹ 10,00,00,000 (Rupees Ten Crore) divided into 75,00,000 (Seventy-Five Lakhs) Equity Shares of ₹10/- each and by further creation of 25,00,000 (Twenty-Five Lakhs) Preference Shares of ₹10/- each. |
| February 16, 2010 | EOGM | Clause III A of our Memorandum of Association was amended to reflect: Amendment to the object clause to include the following <i>“To carry on business as Financiers, Issue House, Managers to the issue, Underwriters, Sub- Underwriters, Share Brokers, Sub Brokers to apply, subscribe, hold and/ or acquire membership, dealership registration, licenses, permits, directorship authorization, agency or such other position in, for and of, one or more. Stock Exchange, debt securities and foreign exchanges and such other exchanges sources, association, organization, institution, societies, corporation, securities and exchange board of India and banks in India and abroad to enable us to act, carry on operate, perform services of shares and stock brokers, Depository participant, underwriters, jobbers, market, custodian mutual fund, merchant banker, register and share transfer agent financial leasing, hire purchase, insurance, and reinsurance currencies and to trade in future and options and to do other activates relating to Finance & Securities”.</i> |
| March 14, 2022 | EOGM | Clause V of our Memorandum of Association was amended to reflect: Increase in authorized share capital from ₹ 10,00,00,000 (Rupees Ten Crore) divided into 75,00,000 (Seventy-Five Lakhs) Equity Shares of ₹10/- each and by further creation of 25,00,000 (Twenty-Five Lakhs) Preference Shares of ₹10/- each to ₹ 22,00,00,000 (Rupees Twenty-Two Crore) divided into 1,95,00,000 (One Crore Ninety-Five Lakhs) Equity Shares of ₹10/- each and 25,00,000 (Twenty-Five Lakhs) Preference Shares of ₹10/- each. |
| September 2, 2024 | AGM | Clause V of our Memorandum of Association was amended to reflect: Split/Sub Division of Equity Shares of ₹10/- each into 2 shares of ₹5/- each. |

Other details about our Company

For details of our Company’s activities, services, growth, awards & recognitions, capacity, launch of key products or services, entry into new geographies or exit from existing markets, facility creation and location of the offices or principal places of business of our Company, location of branch, technology, marketing strategy, competition and our customers, please refer section titled, please refer section titled *“Our Business”*, *“Management’s Discussion and Analysis of Financial Conditions and Results of Operations”* and *“Basis for Offer Price”* on pages 144, 203 and 105 respectively of this Prospectus. For details of our management and managerial competence and for details of shareholding of our Promoters, please refer to sections titled *“Our Management”* and *“Capital Structure”* beginning on page 174 and 73 of the Prospectus respectively.

Changes in activities of our Company during the last five (5) Years

There have been no changes in the activities of our Company during the last five years which may have had a material effect on the profits and loss account of our Company, including discontinuance of lines of business, loss of agencies or markets and similar factors.

Our Holding Company

As on the date of this Prospectus, our Company does not have any holding company.

Our Subsidiary

As on the date of this Prospectus, our company has only One Subsidiary Company viz., M/s. RSL IFSC Private Limited. For further details on our subsidiary, please see Chapter “*Our Subsidiary*” on page 171 of this Prospectus.

Our Associates, and Joint Ventures

As on the date of this Prospectus, our Company does not have any Associates and Joint Venture Company.

Details regarding Acquisition of Business/Undertakings, Mergers, Amalgamation, Revaluation of Assets etc.

Except as disclosed below, our Company has not made any material acquisitions or divestments of any business or undertaking, and have not undertaken any merger, amalgamation or any revaluation of assets during the 10 years preceding the date of this Prospectus:

| Name of the Associate Company | Country of Incorporation | Proportion of ownership interest | | | |
|--|--------------------------|----------------------------------|----------------|----------------|----------------|
| | | Sept 30, 2024 | March 31, 2024 | March 31, 2023 | March 31, 2022 |
| Rikhav Insurance Brokers Private Limited | India | -- | -- | 20.34% | 20.34% |

The investment in Rikhav Insurance Brokers Private Limited has reduced to 13.56% for the year ended on March 31, 2024 and thus it is not classified as an associate for that year.

Defaults or Rescheduling/ Restructuring of Borrowings with Financial Institutions/Banks

There have been no defaults or rescheduling/restructuring of borrowings with financial institutions/ banks in respect of our Company’s borrowings from the lenders.

Significant Financial and/or Strategic Partners

Our Company does not have any significant financial and/or strategic partners as on the date of this Prospectus.

Agreements with Key Managerial Personnel, Senior Management Personnel, Directors, Promoter, or any other employee

Our Key Managerial Personnel or Senior Management Personnel, Director, Promoters, or any other employee have not entered into any agreement, either by themselves or on behalf of any other person with any shareholder or any third party with regard to compensation or profit sharing in connection with dealings in the securities of our Company.

Shareholders Agreements

There are no subsisting shareholder’s agreements among our shareholders in relation to our Company, to which our Company is a party or otherwise has notice of the same as on the date of the Prospectus.

Time and Cost Overruns in Setting up Projects

There have been no time and cost overrun in the business operations of our Company as on the date of this Prospectus.

Injunction or Restraining Order

Except as disclosed in the section titled “*Outstanding Litigation and Material Developments*” beginning on page 223 of this Prospectus, there are no injunctions/restraining orders that have been passed against the Company.

Collaboration Agreements

As on date of this Prospectus, Our Company is not a party to any collaboration agreements.

Orders from Statutory & Regulatory Authorities

Our company has received the below mentioned orders from Statutory and regulatory authorities in the past: -

| Sr. No | Date | Description | Amount (₹ in Rupees) |
|---------------|-------------------|--|---------------------------------|
| 1. | May 10, 2024 | Failure to report new demat accounts opened to the exchanges within the specified timelines March 2024/INV NON/DN/24-25/599 | 5,900 |
| 2. | May 13, 2024 | Penal charges for Not/Wrong uploading of IML/BOLT location details-charges of location code mismatch/INV NO25270500014529 | 236.00 |
| 3. | May 13, 2024 | Penalty for position violation in banned securities EDX - April 2024/INV NO25270500000760 | 1,36,360.80 |
| 4. | June 01, 2024 | Penalty for Non/Short allocation of client wise collateral EQ- Sept 23 to Feb 24/INV NO-25270500001322 | 22,146.37 |
| 5. | June 01, 2024 | Penalty for Non/Short allocation of client wise collateral CDX- Sept 23 - Feb 24/INV NO-25270500001456 | 22,146.37 |
| 6. | June 01, 2024 | Penalty for Non/short allocation of Client wise collateral EDX- Sept 23 - Feb 24/INV NO-25270500001403 | 22,146.37 |
| 7. | November 29, 2024 | Penalty under Section 15-I of the Securities and Exchange Board of India act, 1992 read with rule 5 of the securities and exchange board of India (procedure for holding inquiry and imposing penalties) rules, 1995 | 10,00,000 |

Material Agreements

Except as disclosed above and in the chapter titled “*Our Business*” on page 144 of this Prospectus, we have not entered into any material agreement / contract as on the date of this Prospectus.

Details of Guarantees Given to Third Parties by Our Promoters and Selling Shareholders

For details of guarantees given by our Promoters in relation to the credit facilities availed by our Company, see “*Financial Indebtedness*” on page 201.

OUR SUBSIDIARY

As on the date of this Prospectus, our Company has one Subsidiary. The details of our Subsidiary company are mentioned below.

1. RSL IFSC Private Limited

Corporate information

RSL IFSC Private Limited was incorporated as a private limited company under the Companies Act, 2013, with a certificate of incorporation issued on June 7, 2017, by the Registrar of Companies, Ahmedabad, Gujarat. Additionally, RSL IFSC Private Limited is registered under GIFT SEZ Ltd as of July 14, 2017. The company's Corporate Identification Number (CIN) is U65929GJ2017PTC097790.

Registered office

Registered office is located at Unit No. 325 Signature, Third Floor, Block 13B, Zone - I, GIFT SEZ, Gandhinagar - 382355, Gujarat, India.

Nature of Business

To carry on the business as an IFSC (International Financial Service Centre) Unit in accordance with the Securities and Exchange Board of India (IFSC) Guidelines, 2015, to act as an intermediary as per such guidelines in the IFSC, investment consultants, stock brokers, underwriters, and to invest, sell, purchase, exchange, surrender, extinguish, relinquish, subscribe to, acquire, undertake, underwrite, hold, auction, convert, or otherwise deal in any shares, stocks, debentures, debenture stock, bonds, depository receipts, hedge instruments, warrants, certificates, options, futures, money market securities, marketable or non-marketable securities, derivatives, and other instruments or securities issued or guaranteed by any government, semi-government, or any other authority, or to deal in other permissible securities as prescribed in such guidelines or as may be amended from time to time.

To carry on business as an investment advisor or portfolio management consultant in the IFSC, providing services to clients as permitted under such guidelines or as amended from time to time. To carry financial services activities as permitted under the Special Economic Zones Act, 2005, read with the Special Economic Zones Rules, 2006, and any matters considered necessary in furtherance thereof, in accordance with the license to operate from the International Financial Services Centre located in an approved multi-services Special Economic Zone, granted by the Reserve Bank of India, the Securities and Exchange Board of India, or the Insurance Regulatory and Development Authority of India.

Capital structure

The capital structure of RSL IFSC Private Limited as on the date of this Prospectus is as follows:

(₹ in lakhs except share data)

| Particulars | Aggregate Value at Face Value |
|--|-------------------------------|
| Authorized Equity Share Capital | |
| 20,00,000 equity shares of face value ₹10/- each | 200.00 |
| Issued, Subscribed and Paid-Up Equity Capital | |
| 15,41,000 Equity Shares of face value of ₹10/- each | 154.10 |

Shareholding pattern

The shareholding pattern of RSL IFSC Private Limited as on the date of this Prospectus is as follows:

| Sr. No. | Name of the shareholder | No. of equity shares of face value of ₹ 10/- each | Percentage of total equity share capital (%) |
|--------------|--------------------------------|---|--|
| 1. | M/s. Rikhav Securities Limited | 15,40,998 | 99.99 |
| 2. | Mr. Vikram Navalchand Shah | 01 | Negligible |
| 3. | Ms. Hitesh Himatlal Lakhani | 01 | Negligible |
| Total | | 15,41,000 | 100.00 |

Board of Directors

As on the date of this Prospectus, the Board of Directors of RSL IFSC Private Limited comprises of the following:

| Name | Designation | DIN | Residential Address |
|-----------------------------|-------------|----------|---|
| Mr. Hitesh Himatlal Lakhani | Director | 01457990 | Flat No. 303, D-11, Mahavir Apartment, S.P Nagar, Nahur Road, Behind Jain Mandir, Mulund West, Mumbai - 400080, Maharashtra, India. |
| Mr. Vikram Navalchand Shah | Director | 00191398 | D-11, 603/604, Mahavir Apartment, S.P. Nagar, Mulund West, Mumbai - 400080, Maharashtra, India. |
| Mr. Arpit Suresh Lodaya | Director | 06546629 | G-6, 1 ST Floor, Santi Bhuvan S.N Road, Opp. Subham hotel, Mulund Court, Mulund West, Mumbai - 400080, Maharashtra, India. |

Brief financial highlights

The brief financial highlights for the six-month ended September 30, 2024 and for the Fiscals 2024, 2023, and 2022 of RSL IFSC Private Limited, as derived from the audited financial statements of its respective years are as follows:

(₹ in lakhs other than share data)

| Particulars | For the period ended/year ended March 31 st | | | |
|--|--|---------|--------|--------|
| | 30.09.2024 | 2024 | 2023 | 2022 |
| Share Capital | 154.10 | 154.10 | 154.10 | 154.10 |
| Net worth | 155.84 | 177.69 | 194.04 | 169.74 |
| Total Revenue | 11.78 | 14.66 | 91.86 | 23.3 |
| Profit after Tax | (25.32) | (16.35) | 24.30 | 6.25 |
| Earnings per share (Basic & diluted) (₹ Per Share) | (0.002) | (1.06) | 1.58 | 0.41 |
| Net Asset Value per Equity Share (₹ Per Share) | 10.11 | 11.53 | 12.59 | 11.01 |
| Total borrowings | 8.12 | 7.81 | 7.73 | 7.65 |

Other Confirmations

Accumulated profits or losses

There are no accumulated profits or losses of our Subsidiary which are not accounted for by the Company.

Listing

Our Subsidiary is not listed on any stock exchange in India or abroad, nor have any of the securities of our Subsidiaries been refused listing during the last 10 years by any stock exchange in India or abroad or failed to meet the listing requirements of any stock exchange in India or abroad.

Business interests of our Subsidiary in the Company

Our Subsidiary do not have any interest in our Company's business, other than as stated in "Our Business", "History and Certain Corporate Matters", "Objects of the Offer" and "Financial Information", on pages 144, 166, 94 and 197, respectively.

Common pursuits

Based on the business activities undertaken by our Subsidiary, there are no common pursuits amongst our Subsidiary and our Company. Other than the transactions disclosed in the section "Financial Information" on pages 201, respectively, there are no other business transactions between our Company and our Subsidiary and Joint Ventures which are significant to the financial performance of our Company.

Conflict of Interest

Except for our Promoters being the promoters being the promoters of Rikhav Securities Limited, there are no conflict of interest between the subsidiaries (including their respective directors) and any lessors/ owners of immovable properties (which are crucial for operations of the Company) taken on lease by our Subsidiaries.

There are no conflict of interest between the Subsidiaries (including their respective directors) and any suppliers of raw materials and third party service providers (who are crucial for operations of the Company).

OUR MANAGEMENT

In terms of the Articles of Association, our Company is required to have not less than three Directors and not more than 15 Directors. As on the date of this Prospectus, our Board comprises of six Directors including three Executive Director, three Non-Executive Directors including two Independent Directors (including one women Directors). Under Articles of Association of our Company, the number of directors shall not be less than 3 (three) and not be more than 15 (Fifteen), subject to the applicable provisions of the Companies Act, 2013.

The details of the Directors are as mentioned in the below table:

| Sr. No | Name, Designation, Address, Occupation, Term, Period of Directorship, Date of Birth, Age and DIN | Other Directorships |
|--------|--|---|
| 1. | <p>Name: Mr. Hitesh Himatlal Lakhani</p> <p>Designation: Chairman and Managing Director</p> <p>Address: Flat 303, D-11, Mahavir Apartment, S.P Nagar, Nahur Road, Behind Jain Mandir, Mulund West, Mumbai - 400080, Maharashtra, India</p> <p>Occupation: Business</p> <p>Term: Re-designated as Chairman and Managing Director for a period of 5 (five) years with effect from February 16, 2023.</p> <p>Period of Directorship: Director since April 14, 2006</p> <p>Age: 60 Years</p> <p>Date of Birth: June 10, 1964</p> <p>DIN: 01457990</p> | <ul style="list-style-type: none"> • Rikhav BPO & Software Services Private Limited • AHL Investment Consultants Private Limited • Virang Enterprises Private Limited • RSL IFSC Private Limited. |
| 2. | <p>Name: Mr. Rajendra N Shah</p> <p>Designation: Whole Time Director</p> <p>Address: D-10, 207-208, Parshwanath Apt, S.P Nagar, Mulund West, Mumbai - 400080, Maharashtra, India</p> <p>Occupation: Business</p> <p>Term: Re-designated as Whole Time Director for a period of 5 (five) years with effect from March 29, 2024</p> <p>Period of Directorship: Director since April 14, 2006</p> <p>Age: 61 Years</p> <p>Date of Birth: December 13, 1963</p> <p>DIN: 01248226</p> | NIL |
| 3. | <p>Name: Mr. Monil Rajendra Shah</p> <p>Designation: Executive Director</p> <p>Address: D-10, 207-208, Parshwanath Apt, S.P Nagar, Mulund West, Mumbai - 400080, Maharashtra, India.</p> | NIL |

| Sr. No | Name, Designation, Address, Occupation, Term, Period of Directorship, Date of Birth, Age and DIN | Other Directorships |
|--------|---|--|
| | <p>Occupation: Business</p> <p>Term: Appointed as Executive Director of the company on with effect from November 08, 2021 which is liable to retire by rotation.</p> <p>Period of Directorship: Director since October 09, 2021</p> <p>Age: 28 Years</p> <p>Date of Birth: March 06, 1996</p> <p>DIN: 08064436</p> | |
| 4. | <p>Name: Ms. Bharti Hitesh Lakhani</p> <p>Designation: Non - Executive Director</p> <p>Address: 303, Mahavir Apt, Sarvodaya Parshwanath Nagar, Mulund West, Mumbai - 400080, Maharashtra, India.</p> <p>Occupation: Business</p> <p>Term: Re-appointed as Non-Executive Director of the Company on September 02, 2024 which is liable to retire by rotation.</p> <p>Period of Directorship: Director since July 06, 2021</p> <p>Age: 57 Years</p> <p>Date of Birth: December 03, 1967</p> <p>DIN: 01077839</p> | <ul style="list-style-type: none"> • Rikhav BPO & Software Services Private Limited • AHL Investment Consultants Private Limited • Virang Enterprises Private Limited |
| 5. | <p>Name: Mr. Manish Lalitkumar Jain</p> <p>Designation: Non-Executive Independent Director</p> <p>Address: 139, Prabhat Wadi, Room No. 8, Ground Floor, Seth Motishah Lane, Opp. Jain Park, Byculla, Mumbai-400027, Maharashtra, India</p> <p>Occupation: Professional</p> <p>Term: Appointed as Non - Executive Independent Director with effect from February 16, 2023 for a period of 5 years.</p> <p>Period of Directorship: Director since January 13, 2006</p> <p>Age: 53 Years</p> <p>Date of Birth: August 29, 1971</p> <p>DIN: 01310249</p> | <ul style="list-style-type: none"> • Sterling Powergensys Limited • Magic Touch Corporate Advisors Private Limited • Vardhak Mining and Infrastructure Private Limited |

| Sr. No | Name, Designation, Address, Occupation, Term, Period of Directorship, Date of Birth, Age and DIN | Other Directorships |
|--------|---|---|
| 6. | <p>Name: Mr. Tarang Madanjit Mehta</p> <p>Designation: Non-Executive Independent Director</p> <p>Address: 902, Pearl New Pearl CHS LTD. LBS Marg, Mulund West, Near Nirmal Life Style, Mumbai- 400080, Maharashtra, India.</p> <p>Occupation: Professional</p> <p>Term: Appointed as Non- Executive Independent Director of the Company on September 28, 2023 for a period of 5 years.</p> <p>Period of Directorship: Director since February 16, 2023</p> <p>Age: 72 Years</p> <p>Date of Birth: December 13, 1952</p> <p>DIN: 01528135</p> | <ul style="list-style-type: none"> <li data-bbox="884 226 1254 253">Sterling Powergensys Limited |

Brief Profile of Our Directors

Mr. Hitesh Himatlal Lakhani, is the Chairman, and Managing Director of our company. He completed his Chartered Accountancy exam at the Institute of Chartered Accountants of India in 1986. He collectively possesses more than 18 years of experience in the areas of accountancy, taxation, capital market and stock broking has helped the company navigate challenges and achieve the success. His vision and growth strategies influence our company, enabling us to anticipate, guide, manage, develop, and control major aspects of our business operations, he is looking after day-to-day affairs of the Company, he controls the planning, finance and implementation functions of our Company. His leadership and insights continue to guide the company goals, ensuring growth and stability in a changing market.

Mr. Rajendra N Shah, is the Whole Time Director of our Company. He holds a Bachelor Degree in Commerce from University of Bombay in the year 1984. He is actively involved in the company's day-to-day operations, ensuring that all departments operate efficiently and effectively. His focus on operational area helps to maintain smooth business processes and supports the company's growth. He has wide knowledge in the field of Securities and Capital Market. His expertise ensures that financial practices align with industry standards and support the company's strategic goals. He is associated with our company for more than 18 years.

Mr. Monil Rajendra Shah, is the Executive Director of our Company. He has completed his Bachelor of Commerce degree from K J Somaiya College of Arts and Commerce in the year 2017. He has also completed NISM Series V-A Mutual Fund Distributors Continuing Professional Education Program in the year 2023. He brings a fresh perspective and energy to our company team. He is overseeing mutual fund schemes and client distribution and focuses on identifying areas for improvement within the operational framework. He has around 4 years of experience in our company in operational department, his contributions are expected to drive continued efficiency, helping the company achieve its objectives and thrive in an evolving business environment.

Ms. Bharti Hitesh Lakhani, is the Non-Executive Director of our Company. She has completed her Bachelor of Commerce degree from Kelkar Education Trusts College of Arts, Science and Commerce in the year 1988. Over the years, she has developed an extensive knowledge base in capital markets and economic trends and support the company's strategic initiatives. She provides independent judgment on various aspects of the company's operations and strategy, ensuring that the board's decisions align with best practices and the company's long-term objectives. She is associated with our company for more than 18 years.

Mr. Manish Lalitkumar Jain, is the Non-Executive Independent Director of our Company. He holds a Bachelor Degree in Commerce from University of Bombay in the year 1991. He has passed Intermediate Examination from the Institute of Chartered Accountants of India in the year 1994. He is associated with our company for more than 18 years. He is responsible for maintaining client/investor relation of company. His long-standing association with the company and his dedication to client and investor relations have been instrumental in fostering trust and ensuring the company's sustained

growth. His independent perspective and expertise in financial and regulatory matters continue to enhance the company's governance framework and support its strategic objectives.

Mr. Tarang Madanjit Mehta, is the Non-Executive Independent Director of our Company. He holds a Bachelor Degree in Commerce from University of Gujarat in the year 1974. He has completed his Bachelor of Laws (General) from Gujarat University in the year 1978. He has passed the professional competence examination conducted by The Institute of Company Secretary of India in year 1985. He has completed his Bachelor of Laws (Special) from The Maharaja Sayajirao University of Baroda in the year 1997. He has completed Diploma Programme in Business Administration held by All India Institute of Management Studies in the year 2000. He has completed his Bar Council Examination of Maharashtra & Goa in the year 2018. He was previously associated with Angel Broking Limited for almost 2 years as Vice President in Compliance and Legal Department. He was also associated with Edelcap Securities Limited in the past. He has several years of experience in the capital market, secretarial and legal compliances, corporate governance and currently he is the practising lawyer at Bombay High Court.

Relationship between our Directors, Key Managerial Personnel and Senior Management Personnel

Except as disclosed below, none of our Directors, Key Managerial Personnel and Senior Management Personnel are related to each other:

1. Mr. Hitesh Himatlal Lakhani and Ms. Bharti Hitesh Lakhani are related to each other as Spouse.
2. Mr. Rajendra N Shah and Mr. Monil Rajendra Shah are related to each other as Father and Son.

Confirmations

None of our Directors is or was a director of any listed company during the five years immediately preceding the date of this Prospectus, whose shares have been or were suspended from being traded on any of the stock exchange during their directorship in such companies.

No consideration in cash or shares or otherwise has been paid or agreed to be paid to any of our Directors or to the firms or companies in which they are interested by any person either to induce them to become or to help them qualify as a Director, or otherwise for services rendered by them or by the firm or company in which they are interested, in connection with the promotion or formation of our Company.

None of our Directors have been declared as Wilful Defaulters nor as Fraudulent Borrowers by any bank or financial institution or consortium thereof in accordance with the guidelines on wilful defaulters or a fraudulent borrower issued by the RBI.

None of our Directors is or was a director of any listed company which has been or was delisted from any stock exchange during the term of their directorship in such company.

Arrangement or Understanding with Major Shareholders, Customers, Suppliers or Others

None of our Directors have been appointed on our Board pursuant to any arrangement with our major shareholders, customers, suppliers or others.

Details of Borrowing Powers

In accordance with our Articles of Association, the applicable provisions of the Companies Act, and pursuant to a resolution passed by our Board in its meeting held on August 31, 2024, and a resolution passed by our Shareholders at their annual general meeting held on September 02, 2024, our Board is authorised to borrow, from time to time, any sum or sums of monies which together with the monies already borrowed by the Company (apart from temporary loans obtained or to be obtained from the Company's bankers) exceeding the aggregate of the paid-up share capital, free reserves and securities premium provided that the total amount so borrowed by the Board shall not at any time exceed ₹ 50,000.00 Lakhs or the aggregate of the paid-up share capital, free reserves and securities premium of the Company or as may be specified in the applicable provisions of law, whichever is higher.

Terms of Appointment & Remuneration of our Executive Directors

Mr. Hitesh Himatlal Lakhani

Mr. Hitesh Himatlal Lakhani, has been director of the Company since April 14, 2006. Further, at the Board Meeting of the Company dated February 16, 2023, he was Re-designated as the Chairman and Managing Director of our Company for a period of five years with effect from February 16, 2023. The details of his remuneration as revised by our Board on February 16, 2023, with effect February 16, 2023, for a period of Five years, are as stated below:

| Particulars | Terms of remuneration |
|-----------------------|---|
| Remuneration | ₹ 83,333 Thousand per month which shall be a sum of up to ₹ 10.00/- Lakhs per annum. |
| Other benefits | The director shall be entitled to reimbursement of expenses as decided by Board of Directors of Company from time to time and variable pay to be paid as decided from time to time and other terms and conditions of his employment be decided from time to time. |

Mr. Rajendra N Shah

Mr. Rajendra Navalchand Shah, has been director of the Company since April 14, 2006. Further, at the Extra Ordinary General Meeting of the Company dated March 29, 2024, he was re-designated as the Whole Time Director of our Company for a period of five years with effect from March 29, 2024. The details of his remuneration as revised by our Board on March 29, 2024, with effect March 29, 2024, for a period of Five years, are as stated below:

| Particulars | Terms of remuneration |
|-----------------------|---|
| Remuneration | ₹ 75,000 Thousand per month which shall be a sum of up to ₹ 9.00/- Lakhs per annum. |
| Other benefits | The director shall be entitled to reimbursement of expenses as decided by Board of Directors of Company from time to time and variable pay to be paid as decided from time to time and other terms and conditions of his employment be decided from time to time. |

Mr. Monil Rajendra Shah

Mr. Monil Rajendra Shah, has been director of the Company since October 09, 2021. Further, at the Board Meeting of the Company dated November 08, 2021, he was regularized as the Executive Director of our Company from November 08, 2021. The details of his remuneration as revised by our Members on September 02, 2024, with effect September 02, 2024, for a period of FY 2024-25, are as stated below:

| Particulars | Terms of remuneration |
|-----------------------|---|
| Remuneration | ₹ 50,000 Thousand per month which shall be a sum of up to ₹ 6.00 /- Lakhs per annum. |
| Other benefits | The director shall be entitled to reimbursement of expenses as decided by Board of Directors of Company from time to time and variable pay to be paid as decided from time to time and other terms and conditions of his employment be decided from time to time. |

Remuneration to Non-Executive Directors and Independent Directors

Pursuant to the resolution passed by our Board on August 31, 2024, our Non-Executive Directors and Independent Directors are entitled to: (i) sitting fees of ₹ 25,000 for attending each meeting of the Board of Directors, and (ii) sitting fees of ₹ 25,000 for attending each meeting of the committees of the Board of Directors. Further, our Independent Directors may be paid commission and reimbursement of expenses as permitted under the Companies Act and the SEBI LODR Regulations.

Except as disclosed above, our Company has not entered into any contract appointing or fixing the remuneration of a director, or manager in the two years preceding the date of this Prospectus.

The Remuneration / Sitting Fees paid to the Directors during the last Financial Year 2023-2024 is as follows:

(₹ in Lakhs)

| Sr. No. | Name | Remuneration/ Professional Fess | Professional Fess / Sitting Fees |
|---------|-----------------------------|---------------------------------|----------------------------------|
| 1. | Mr. Hitesh Himatlal Lakhani | 3.25 | -- |
| 2. | Ms. Bharti Hitesh Lakhani | 18.75 | -- |
| 3. | Mr. Rajendra N Shah | 18.00 | -- |
| 4. | Mr. Monil Rajendra Shah | 19.75 | -- |
| 5. | Mr. Manish Lalitkumar Jain | -- | 13.15 |
| 6. | Mr. Tarang Madanjit Mehta | -- | 7.87 |

Remuneration paid or payable to our Directors by our Subsidiary

None of our Directors have been paid any remuneration by our Subsidiary, including contingent or deferred compensation accrued for the year during Financial Year 2024.

Contingent and deferred compensation payable to Directors

As on the date of this Prospectus, there is no contingent or deferred compensation payable to the Directors, which does not form part of their remuneration.

Bonus or profit-sharing plan of our Directors

None of our Directors is entitled to any bonus or profit-sharing plans of our Company. For further details see “– *Terms of Appointment & Remuneration of our Executive Directors*” on page 174.

Service Contracts with Directors

Our Company has not entered into any service contracts with our Directors which provide for benefits upon the termination of their employment.

Shareholding of our Directors in our Company

As per our Articles of Association, our Directors are not required to hold any qualification Equity Shares.

Except as disclosed below, as on the date of this Prospectus, none of our Directors hold any Equity Shares in our Company:

| Sr. No. | Name of the Director | No. of Equity Shares | % of pre offer paid up shares | % of post offer paid up shares |
|---------|-----------------------------|----------------------|-------------------------------|--------------------------------|
| 1. | Mr. Hitesh Himatlal Lakhani | 22,89,720 | 7.64% | 5.98% |
| 2. | Ms. Bharti Hitesh Lakhani | 12,23,760 | 4.08% | 3.20% |
| 3. | Mr. Rajendra N Shah | 14,36,496 | 4.79% | 3.75% |

Shareholding of Directors in our Subsidiary

As on the date of this Prospectus, except for Mr. Hitesh Himatlal Lakhani, who holds 01 equity shares of face value ₹10 each in the Subsidiary, none of our Directors hold any shares in the Subsidiary.

Interest of Directors

Our Directors, may be deemed to be interested to the extent of remuneration or fees payable to them for attending meetings of our Board or a committee thereof, to the extent of other reimbursement of expenses, if any, payable to them by our Company under our Articles of Association and their respective appointment letters, to the extent of commission payable to them by our Company and to the extent of remuneration paid to them for services rendered as an officer or employee of our Company. For further details, see “– *Remuneration to our Directors*”, on page 174.

Our Directors may also be deemed to be interested to the extent of Equity Shares (together with dividends and other distributions in respect of such Equity Shares), held by them or held by the entities in which they are associated as promoters, directors, partners, proprietors or trustees or held by their relatives. For further details regarding the shareholding of our directors, see “– *Shareholding of our Directors*” on page 175.

Further, our directors may also be directors on the boards, or are shareholders, of entities with which our Company has had related party transactions and may be deemed to be interested to the extent of the payments made by our Company, if any, to these entities. For further details, see “*Summary of the Offer Document – Summary of Related Party Transactions*” on page 22.

As on the date of this Prospectus, no loans have been availed by our Directors from our Company.

None of our Directors have any interest in any property acquired or proposed to be acquired by our Company.

None of our Directors have any other interest in our Company or in any transaction by our Company including, for acquisition of land, construction of buildings or supply of machinery.

No consideration in cash or shares or otherwise has been paid or agreed to be paid to any of our Directors or to the firms or companies in which they are interested, by any person, either to induce such Director to become or to help such Director to qualify as a Director, or otherwise for services rendered by him/her or by the firm or company in which he/she is interested, in connection with the promotion or formation of our Company.

Except Mr. Hitesh Himatlal Lakhani, Ms. Bharti Hitesh Lakhani, Mr. Rajendra N Shah and Mr. Monil Rajendra Shah, who are the Promoters of our Company, none of the other Directors are interested in the promotion of our Company.

Changes to our Board in the last three years

Except as mentioned below, there have been no changes in our directors in the last three years:

| Name of the Director | Date of Appointment/ Change/ Cessation | Reason for Change |
|-------------------------|--|--|
| Hitesh Himatlal Lakhani | February 16, 2023 | Re-designated as Chairman and Managing Director. |
| Manish Lalitkumar Jain | February 16, 2023 | Re-designated as Non-Executive Independent Director. |
| Tarang Madanjit Mehta | February 16, 2023 | Appointed as Additional Non-Executive Independent Director |
| Saarthak Ashwin Kothari | February 16, 2023 | Appointed as Additional Non-Executive Director |
| Tarang Madanjit Mehta | September 28, 2023 | Appointed as Non- Executive Independent Director |
| Saarthak Ashwin Kothari | September 28, 2023 | Appointed as Non-Executive Director |
| Saarthak Ashwin Kothari | March 28, 2024 | Cessation as Non-Executive Director |
| Rajendra N Shah | March 28, 2024 | Appointed as Additional Director |
| Rajendra N Shah | March 29, 2024 | Re-designated as Whole Time Director |

Corporate Governance

In accordance with the Regulation 15 (2) (b) of SEBI LODR Regulations, the compliance with the corporate governance provisions as specified in Regulations 17 to 27 and clauses (b) to (i) and (t) of Regulation 46 (2) of SEBI LODR Regulations and Para C, D and E of Schedule V of SEBI LODR Regulations shall not apply in respect of listed company which has listed its specified securities on the SME Exchange. Hence, only the provisions of the Companies Act, 2013 with respect to corporate governance, will be applicable to our Company immediately upon the listing of the Equity Shares on SME Platform of NSE.

Our Company is in compliance with the requirements of the applicable requirements for corporate governance in accordance with the Companies Act, 2013, including those pertaining to the constitution of the Board and committees thereof.

As on the date of this Prospectus, our Board comprises of six Directors including three Executive Director, three Non-Executive Directors including two Independent Directors (including one women Directors).

Committees of the Board of Directors

The details of the committees of our Board are set forth below. In addition to the committees of our Board described below, our Board of Directors may, from time to time, constitute committees for various functions.

Audit Committee

Our Board has Re-constituted the Audit Committee vide Board Resolution dated August 31st, 2024 which was in accordance with Section 177 of the Companies Act, 2013. The audit committee comprises of:

| Name of the Directors | Nature of Directorship | Designation in Committee |
|-----------------------------|------------------------------------|--------------------------|
| Mr. Tarang Madanjit Mehta | Non-Executive Independent Director | Chairman |
| Mr. Manish Lalitkumar Jain | Non-Executive Independent Director | Member |
| Mr. Hitesh Himatlal Lakhani | Chairman & Managing Director | Member |

The Company Secretary & Compliance Officer of the Company will act as the Secretary of the Committee.

The role of Audit Committee shall include but shall not be restricted to the following:

1. Overseeing the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees;
3. Approving payments to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to:
 - (i) Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act, 2013;
 - (ii) Changes, if any, in accounting policies and practices and reasons for the same;
 - (iii) Major accounting entries involving estimates based on the exercise of judgment by management;
 - (iv) Significant adjustments made in the financial statements arising out of audit findings;
 - (v) Compliance with listing and other legal requirements relating to financial statements;
 - (vi) Disclosure of any related party transactions; g. Qualifications in the draft audit report;
 - (vii) 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/notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
7. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
8. Reviewing, with the management, performance of statutory and internal auditors, and adequacy of the internal control systems;
9. 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;
10. Discussion with internal auditors any significant findings and follow up there on;
11. 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;
12. 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;
13. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
14. To review the functioning of the Whistle Blower mechanism;
15. Approval of appointment of CFO (or the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate;
16. Approval or any subsequent modification of transactions of the company with related parties;
17. Scrutiny of inter-corporate loans and investments;

18. Valuation of undertakings or assets of the Company, whenever it is necessary;
19. Evaluation of internal financial controls and risk management systems;
20. Review of management discussion and analysis report, management letters issued by the statutory auditors, etc;
21. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee;
22. Reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans/ advances/ investments existing as on the date of coming into force of this provision; and
23. Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.

Explanation (i): The term "related party transactions" shall have the same meaning as contained in the Ind AS 24, Related Party Transactions, issued by The Institute of Chartered Accountants of India.

Explanation (ii): If the Issuer has set up an audit committee pursuant to provision of the Companies Act, the said audit committee shall have such additional functions / features as is contained in this clause.

The Audit Committee enjoys following powers:

- a) To investigate any activity within its terms of reference.
- b) To seek information from any employee.
- c) To obtain outside legal or other professional advice.
- d) To secure attendance of outsiders with relevant expertise if it considers necessary.

The Audit Committee shall mandatorily review the following information:

- i) Management discussion and analysis of financial condition and results of operations;
- ii) Statement of significant related party transactions (as defined by the audit committee), submitted by management;
- iii) Management letters / letters of internal control weaknesses issued by the statutory auditors;
- iv) Internal audit reports relating to internal control weaknesses; and
- v) The appointment, removal and terms of remuneration of the internal auditor shall be subject to review by the Audit Committee.
- vi) statement of deviations: (a) half yearly statement of deviation(s) submitted to stock exchange(s) in terms of Regulation 32(1) of the SEBI LODR Regulations; and (b) annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7) of the SEBI LODR Regulations.

The recommendations of the Audit Committee on any matter relating to financial management, including the audit report, are binding on the Board. If the Board is not in agreement with the recommendations of the Committee, reasons for disagreement shall have to be incorporated in the minutes of the Board Meeting and the same has to be communicated to the shareholders. The Chairman of the committee has to attend the Annual General Meetings of the Company to provide clarifications on matters relating to the audit.

Meeting of Audit Committee and Relevant Quorum:

The Audit Committee shall meet at least four times in a year and not more than one hundred and twenty days shall elapse between two meetings. The quorum for audit committee meeting shall either be two members or one third of the members of the audit committee, whichever is greater, with at least two independent directors.

Stakeholders' Relationship Committee

Our Board has constituted the Stakeholders' Relationship Committee vide Board Resolution dated August 31st, 2024 pursuant to Section 178 of the Companies Act, 2013.

The Stakeholder's Relationship Committee comprises of:

| Name of the Directors | Nature of Directorship | Designation in Committee |
|----------------------------|------------------------------------|--------------------------|
| Mr. Manish Lalitkumar Jain | Non-Executive Independent Director | Chairman |
| Mr. Tarang Madanjit Mehta | Non-Executive Independent Director | Member |
| Mr. Rajendra N Shah | Whole Time Director | Member |

The Company Secretary of the Company will act as the Secretary of the Committee.

This committee will address all grievances of Shareholders/Investors and its terms of reference include the following:

1. Resolving the grievances of the security holders of the Company, including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings, etc;
2. Review of measures taken for effective exercise of voting rights by shareholders;
3. Review of adherence to the service standards adopted by the Company in respect of various services rendered by the registrar and share transfer agent;
4. Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company;
5. Formulate procedures in line with the statutory guidelines to ensure speedy disposal of various requests received from shareholders from time to time;
6. Approve, register, refuse to register transfer or transmission of shares and other securities;
7. Sub-divide, consolidate and or replace any share or other securities certificate(s) of the Company;
8. Allotment and listing of shares;
9. Authorise affixation of common seal of the Company;
10. Issue duplicate share or other security(ies) certificate(s) in lieu of the original share/security(ies) certificate(s) of the Company;
11. Approve the transmission of shares or other securities arising as a result of death of the sole/any joint shareholder;
12. Dematerialize or rematerialize the issued shares;
13. Ensure proper and timely attendance and redressal of investor queries and grievances;
14. Carry out any other functions contained in the Companies Act, 2013 (including Section 178) and/or equity listing agreements (if applicable), as and when amended from time to time; and
15. Further delegate all or any of the power to any other employee(s), officer(s), representative(s), consultant(s), professional(s), or agent(s).

Meeting of Stakeholders' Relationship Committee and Relevant Quorum:

The stakeholders' Relationship committee shall meet at least four times in a year and shall report to the Board of Directors on a quarterly basis regarding the status of redressal of complaints received from the shareholders of the Company. The quorum for a meeting of the Stakeholder's Relationship Committee shall be two members present.

Nomination and Remuneration Committee

Our Board has Re-constituted the Nomination and Remuneration Committee vide Board Resolution dated August 31st, 2024 pursuant to section 178 of the Companies Act, 2013.

The Nomination and Remuneration Committee comprises of:

| Name of the Directors | Nature of Directorship | Designation in Committee |
|----------------------------|------------------------------------|--------------------------|
| Mr. Tarang Madanjit Mehta | Non-Executive Independent Director | Chairman |
| Mr. Manish Lalitkumar Jain | Non-Executive Independent Director | Member |
| Ms. Bharti Hitesh Lakhani | Non-Executive Director | Member |

The Company Secretary of our Company acts as the Secretary to the Committee.

The scope of Nomination and Remuneration Committee shall include but shall not be restricted to the following:

1. formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
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:
 - i) use the services of an external agencies, if required;
 - ii) consider candidates from a wide range of backgrounds, having due regard to diversity; and
 - iii) consider the time commitments of the candidates.
3. formulation of criteria for evaluation of Independent Directors and the Board;
4. devising a policy on Board diversity;
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 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; and
7. recommend to the board, all remuneration, in whatever form, payable to senior management.

Meeting of Nomination and Remuneration Committee and Relevant Quorum:

The quorum necessary for a meeting of the Nomination and Remuneration Committee shall be two members. The Committee shall meet as and when required.

Corporate Social Responsibility Committee

Our Board has Re-constituted the Corporate Social Responsibility Committee vide Board Resolution dated August 31st, 2024 pursuant to section 135 of the Companies Act, 2013.

The Corporate Social Responsibility Committee comprises of:

| Name of the Directors | Nature of Directorship | Designation in Committee |
|-----------------------------|------------------------------------|--------------------------|
| Mr. Hitesh Himatlal Lakhani | Managing Director | Chairman |
| Mr. Rajendra N Shah | Whole Time Director | Member |
| Mr. Manish Lalitkumar Jain | Non-Executive Independent Director | Member |

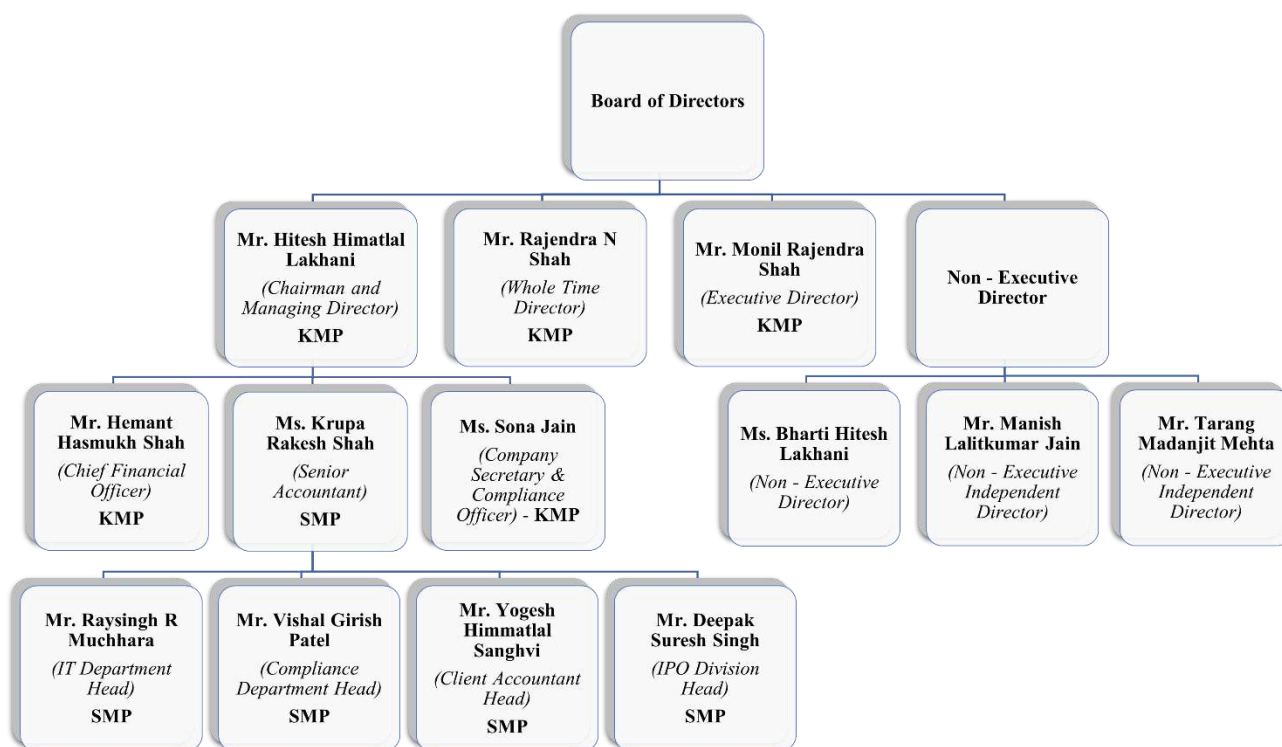
The scope of Corporate Social Responsibility Committee shall include but shall not be restricted to the following:

1. To formulate and recommend to the Board, a CSR policy which shall indicate the activities to be undertaken by the Company as per the Companies Act, 2013;
2. To review and recommend the amount of expenditure to be incurred on the activities to be undertaken by the company;
3. To monitor the CSR policy of the Company from time to time; and
4. Any other matter as the CSR Committee may deem appropriate after approval of the Board of Directors or as may be directed by the Board of Directors from time to time.

Meeting of Corporate Social Responsibility Committee and Relevant Quorum:

The quorum necessary for a meeting of the Corporate Social Responsibility Committee shall be two members or one third of the members of the committee whichever is greater. The Committee shall meet at least once in a year.

Organizational Structure



Key Managerial Personnel of our Company

In addition to Mr. Hitesh Himatlal Lakhani, the Chairman and Managing Director of the Company, and Mr. Rajendra N Shah, the Whole Time Director of our Company whose details are provided in “- *Brief profile of our Directors*” on page 172, the details of our other Key Managerial Personnel in terms of the SEBI ICDR Regulations, as of the date of this Prospectus are set forth below:

Mr. Hemant Hasmukh Shah, aged 61 year, is the Chief Financial Officer in our company from February 16, 2023. He holds a Bachelor Degree in Commerce from University of Bombay in the year 1983. He completed his Chartered Accountancy exam at the Institute of Chartered Accountants of India in 1987. He is an Associate Member of The Institute of Chartered Accountants of India. He has several years of experience in capital market and stock broking compliance, accounting, taxation, and financial decisions of our company. His salary for the Fiscal Year 2023-24 was ₹ 4.72 Lakhs.

Ms. Sona Jain, aged 52 year, is the Company Secretary and Compliance Officer of our Company with effect from July 16, 2024. She has completed her Bachelor of Commerce from the University of Bombay in the year 1994. She is Associate Member of The Institute of Company Secretaries of India. She has around eight years of experience in the field of Secretarial, Legal and Compliance, Accounts and Marketing, she has previously worked with Diamond & Gem Development Corporation Limited, Lovelock & Lewes Services Pvt Ltd, CVS IT Services, Compusys (India) Pvt Ltd, S

Srinivasan & Co and P K Parakh & Associates. She is responsible for the Secretarial, Legal and Compliance division of our Company along with investor and other stakeholders' relationships. She was not paid any remuneration in the Fiscal Year 2023-24.

Senior Management Personnel of our Company:

In addition to the Executive Directors of our Company and the Key Managerial Personnel, whose details are provided in “– Brief profiles of our Directors” and “– Key Managerial Personnel” on pages 172 and 181, respectively, the details of our Senior Management, as on the date of this Prospectus, are as set forth below:

Mr. Vishal Girish Patel, is currently the Compliance Officer responsible for overseeing SEBI, stock broking, and depository compliance of stock exchange. He holds a Bachelor Degree in Commerce from University of Bombay in the year 2002. With 15 years of experience at our company, having joined on November 3, 2008, he has played a pivotal role in the Compliance Department. His experience is essential in ensuring our adherence to regulatory compliance within the organization. In the fiscal year 2023-24, he received a salary of ₹ 6.12 lakhs.

Mr. Yogesh Himmatlal Sanghvi, is the Client Accountant Head of our company. He has completed his Second Year Bachelor in Commerce Degree from University of Bombay in the year 1990. He has been associated with our company for past 16 years. Since he was appointed on January 01, 2008, he was paid ₹ 2.75 Lakhs as salary in the Fiscal Year 2023-24. He is responsible for client account managing of our company.

Ms. Krupa Rakesh Shah, is the Senior Accountant of our company. She has completed her Bachelor of Management studies from K.J Somaiya College of Arts and Commerce in the year 2018. She has been associated with our company for past 6 years. Since she was appointed on July 19, 2018, she was paid ₹ 4.02 Lakhs as salary in the Fiscal Year 2023-24. She is responsible for the overall Accountancy of our company.

Mr. Raysingh R Muchhara, is the IT Department Head of our company. He has completed his Bachelor of Commerce from Annamalai University in the year 2004. He has been associated with our company for past 6 years. Since he was appointed on January 01, 2018, he was paid ₹ 8.04 Lakhs as salary in the Fiscal Year 2023-24. He is responsible for IT Department of our company.

Mr. Deepak Suresh Singh, aged 35 years, is the IPO Division Head of our company. He has completed Higher Secondary Examination from Maharashtra State Board of Secondary and Higher Secondary Education. He has been associated with our company for past 6 years. Since he was appointed on January 01, 2018, he was paid ₹ 2.98 Lakhs as salary in the Fiscal Year 2023-24. He is responsible for IPO Division of our company.

Status of Key Managerial Personnel and Senior Management Personnel

All our Key Managerial Personnel and Senior Management Personnel are permanent employees of our Company. The attrition rate of our Company is not high as compared to the industry.

Shareholding of Key Managerial Personnel and Senior Management Personnel in our Company

Except as disclosed in “Capital Structure – Details of Equity Shares held by our Directors, Key Managerial Personnel, Senior Management Personnel, Promoter, Promoter Group and Directors of Promoter” on page 73, none of our Key Managerial Personnel and Senior Management Personnel hold any Equity Shares in our Company.

Bonus or Profit-Sharing Plans of the Key Managerial Personnel and Senior Management Personnel

None of our Key Managerial Personnel or Senior Management Personnel is entitled to any bonus (excluding performance linked incentive which is part of their remuneration) or profit-sharing plans of our Company.

Interests of Key Managerial Personnel and Senior Management Personnel

Our Key Managerial Personnel and Senior Management Personnel do not have any interests in our Company, other than to the extent of (i) the remuneration or benefits to which they are entitled in accordance with the terms of their appointment or reimbursement of expenses incurred by them during the ordinary course of business by our Company; and (ii) the Equity Shares and employee stock options held by them, if any, and any dividend payable to them and other benefits arising out of such shareholding.

None of our Key Managerial Personnel or Senior Management have been paid any consideration of any nature from our Company, other than their remuneration.

There are no other loans and advances which have been made by the Company to any of its Key Managerial Personnel or Senior Management, or person/entity related to them.

Contingent and deferred compensation payable to our Key Managerial Personnel and Senior Management Personnel

There is no contingent or deferred compensation payable to our Key Managerial Personnel and senior management, which form part of their remuneration.

Arrangements or understandings with major shareholders, customers, suppliers or others pursuant to which our Key Managerial Personnel and Senior Management Personnel have been appointed as a Key Managerial Personnel and Senior Management Personnel

None of our Key Managerial Personnel and Senior Management Personnel have been appointed pursuant to any arrangement or understanding with major shareholders, customers, suppliers or others.

Service Contracts with Key Managerial Personnel and Senior Management Personnel

Except statutory entitlements for benefits upon termination of their employment in our Company or retirement, no Key Managerial Personnel and Senior Management Personnel has entered into a service contract with our Company pursuant to which they are entitled to any benefits upon termination of employment.

Changes in Key Managerial Personnel and Senior Management Personnel

Other than as disclosed in “-Changes in the Board in the last three years” on page 176, the changes in the Key Managerial Personnel and Senior Management Personnel in the preceding three years are as follows:

| Name | Designation | Date of Change | Reason for Change |
|-----------------------------|--|-----------------------|---|
| Mr. Hemant Has Mukh Shah | Chief Financial Officer | February 16, 2023 | Appointed as Chief Financial Officer |
| Mr. Hitesh Himatlal Lakhani | Chairman & Managing Director | February 16, 2023 | Re-designated as Chairman and Managing Director |
| Ms. Nimrit Hitesh Kasturi | Company Secretary | March 01, 2023 | Appointed as Company Secretary |
| Ms. Nimrit Hitesh Kasturi | Company Secretary | December 16, 2023 | Cessation as Company Secretary |
| Ms. Vrushti Parag Shah | Company Secretary | January 11, 2024 | Appointed as Company Secretary |
| Mr. Rajendra N Shah | Whole Time Director | March 28, 2024 | Appointed as Additional Director |
| Mr. Rajendra N Shah | Whole Time Director | March 29, 2024 | Re-designated as Whole Time Director |
| Ms. Vrushti Parag Shah | Company Secretary | June 08, 2024 | Cessation as Company Secretary |
| Ms. Sona Jain | Company Secretary & Compliance Officer | July 16, 2024 | Appointed as Company Secretary and Compliance Officer |

Payment or benefit to Key Managerial Personnel and Senior Management Personnel



Except statutory entitlements for benefits upon termination of their employment in our Company or retirement, no officer of our Company, including our Directors, Key Managerial Personnel, Senior Management, is entitled to any benefits upon termination of employment under any service contract entered into with our Company.



Except as stated in “- Interests of Directors” on page 175, “- Interest of Key Managerial Personnel and Senior Management” on page 182 and as stated in “Restated Financial Information - Related Party Transactions” on page 197, no amount or benefit in kind has been paid or given within the two years preceding the date of this Prospectus or is intended to be paid or given to any officer of our Company, including our Directors, Key Managerial Personnel and Senior Management except remuneration and re-imbursements for services rendered as Directors, officers or employees of our Company.

OUR PROMOTERS AND PROMOTER GROUP

As on the date of this Prospectus, our Promoters hold 1,01,72,412 Equity Shares, representing 33.95% of the 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, please see "*Capital Structure*" beginning on page 73 of this Prospectus.

The details of our Promoters are as under:

| | |
|---|---|
|  | <p>Mr. Hitesh Himatlal Lakhani, aged 60 years is the Promoter, Chairman and Managing Director of our Company. For his complete profile along with the details of his date of birth, address, educational qualification, experience in the business, positions/posts held in past, directorships held, other ventures, special achievements, his business and financial activities, please refer to the chapter titled "<i>Our Management</i>" on page 174 of this Prospectus.</p> <p>Date of Birth: June 10, 1964</p> <p>Nationality: Indian</p> <p>PAN: AAAPL3243L</p> <p>Residential Address: Flat No. 303, D-11, Mahavir Apartment, S.P Nagar, Nahur Road, Behind Jain Mandir, Mulund West, Mumbai - 400080, Maharashtra, India.</p> <p>Shareholding: 22,89,720 Equity Shares, representing 7.64% of the issued, subscribed, and paid-up Equity Share capital of the company.</p> <p>Other Interests:</p> <ul style="list-style-type: none"> • M/s. Virang Enterprises Private Limited • M/s. Rikhav BPO & Software Services Private Limited • M/s. AHL Investment Consultants Private Limited • M/s. PJS Securities LLP • M/s. H.H. Lakhani LLP • M/s. Hitesh Himatlal Lakhani HUF (Karta) • M/s. Himatlal Jethalal Lakhani HUF (Karta) |
|  | <p>Mr. Rajendra N Shah, aged 60 years is the Promoter, Whole Time Director of our Company. For his complete profile along with the details of his date of birth, address, educational qualification, experience in the business, positions/posts held in past, directorships held, other ventures, special achievements, his business and financial activities, please refer to the chapter titled "<i>Our Management</i>" on page 174 of this Prospectus.</p> <p>Date of Birth: December 13, 1963</p> <p>Nationality: Indian</p> <p>PAN: AAEPS8101L</p> <p>Residential Address: D-10, 207-208, Parshwanath Apartment, S.P. Nagar, Mulund West, Mumbai - 400080, Maharashtra, India.</p> <p>Shareholding: 14,36,496 Equity Shares, representing 4.79% of the issued, subscribed, and paid-up Equity Share capital of the company.</p> |

| | |
|---|---|
| | <p>Other Interests:</p> <ul style="list-style-type: none"> • M/s. Aadarsh Trading LLP • M/s. Rajendra Navalchand Shah HUF (Karta) • M/s. Navalchand Virchand Shah HUF (Karta) |
|  | <p>Ms. Bharti Hitesh Lakhani, aged 56 years is the Promoter, Non-Executive Director of our Company. For her complete profile along with the details of her date of birth, address, educational qualification, experience in the business, positions/posts held in past, directorships held, other ventures, special achievements, her business and financial activities, please refer to the chapter titled “<i>Our Management</i>” on page 174 of this Prospectus.</p> <p>Date of Birth: December 03, 1967</p> <p>Nationality: Indian</p> <p>PAN: ABGPL6098L</p> <p>Residential Address: 303 Mahavir Apt, Sarvodaya Parshwanath Nagar, Mulund West-400080, Mumbai, Maharashtra, India</p> <p>Shareholding: 12,23,760 Equity Shares, representing 4.08% of the issued, subscribed, and paid-up Equity Share capital of the company.</p> <p>Other Interests:</p> <ul style="list-style-type: none"> • M/s. Virang Enterprises Private Limited • M/s. Rikhav BPO & Software Services Private Limited • M/s. AHL Investment Consultants Private Limited • M/s. PJS Securities LLP • M/s. H.H. Lakhani LLP • M/s. Hitesh Himatlal Lakhani HUF (Member) |
|  | <p>Ms. Vaishali R Shah, is the Promoter of our Company. She has completed her Bachelor of Art from H. M.V. College, UNA, Gujarat in the year 1993. She does not participate in the day-to-day operations and does not hold any industry experience.</p> <p>Date of Birth: March 22, 1972</p> <p>Nationality: Indian</p> <p>PAN: AMMPS8212Q</p> <p>Residential Address: D-10, 207-208, Parshwanath Apartment, S.P. Nagar, Mulund West, Mumbai - 400080, Maharashtra, India.</p> <p>Shareholding: 19,77,876 Equity Shares, representing 6.60% of the issued, subscribed, and paid-up Equity Share capital of the company.</p> <p>Other Interests:</p> <ul style="list-style-type: none"> • M/s. C J Maniyar (Partnership Firm) • M/s. Rajendra Navalchand Shah HUF (Member) |
| | <p>Mr. Deep Hitesh Lakhani, is the Promoter of our Company. He has completed his BTech in Information Technology from Mukesh Patel</p> |



School of Technology Management & Engineering, Mumbai. He has been working as a Software Developer with our Company since April 1, 2023.

Date of Birth: February 20, 1999

Nationality: Indian

PAN: AFHPL65630N

Residential Address: 303, Mahavir Apartment, Sarvodaya Parshwanath Nagar, Mulund West - 400080, Mumbai, Maharashtra, India

Shareholding: 19,29,960 Equity Shares, representing 6.44% of the issued, subscribed, and paid-up Equity Share capital of the company.

Other Interests:

- M/s. Dweep Enterprises Private Limited
- M/s. Parth Investment Consultants Private Limited
- M/s. PJS Securities LLP
- M/s. H.H. Lakhani LLP
- M/s. B D Lakhani (Partnership Firm)
- M/s. H J Lakhani (Partnership Firm)
- M/s. N D Lakhani (Partnership Firm)
- M/s. R H Lakhani (Partnership Firm)



Mr. Monil Rajendra Shah, aged 28 years is the Promoter, Executive Director of our Company. For his complete profile along with the details of his date of birth, address, educational qualification, experience in the business, positions/posts held in past, directorships held, other ventures, special achievements, his business and financial activities, please refer to the chapter titled “*Our Management*” on page 174 of this Prospectus.

Date of Birth: March 06, 1996

Nationality: Indian

PAN: CMFPS8839A

Residential Address: D-10, 207-208, Parshwanath Apartment, S.P. Nagar, Mulund West, Mumbai - 400080, Maharashtra, India.

Shareholding: Nil, he is Promoter by virtue of Executive Director of the Company.

Other Interests:

- M/s. Viranchi Trading LLP
- M/s. K J Shah (Partnership Firm)
- M/s. R M Shah (Partnership Firm)
- M/s. S M Shah (Partnership Firm)

M/s. Hitesh Himatlal Lakhani HUF

HUF Information and History: M/s. Hitesh Himatlal Lakhani HUF came into existence on April 01, 1991. Mr. Hitesh Himatlal Lakhani is the Karta and Mrs. Bharti Hitesh Lakhani, Mr. Deep Hitesh Lakhani and Ms. Nidhi Hitesh Lakhani are the Co-parcener.

PAN: AAAHH6234B

Address: 303, 304, Mahavir Apartment, Sarvodaya Parshwanath Nagar, Mulund West - 400080, Mumbai, Maharashtra, India

Shareholding: 13,14,600 Equity Shares, representing 4.39% of the issued, subscribed, and paid-up Equity Share capital of the company.

Declaration

1. We confirm that the Permanent Account Number, Bank Account number, Passport number, Driving License number Aadhaar Card number of our Promoters shall be submitted to the Stock Exchange at the time of filing of the Prospectus with the Stock Exchange.
2. Our Promoters and the members of our Promoter Group have confirmed that they have not been identified as wilful defaulters or fraudulent borrowers by the RBI or any other governmental authority.
3. Our Promoters have not been declared as a fugitive economic offender under the provisions of section 12 of the Fugitive Economic Offenders Act, 2018.
4. No violations of securities law have been committed by our Promoters or members of our Promoter Group or any Group Companies or our subsidiary in the past or is 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 Companies (ii) the Companies with which any of our Promoters are or were associated as a promoter, 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

There has not been any change in the control of our Company in the five years immediately preceding the date of this 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 the chapter “*Our Management*” beginning on page 174 of this Prospectus.

Interest of Our Promoters

Our Promoters do not have any interest in our Company except to the extent of compensation payable / paid, rents on properties owned by them or their relatives but used by our company and reimbursement of expenses (if applicable) and to the extent of any equity shares held by them or their relatives and associates or held by the companies, firms and trusts in which they are interested as director, member, partner, and / or trustee, and to the extent of benefits arising out of such shareholding. For further details please see the chapters titled “*Capital Structure*”, “*Restated Financial Information*” and “*Our Management*” beginning on pages 73, 197 and 174 of this Prospectus.

Except as stated otherwise in this Prospectus, we have not entered into any contract, agreements or arrangements in which our Promoters are directly or indirectly interested and no payments have been made to them in respect of the contracts, agreements or arrangements which are proposed to be made with them including the properties purchased by our Company and development rights entered into by our Company other than in the normal course of business. For further details, please see chapter titled “*Restated Financial Information*” beginning on page 197 of this Prospectus.

Interest of Promoter in the Promotion of our Company

Our Company is currently promoted by the Promoters in order to carry on its present business. Our Promoters are interested in our Company to the extent of their shareholding and directorship in our Company and the dividend declared, if any, by our Company. Our Promoters may also be deemed to be interested to the extent of Equity Shares held by them and their immediate relatives in our Company and also to the extent of any dividend payable to them and other distributions in respect of the said Equity Shares in our Company. For details regarding the shareholding of our Promoters in our Company, see the chapter titled “*Capital Structure*” on page 73 of this Prospectus.

Interest of Promoter in the Property of our Company

Except as stated in the heading titled “*Properties*” under the chapter titled “*Our Business*” and “*Restated Financial Information*” beginning on page 144 and 197 respectively, of this Prospectus, our Promoters have confirmed that they do not have any interest in any property acquired by our Company within three years preceding the date of this Prospectus or proposed to be acquired by our Company as on the date of this Prospectus.

Further, other than as mentioned in the chapter titled “*Our Business*” beginning on page 144 of this Prospectus Our Promoters does not have any interest in any land or property acquired by our Company in the three years preceding the date of this Prospectus or proposed to be acquired by our Company or in any transaction with respect to the acquisition of land, construction of building or supply of machinery or any other contract, agreement or arrangement entered into by our Company and no payments have been made or are proposed to be made in respect of these contracts, agreements or arrangements.

Interest in our Company other than as Promoter

Our Promoters who are also the Directors of our Company and our subsidiary, may be deemed to be interested to the extent of remuneration, commission and reimbursement of expenses payable to them as per the terms of his appointment, the Articles of Association of our Company and relevant provisions of Companies Act. Further, certain of our Promoters or their relatives are also shareholders or directors on the board of our Subsidiary and entities who are forming part of our Promoter Group, and may be deemed to be interested to the extent of the payments made by our Company to such Subsidiary and entities who are forming part of our Promoter Group, and the shareholding of such Subsidiary and entities who are forming part of our Promoter Group, if any and dividends declared thereon. For further information on our Promoter’ compensation and other details please refer to the chapter titled “*Our Management*” on page 174 of this Prospectus.

Except as mentioned in this chapter and chapters titled “*Our Business*”, “*History and Certain Corporate Matters*”, “*Our Management*” and “*Restated Financial Information*” beginning on pages 144, 166, 174 and 197, respectively, our Promoters do not have any other interest in our Company.

Business Interests

Our Promoters are not interested as member of a firm or company, and no sum has been paid or agreed to be paid to them or to such firm or company in cash or shares or otherwise by any person either to induce such person to become, or qualify them as a director, or otherwise for services rendered by them or by such firm or company in connection with the promotion or formation of our Company.

Our Company has not entered into any contract, agreements or arrangements during the preceding two years from the date of filing of this Prospectus or proposes to enter into any such contract in which our Promoters are directly or indirectly interested and no payments have been made to it in respect of the contracts, agreements or arrangements which are proposed to be made with it.

Payment of Amounts or Benefits to the Promoters or Promoter Group During the Last Two Years

Except as stated in the chapter titled “*Restated Financial Information*” beginning on page 197 of this Prospectus, there has been no payment of benefits to our Promoters or Promoter Group during the two years preceding the date of this Prospectus nor is there any intention to pay or give any amount or benefit to our Promoter or members of our Promoter Group.

Material Guarantees Given by Our Promoters to Third Party with Respect to Equity Shares

Except as stated in the chapter titled, “*Financial Indebtedness*” on page 201 of this Prospectus, our Promoters have not given any material guarantees to any third party with respect to the Equity Shares.

Our Promoter Group

Apart from our Promoters, as per Regulation 2(1)(pp) of the SEBI ICDR Regulations, the following individuals and entities shall form part of our Promoter Group:

A. Natural Persons who are Part of the Promoter Group

As per Regulation 2(1)(pp)(ii) of the SEBI ICDR Regulations, the following individuals form part of our Promoter Group:

| Name of the Promoter | Name of the Relative | Relationship with the Promoter |
|-----------------------------|-------------------------------------|--------------------------------|
| Mr. Hitesh Himatlal Lakhani | Late. Mr. Himatlal Jethalal Lakhani | Father |
| | Late. Ms. Ranjan Himatlal Lakhani | Mother |
| | Ms. Bharti Hitesh Lakhani | Spouse |
| | Mr. Alpesh Himatlal Lakhani | Brothers |
| | Mr. Hemal Himatlal Lakhani | |
| | Ms. Rupa Sanjay Shah | Sisters |
| | Ms. Heena Naresh Shah | |
| | Mr. Deep Hitesh Lakhani | Son |
| | Ms. Nidhi Hitesh Lakhani | Daughter |
| | Mr. Manilal Rugnath Shah | Spouse's Father |
| | Ms. Ushaben M Shah | Spouse's Mother |
| | Mr. Hitesh Manilal Shah | Spouse's Brother |
| | Ms. Smita Nilesh Mehta | Spouse's Sisters |
| | Ms. Jigna Manish Doshi | |

| Name of the Promoter | Name of the Relative | Relationship with the Promoter |
|----------------------------|------------------------------------|--------------------------------|
| Mr. Rajendra N Shah | Late. Mr. Navalchand Virchand Shah | Father |
| | Late. Ms. Nirmalaben N Shah | Mother |
| | Ms. Vaishali R Shah | Spouse |
| | Mr. Mahesh Navalchand Shah | Brothers |
| | Mr. Vikram Navalchand Shah | |
| | Mr. Dharmesh Navalchand Shah | |
| | Ms. Daxa Mahesh Doshi | Sisters |
| | Ms. Kailash Kirit Shah | |
| | Ms. Jagruti Atul Mehta | |
| | Ms. Chhaya Maniyar | |
| | Mr. Monil Rajendra Shah | Son |
| | Ms. Aayushi Rajendra Shah | Daughter |
| | Late. Hasmukhlal Doshi | Spouse's Father |
| | Late. Nirmalaben Doshi | Spouse's Mother |
| | Mr. Ajay Kumar Hasmukhlal Doshi | Spouse's Brother |
| | Ms. Doshi Nikhilkumar Hasmukhlal | |
| Ms. Jagruti Shailesh Doshi | Spouse's Sisters | |

| Name of the Promoter | Name of the Relative | Relationship with the Promoter |
|---------------------------|-------------------------------------|--------------------------------|
| Ms. Bharti Hitesh Lakhani | Mr. Manilal Rugnath Shah | Father |
| | Ms. Ushaben M Shah | Mother |
| | Ms. Hitesh Himatlal Lakhani | Spouse |
| | Mr. Hitesh Manilal Shah | Brothers |
| | Ms. Jigna Manish Doshi | Sisters |
| | Ms. Smita Nilesh Mehta | |
| | Mr. Deep Hitesh Lakhani | Son |
| | Ms. Nidhi Hitesh Lakhani | Daughter |
| | Late. Mr. Himatlal Jethalal Lakhani | Spouse's Father |
| | Late. Ms. Ranjan Himatlal Lakhani | Spouse's Mother |
| | Mr. Alpesh Himatlal Lakhani | Spouse's Brother |
| | Mr. Hemal Himatlal Lakhani | |
| | Ms. Rupa Sanjay Shah | Spouse's Sisters |
| | Ms. Heena Naresh Shah | |

| Name of the Promoter | Name of the Relative | Relationship with the Promoter |
|----------------------|------------------------|--------------------------------|
| Ms. Vaishali R Shah | Late. Hasmukhlal Doshi | Father |
| | Late. Nirmalaben Doshi | Mother |

| Name of the Promoter | Name of the Relative | Relationship with the Promoter |
|----------------------|------------------------------------|--------------------------------|
| | Mr. Rajendra N Shah | Spouse |
| | Mr. Ajaykumar Hasmukhlal Doshi | Brothers |
| | Mr. Nikhilkumar Hasmukhlal Doshi | |
| | Ms. Jagruti Shailesh Doshi | Sisters |
| | Mr. Monil Rajendra Shah | Son |
| | Ms. Aayushi Rajendra Shah | Daughter |
| | Late. Mr. Navalchand Virchand Shah | Spouse's Father |
| | Late. Ms. Nirmalaben N Shah | Spouse's Mother |
| | Mr. Mahesh Navalchand Shah | Spouse's Brother |
| | Mr. Vikram Navalchand Shah | |
| | Mr. Dharmesh Navalchand Shah | |
| | Ms. Daxa Mahesh Doshi | Spouse's Sisters |
| | Ms. Kailash Kirit Shah | |
| | Ms. Jagruti Atul Mehta | |
| | Ms. Chhaya Maniyar | |

| Name of the Promoter | Name of the Relative | Relationship with the Promoter |
|-------------------------|-----------------------------|--------------------------------|
| Mr. Deep Hitesh Lakhani | Mr. Hitesh Himatlal Lakhani | Father |
| | Ms. Bharti Hitesh Lakhani | Mother |
| | --- | Spouse |
| | --- | Brothers |
| | Ms. Nidhi Hitesh Lakhani | Sisters |
| | --- | Son |
| | --- | Daughter |
| | --- | Spouse's Father |
| | --- | Spouse's Mother |
| | --- | Spouse's Brother |
| --- | Spouse's Sisters | |

| Name of the Promoter | Name of the Relative | Relationship with the Promoter |
|------------------------------|--------------------------------|--------------------------------|
| Mr. Monil Rajendra Shah | Mr. Rajendra N Shah | Father |
| | Ms. Vaishali R Shah | Mother |
| | Ms. Priyansi Jaydeepbhai Mehta | Spouse |
| | --- | Brothers |
| | Ms. Aayushi Rajendra Shah | Sisters |
| | --- | Son |
| | --- | Daughter |
| | Mr. Jaydeep Khantilal Mehta | Spouse's Father |
| | Ms. Dipali Jaydeepbhai Mehta | Spouse's Mother |
| | --- | Spouse's Brother |
| | Ms. Nirali Hardik Shah | Spouse's Sisters |
| | Ms. Maitri Jaydeepbhai Mehta | |
| | Ms. Mehta Dhvani Jaydeepbhai | |
| Ms. Mehta Vishwa Jaydeepbhai | | |

B. Companies / Corporate Entities Forming Part of the Promoter Group

As per Regulation 2(1)(pp)(iv) of the SEBI ICDR Regulations, the following Companies/Trusts/ Partnership firms/HUFs or Sole Proprietorships are forming part of our Promoter Group.

1. M/s. RSL IFSC Private Limited
2. M/s. Rikhav BPO & Software Services Private Limited
3. M/s. Rikhav Enterprises Private Limited
4. M/s. Garvita Developers Private Limited

5. M/s. Virang Enterprises Private Limited
6. M/s. Anukriti Realty Private Limited
7. M/s. AHL Investment Consultants Private Limited
8. M/s. Dweep Enterprises Private Limited
9. M/s. Makshi Infotech Private Limited
10. M/s. Parth Investment Consultants Private Limited
11. M/s. Punya Associates LLP
12. M/s. Aadarsh Trading LLP
13. M/s. PJS Securities LLP
14. M/s. H.H. Lakhani LLP
15. M/s. Viranchi Trading LLP
16. M/s. B D Lakhani (Partnership Firm)
17. M/s. H J Lakhani (Partnership Firm)
18. M/s. N D Lakhani (Partnership Firm)
19. M/s. R H Lakhani (Partnership Firm)
20. M/s. C U Lakhani (Partnership Firm)
21. M/s. V N Shah (Partnership Firm)
22. M/s. B J Shah (Partnership Firm)
23. M/s. M N Shah (Partnership Firm)
24. M/s. D D Shah (Partnership Firm)
25. M/s. D N Shah (Partnership Firm)
26. M/s. K J Shah (Partnership Firm)
27. M/s. R M Shah (Partnership Firm)
28. M/s. S M Shah (Partnership Firm)
29. M/s. C J Maniyar (Partnership Firm)
30. M/s. Himatlal Jethalal Lakhani HUF
31. M/s. Rajendra Navalchand Shah HUF
32. M/s. Navalchand Virchand Shah HUF
33. M/s. Dharmesh Navalchand Shah HUF
34. M/s. Mahesh Navalchand Shah HUF
35. M/s. Manilal Rugnath Shah HUF
36. M/s. Alpesh Himatlal Lakhani HUF
37. M/s. Hemal Himatlal Lakhani HUF
38. M/s. Shah Hitesh M HUF
39. M/s. Vikram Navalchand Shah HUF
40. M/s. Jayesh Mulchand Maniyar HUF
41. M/s. Manmandir Jewels (Proprietor)

Outstanding Litigations

There is no other outstanding litigation against our Promoters except as disclosed in the section titled “*Risk Factors*” and chapter titled “*Outstanding Litigations and Material Developments*” beginning on pages 30 and 223 respectively of this Prospectus.

Shareholding of the Promoter Group in Our Company

For details of shareholding of members of our Promoter Group as on the date of this Prospectus, please see the chapter titled “*Capital Structure*” beginning on page 73 of this Prospectus.

Companies with Which the Promoters Have Disassociated in the Last Three Years

Our Promoters have not disassociated themselves from any companies, firms or entities during the last three years preceding the date of this Prospectus.

DIVIDEND POLICY

Under the Companies Act, 2013 our Company can pay dividends upon a recommendation by our Board of Directors and approval by a majority of the shareholders at the General Meeting and as per provisions of Articles of Association of our Company. The shareholders of the Company have the right to decrease but not to increase the amount of dividend recommended by the Board of Directors. The dividends may be paid out of profits of our Company in the year in which the dividend is declared or out of the undistributed profits or reserves of previous fiscal years or out of both. The Articles of Association of our Company also gives the discretion to our Board of Directors to declare and pay interim dividends.

Our Company does not have any formal dividend policy for the Equity Shares. The dividend pay - out shall be determined by our Board after taking into account a number of factors, including but not limited to : (i) internal factors such as profits earned during the year, present and future capital requirements of the existing businesses, business acquisitions, expansion/modernization of existing businesses, availability of external finance and relative cost of external funds, additional investments in subsidiaries/associates/joint ventures of our Company and restrictions on loan agreement(s); and (ii) external factors such as economic and industry outlook, growth outlook, statutory/regulatory restrictions and covenants with lenders/bond holders. Any future determination as to the declaration and payment of dividends will be at the discretion of our Board.

For details of risks in relation to our capability to pay dividend, see Risk Factors – Our ability to pay Dividends in the future will depend on our future cash flows, working capital requirements, capital expenditures and financial condition.

Our Company has not paid / declared any dividend in six-month period ended August 31, 2024 and in last three years from date of this Prospectus.

SECTION VII – FINANCIAL INFORMATION

RESTATED FINANCIAL INFORMATION

| Sr No. | Particulars | Page No |
|---------------|---|----------------|
| 1. | Restated Consolidated Financial Information | F-1 to F-55 |

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Mundra & Co.

Chartered Accountants

513, Apex Mall, 4th Floor, Lal Kothi, Tonk Road, Jaipur-302018

✉ canitinjpr@gmail.com

☎ +91-8239487569

**INDEPENDENT AUDITOR'S EXAMINATION REPORT ON
RESTATED CONSOLIDATED FINANCIAL INFORMATION**

To,
The Board of Directors of
RIKHAV SECURITIES LIMITED
Office No. 922-A, 9th Floor, P. J. Tower, Dalal Street,
Mumbai City -400001, Mumbai, Maharashtra, India

Dear Sir,

Reference: - Proposed Public Issue of Equity Shares of **RIKHAV SECURITIES LIMITED**

1. We have examined the attached Restated Consolidated Financial Information of **Rikhav Securities Limited** (hereunder referred to "the Company", "Issuer") and its subsidiary and associate (Collectively referred to as the "**Group**"), comprising the Restated Consolidated Statement of Assets and Liabilities as at September 30, 2024, March 31, 2024, March 31, 2023, and March 31, 2022, the Restated Consolidated Statement of Profit & Loss, the Restated Consolidated Cash Flow Statement for the period/year ended September 30, 2024, March 31, 2024, March 31, 2023, and March 31, 2022, the statement of Significant Accounting Policies and other explanatory Information (collectively, the "**Restated Consolidated Financial Information**") as approved by the Board of Directors in their meeting held on January 01, 2025 for the purpose of inclusion in the Red Herring Prospectus/ Prospectus ("Offer Document") in connection with its proposed Initial Public Offering (IPO) of equity shares, prepared by the Company in connection with its Initial Public Offer of Equity Shares (IPO) prepared in terms of the requirement of:-
 - a) Section 26 of Part I of Chapter III of the Companies Act, 2013 as amended (the "Act");
 - b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2018 as amended ("SEBI ICDR Regulations"); and
 - c) The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India as amended from time to time. ("The Guidance Note")
2. The Company's Board of Directors is responsible for the preparation of the Restated Financial Information for the purpose of inclusion in the offer document to be filed with Stock Exchange, Securities and Exchange Board of India, and Registrar of Companies, of relevant state in connection with the proposed IPO. The Restated Consolidated Financial Information have been prepared by the management of the Company for the period/year ended September 30, 2024, March 31, 2024, March 31, 2023, and March 31, 2022 on the basis of preparation stated in note IV to the Restated Consolidated Financial Information. The respective Board of Directors of the companies included in the group responsibility includes designing, implementing, and maintaining adequate internal control relevant to the preparation and presentation of the Restated Financial Information. The respective Board of Directors are also responsible for identifying and ensuring that the Company complies with the Companies Act, SEBI (ICDR) Regulations and the Guidance Note.

3. We, M/s. Mundra & Co., Chartered Accountants have been subjected to the peer review process of the Institute of Chartered Accountants of India (ICAI) and our peer review certificate is valid as on the date of signing of this report.
4. We have examined such Restated Consolidated Financial Statement taking into consideration:
 - a) The terms of reference and terms of our engagement agreed upon with you in accordance with our engagement letter dated July 15, 2024 in connection with the proposed IPO of equity shares of the Company;
 - b) The Guidance Note also requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI;
 - c) Concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence supporting the Restated Financial Statements; and
 - d) The requirements of Section 26 of the Act and the SEBI ICDR Regulations. Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act, the SEBI ICDR Regulations and the Guidance Note in connection with the IPO.
5. This Restated Consolidated Financial Statement has been compiled by the management from:

Audited consolidated financial statements of the group as at and for the period/year ended on September 30, 2024, March 31, 2023, and March 31, 2022 prepared in accordance with the Accounting Standards as prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014, as amended and other accounting principles generally accepted in India which have been approved by the Board of Directors.
6. For the purpose of our examination, we have relied on:

Auditors' Report issued by the Auditor M/s AHSP & Co LLP on the Consolidated Financial Statements of the Company dated November 14, 2024 for the period ended September 30, 2024, Auditors' Report issued by the Auditor M/s Deepak C Agarwal & Associates on the Consolidated Financial Statements of the Company dated July 16, 2024 and September 01, 2023 for the year ended March 31, 2024 and March 31, 2023 respectively and Auditors' Report issued by the Auditor M/s Mayur B Mehta on the Consolidated Financial Statements of the Company dated September 02, 2022 for the year ended March 31, 2022.
7. Based on our examination and according to the information and explanations given to us, we report that the Restated Consolidated Financial Information:
 - a) have been prepared after incorporating adjustments for the changes in accounting policies, material errors and regrouping/reclassifications retrospectively in the financial years ended 31 March 2024, 31 March 2023 and 31 March 2022 to reflect the same accounting treatment as per the accounting policies and grouping/classifications followed as at and for the period ended 30 September 2024;
 - b) have been prepared after incorporating adjustments for prior period and other material amounts in the respective financial year to which they relate;
 - c) Extra-ordinary items that need to be disclosed separately in the accounts has been disclosed wherever required;
 - d) have been prepared in accordance with the Act, SEBI ICDR Regulations and the Guidance Note;
 - e) does not contain any qualifications requiring adjustments.

8. In accordance with the requirements of Part I of Chapter III of Act including rules made there under, SEBI ICDR Regulations, Guidance Note and Engagement Letter, we report that:
- The “**Restated Consolidated Statement of Assets and Liabilities**” as set out in Annexure I to this report, of the Company as at September 30, 2024, March 31, 2024, March 31, 2023, and March 31, 2022 is prepared by the Company and approved by the Board of Directors. These Restated Statement of Assets and Liabilities, have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Accounts as set out in Annexure IV to this Report.
 - The “**Restated Consolidated Statement of Profit and Loss**” as set out in Annexure II to this report, of the Company for Financial period/year ended September 30, 2024, March 31, 2024, March 31, 2023, and March 31, 2022 is prepared by the Company and approved by the Board of Directors. These Restated Statement of Profit and Loss have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Accounts as set out in Annexure IV to this Report.
 - The “**Restated Consolidated Statement of Cash Flow**” as set out in Annexure III to this report, of the Company for Financial period/year ended September 30, 2024, March 31, 2024, March 31, 2023, and March 31, 2022 is prepared by the Company and approved by the Board of Directors. These Statement of Cash Flow, as restated have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Accounts as set out in Annexure IV to this Report.
9. We have also examined the following other financial information relating to the Company prepared by the Management and as approved by the Board of Directors of the Company and annexed to this report relating to the Company for Financial period/year ended September 30, 2024, March 31, 2024, March 31, 2023, and March 31, 2022 proposed to be included in the Offer Document for the proposed IPO.

| | |
|---|---------------------------|
| Significant Accounting Policy and Notes to The Restated Financial Statements | Annexure IV |
| Material Adjustment to the Restated Financial | Annexure V |
| Restated Consolidated Statement of Share Capital, Reserves and Surplus | Annexure-A |
| Restated Statement of Long Term and Short - Term Borrowings/ Statement of principle Term of Secured loan and Assets charges as security and Statement of term & Condition of unsecured Loans. | Annexure-B, B(A) and B(B) |
| Restated Consolidated Statement of Deferred Tax (Assets) / Liabilities | Annexure-C |
| Restated Consolidated Statement of long-term Provisions | Annexure-D |
| Restated Consolidated Statement of Trade Payables | Annexure-E |
| Restated Consolidated Statement of Other Current Liabilities and short-term Provisions | Annexure-F |
| Restated Consolidated Statement of Property, Plant and Equipment and Intangible Assets | Annexure-G |
| Restated Consolidated Statement of Non-Current Investments | Annexure-H |
| Restated Consolidated Statement of Long-Term Loans and Advances | Annexure-I |
| Restated Consolidated Statement of Current Investment | Annexure-J |
| Restated Consolidated Statement of Inventory | Annexure-K |
| Restated Consolidated Statement of Trade Receivables | Annexure-L |
| Restated Consolidated Statement of Cash & Cash Equivalents | Annexure-M |
| Restated Consolidated Statement of Short-Term Loans and Advances | Annexure-N |

| | |
|--|-------------|
| Restated Consolidated Statement of Other Current Assets | Annexure-O |
| Restated Consolidated Statement of Turnover | Annexure-P |
| Restated Consolidated Statement of Non- Operating Income | Annexure-Q |
| Restated Consolidated Statement of Cost of Material Consumed and Purchases of Stock in Trade | Annexure-R |
| Restated Consolidated Statement of Change in Inventories | Annexure-S |
| Restated Consolidated Statement of Employee Benefits Expenses | Annexure-T |
| Restated Consolidated Statement of Finance Cost | Annexure-U |
| Restated Consolidated Statement of Depreciation & Amortization | Annexure-V |
| Restated Consolidated Statement of Other Expenses | Annexure-W |
| Restated Consolidated Statement of Mandatory Accounting Ratios | Annexure-X |
| Restated Consolidated Statement of Related Party Transaction | Annexure-Y |
| Restated Consolidated Statement of Capitalization | Annexure-Z |
| Restated Consolidated Statement of Tax Shelter | Annexure-AA |
| Restated Consolidated Statement of Contingent Liabilities | Annexure-AB |
| Restated Consolidated Statement of Other Financial Ratio | Annexure-AC |
| Restated Consolidated Statement of Other Notes | Annexure-AD |

10. The report should not in any way be construed as a re-issuance or re-dating of any of the previous audit reports issued by any other Firm of Chartered Accountants nor should this report be construed as a new opinion on any of the financial statements referred to therein.
11. We have no responsibility to update our report for events and circumstances occurring after the date of the report.
12. The Restated Consolidated Financial Information do not reflect the effects of events that occurred subsequent to the respective dates of the reports on the audited financial statements mentioned above.
13. In our opinion, the above Restated Consolidated Financial Statements along with Annexure A to AD of this report read with the respective Significant Accounting Policies and Notes to Accounts as set out in Annexure IV and V are prepared after making adjustments and regrouping as considered appropriate and have been prepared in accordance with the Companies Act, SEBI ICDR Regulations and Guidance Note issued by ICAI.
14. Our report is intended solely for use of the management and for inclusion in the Offer Document in connection with the Proposed SME IPO of Equity Shares of the Company and our report should not be used, referred to or distributed for any other purpose without our prior consent in writing.

For Mundra & Co.
Chartered Accountant
FRN: 013023C

(CA Nitin Khandelwal)
Partner
M. No. 414387
Place: Jaipur
Date: 01-01-2025
UDIN: 25414387BMGYBT8447

RESTATED CONSOLIDATED STATEMENT OF ASSETS AND LIABILITIES

(Amount in Rs. Lakhs)

| Particulars | Annexure No | As at the period/year ended | | | |
|--|------------------|-----------------------------|------------------|------------------|------------------|
| | | 30/09/2024 | 31/03/2024 | 31/03/2023 | 31/03/2022 |
| A) EQUITY AND LIABILITIES | | | | | |
| 1. Shareholders' Funds | | | | | |
| (a) Share Capital | A | 1,498.20 | 1,498.20 | 1,498.20 | 499.40 |
| (b) Reserves & Surplus | | 17,346.86 | 12,309.54 | 7,998.01 | 7,086.54 |
| | | 18,845.06 | 13,807.74 | 9,496.21 | 7,585.94 |
| 2. Non Current Liabilities | | | | | |
| (a) Long Term Borrowings | B, B(A) and B(B) | 15.90 | 17.04 | - | - |
| (b) Deferred Tax Liabilities (Net) | C | - | - | - | - |
| (c) Long Term Provisions | D | 34.09 | 55.12 | 38.55 | 24.92 |
| | | 49.99 | 72.16 | 38.55 | 24.92 |
| 3. Current Liabilities | | | | | |
| (a) Short Term Borrowings | B, B(A) and B(B) | 2,582.16 | 4,789.07 | 994.27 | 1,506.12 |
| (b) Trade Payables | E | - | - | - | - |
| (i) total outstanding dues of micro enterprises and small enterprises; and | | - | - | - | - |
| (ii) total outstanding dues of creditors other than micro enterprises and small enterprises. | | 10,915.26 | 10,521.75 | 7,218.96 | 8,159.85 |
| (c) Other Current Liabilities | F | 188.52 | 77.45 | 548.30 | 494.46 |
| (d) Short Term Provisions | | 1,210.51 | 938.66 | 475.72 | 299.40 |
| | | 14,896.44 | 16,326.92 | 9,237.25 | 10,459.84 |
| Total | | 33,791.49 | 30,206.82 | 18,772.01 | 18,070.69 |
| B) ASSETS | | | | | |
| 1. Non Current Assets | | | | | |
| (a) Property, Plant & Equipment and Intangible Assets | G | | | | |
| i) Tangible Assets | | 196.43 | 189.87 | 191.98 | 77.36 |
| ii) Intangible Assets | | 19.48 | 14.33 | 16.53 | 11.37 |
| iii) Capital Work in Progress | | - | - | - | 41.70 |
| | | 215.92 | 204.20 | 208.51 | 130.43 |
| (b) Non-Current Investment | H | 815.04 | 1,276.67 | 550.30 | 110.83 |
| (c) Deferred Tax Assets (Net) | C | 29.87 | 23.43 | 18.98 | 18.44 |
| (d) Long Term Loans and Advances | I | 16,000.02 | 13,943.17 | 7,149.37 | 7,340.84 |
| | | 16,844.93 | 15,243.27 | 7,718.65 | 7,470.11 |
| 2. Current Assets | | | | | |
| (a) Current Investment | J | 15,601.33 | 11,916.48 | 9,214.37 | 7,093.78 |
| (b) Inventories | K | - | - | - | - |
| (c) Trade Receivables | L | 225.98 | 419.22 | 559.26 | 679.48 |
| (d) Cash and Cash equivalents | M | 694.78 | 2,159.73 | 734.07 | 2,384.86 |
| (e) Short-Term Loans and Advances | N | 155.86 | 91.56 | 164.03 | 218.41 |
| (f) Other Current Assets | O | 52.69 | 172.36 | 173.11 | 93.62 |
| | | 16,730.64 | 14,759.34 | 10,844.85 | 10,470.16 |
| Total | | 33,791.49 | 30,206.82 | 18,772.01 | 18,070.69 |

The above statement should be read with the Statement of Notes to the Restated Consolidated Financial Information of the company in

As per our report of even date

For Mundra & Co.

Chartered Accountants

FRN: 013023C

For and on Behalf of the Board

Hitesh H. Lakhani

DIN: 01457990

Chairman & Managing Director

Monil R. Shah

DIN: 08064436

Executive Director

(CA Nitin Khandelwal)

M. No. 414387

Partner

Date: 01-01-2025

Place: Jaipur

UDIN: 25414387BMGYBT8447

F - Hemant Shah
Chief Financial Officer

Sona Jain
Company Secretary

RESTATED CONSOLIDATED STATEMENT OF PROFIT AND LOSS

(Amount in Rs. Lakhs)

| Particulars | Annexure No | For the period/year ended on | | | |
|---|-------------|------------------------------|------------------|-----------------|-----------------|
| | | 30/09/2024 | 31/03/2024 | 31/03/2023 | 31/03/2022 |
| 1 Revenue From Operation | P | 9,285.81 | 10,416.17 | 4,946.76 | 3,549.91 |
| 2 Other Income | Q | 330.02 | 718.09 | 505.67 | 748.40 |
| 3 Total Income (1+2) | | 9,615.83 | 11,134.26 | 5,452.43 | 4,298.31 |
| 4 Expenditure | | | | | |
| (a) Cost of Goods Sold | | - | - | - | - |
| (b) Purchases of Stock in Trade | R | - | - | - | - |
| (c) Changes in inventories of finished goods. | S | - | - | - | - |
| (d) Employee Benefit Expenses | T | 809.66 | 1,739.62 | 876.52 | 522.26 |
| (e) Finance Cost | U | 276.79 | 245.82 | 332.14 | 336.54 |
| (f) Depreciation and Amortisation Expenses | V | 32.99 | 60.48 | 48.87 | 31.99 |
| (g) Other Expenses | W | 2,204.38 | 3,851.68 | 1,732.72 | 1,195.20 |
| 5 Total Expenditure 4(a) to 4(g) | | 3,323.81 | 5,897.60 | 2,990.26 | 2,085.99 |
| 6 Profit/(Loss) Before Exceptional & extraordinary items & Tax (3-5) | | 6,292.01 | 5,236.66 | 2,462.17 | 2,212.32 |
| 7 Exceptional item | | - | - | - | - |
| 8 Profit/(Loss) Before Tax (6-7) | | 6,292.01 | 5,236.66 | 2,462.17 | 2,212.32 |
| 9 Tax Expense: | | | | | |
| (a) Tax Expense for Current Year | AA | 1,261.14 | 976.49 | 505.53 | 373.29 |
| (b) Short/(Excess) Provision of Earlier Year | | - | - | - | - |
| (b) Deferred Tax | | -6.44 | -4.45 | -0.53 | 76.57 |
| Net Current Tax Expenses | | 1,254.70 | 972.04 | 505.00 | 449.85 |
| 10 Profit/(Loss) for the Year from continued operation (8-9) | | 5,037.32 | 4,264.63 | 1,957.17 | 1,762.47 |
| 11 Profit/(Loss) attributable to minority holders | | 0.00 | 0.00 | 0.00 | 0.00 |
| 12 Profit/Loss From Associates | | - | - | -46.91 | - |
| 13 Profit/Loss attributable to owners of the group | | 5,037.32 | 4,264.63 | 1,910.27 | 1,762.47 |
| 14 Earning Per share (Face value of Rs. 5) | | | | | |
| | Basic | 16.81 | 14.23 | 6.38 | 5.88 |
| | Diluted | 16.81 | 14.23 | 6.38 | 5.88 |

The above statement should be read with the Statement of Notes to the Restated Consolidated Financial Information of the company in Annexure-IV & V

As per our report of even date

For and on Behalf of the Board

For Mundra & Co.
Chartered Accountants
FRN: 013023C

Hitesh H. Lakhani
DIN: 01457990
Chairman & Managing Director

Monil R. Shah
DIN: 08064436
Executive Director

(CA Nitin Khandelwal)
M. No. 414387
Date: 01-01-2025
Place: Jaipur
UDIN: 25414387BMGYBT8447

Hemant Shah
Chief Financial Officer

Sona Jain
Company Secretary

RESTATED CONSOLIDATED CASH FLOW STATEMENT

(Amount in Rs. Lakhs)

| PARTICULARS | For the period/year ended on | | | |
|---|------------------------------|-------------------|-------------------|-------------------|
| | 30/09/2024 | 31/03/2024 | 31/03/2023 | 31/03/2022 |
| A) Cash Flow From Operating Activities : | | | | |
| Net Profit before tax | 6,292.01 | 5,236.66 | 2,462.17 | 2,212.32 |
| Adjustment for : | | | | |
| Depreciation | 32.99 | 60.48 | 48.87 | 31.99 |
| Interest Paid | 276.79 | 245.82 | 332.14 | 336.54 |
| Provision of Gratuity | -21.03 | 16.57 | 13.63 | -3.27 |
| Bad Debs written off | 10.00 | - | - | 3.44 |
| Interest Income | -330.02 | -710.68 | -501.68 | -745.58 |
| (Profit)/Loss on sale of Investment | - | 15.22 | - | - |
| Operating profit before working capital changes | 6,260.74 | 4,864.08 | 2,355.14 | 1,835.43 |
| Changes in Working Capital | | | | |
| (Increase)/Decrease in Inventory | - | - | - | - |
| (Increase)/Decrease in Current Investment | -3,684.85 | -2,702.11 | -2,120.59 | -7,093.78 |
| (Increase)/Decrease in Trade Receivables | 183.24 | 140.04 | 120.22 | -28.57 |
| (Increase)/Decrease in Short Term Loans & Advances and Provisions | -64.30 | 72.47 | 54.38 | -124.33 |
| (Increase)/Decrease in Other Current Assets | 119.66 | 0.76 | -79.49 | 581.89 |
| Increase/(Decrease) in Trade Payables | 393.50 | 3,302.79 | -940.89 | 1,466.41 |
| Increase/(Decrease) in Other Current Liabilities | 111.07 | -470.85 | 53.83 | 273.91 |
| Increase/(Decrease) in Short Term & Long Term Provisions | -3.78 | 5.10 | 1.32 | -56.89 |
| Cash generated from operations | 3,315.29 | 5,212.27 | -556.07 | -3,145.93 |
| Less:- Income Taxes paid | -985.50 | -518.64 | -330.53 | -518.29 |
| Net cash flow from operating activities | A | 2,329.79 | 4,693.63 | -886.61 |
| B) Cash Flow From Investing Activities : | | | | |
| Purchase of Fixed Assets including Intangibles & CWIP | -59.65 | -56.17 | -126.96 | -92.45 |
| Proceeds from Sale of Fixed Assets | 14.95 | - | - | - |
| Change in Fair Value of Investment in associate | - | - | -46.91 | - |
| Increase/(Decrease) in Long Term Loans and Advances | -2,056.84 | -6,793.80 | 191.47 | 2,816.30 |
| Increase/(Decrease) in Non-Current Investments | 461.63 | -716.41 | -439.47 | 4,157.46 |
| Proceeds from sale of Investment in Associate | - | 21.72 | - | - |
| Interest Income | 330.02 | 710.68 | 501.68 | 745.58 |
| Net cash flow from investing activities | B | -1,309.90 | -6,833.98 | 79.81 |
| C) Cash Flow From Financing Activities : | | | | |
| Proceeds from Issue of Share Capital | - | - | - | - |
| Increase/(Decrease) in Short Term Borrowings | -2,207.01 | 3,792.67 | -511.85 | -1,427.67 |
| Proceeds from Long Term Borrowings | - | 19.50 | - | - |
| (Repayment) of Long Term Borrowings | -1.04 | -0.34 | - | -3.82 |
| Interest Paid | -276.79 | -245.82 | -332.14 | -336.54 |
| Net cash flow from financing activities | C | -2,484.84 | 3,566.01 | -844.00 |
| Net Increase/(Decrease) In Cash & Cash Equivalents | (A+B+C) | -1,464.95 | 1,425.66 | -1,650.79 |
| Cash equivalents at the beginning of the year | | 2,159.73 | 734.07 | 2,384.86 |
| Cash equivalents at the end of the year | | 694.78 | 2,159.73 | 734.07 |
| Notes :- | 30/09/2024 | 31/03/2024 | 31/03/2023 | 31/03/2022 |
| 1. Component of Cash and Cash equivalents | | | | |
| Cash on hand | 16.47 | 19.26 | 39.02 | 18.99 |
| Balance With banks | 416.45 | 543.82 | 633.06 | 2,309.58 |
| Other Bank Balance | 261.86 | 1,596.65 | 62.00 | 56.29 |
| | 694.78 | 2,159.73 | 734.07 | 2,384.86 |

2. Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular revenue generating, financing and investing activities of the company are segregated.

3. The above statement should be read with the Statement of Notes to the Restated Consolidated Financial Information of the company in Annexure-IV & V

As per our report of even date

For Mundra & Co.

Chartered Accountants

FRN: 013023C

Hitesh H. Lakhani
DIN: 01457990
Chairman & Managing Director

Monil R. Shah
DIN: 08064436
Executive Director

(CA Nitin Khandelwal)

M. No. 414387

Date: 01-01-2025

Place: Jaipur

UDIN: 25414387BMGYBT8447

Hemant Shah
Chief Financial Officer

Sona Jain
Company Secretary

ANNEXURE-IV

SIGNIFICANT ACCOUNTING POLICY AND NOTES TO THE RESTATED FINANCIAL STATEMENTS

A. Corporate information

Rikhav Securities Limited is a Public Limited Unlisted Company registered on March 21, 1995 under the provisions of the Companies Act, 1956 with the Registrar of Companies, Mumbai and bearing CIN U99999MH1995PLC086635.

The company is engaged in the business of equity broking, investing, and trading activities. The Company is registered with SEBI as a stock broker and hold memberships with BSE Limited (BSE), the National Stock Exchange of India (NSE), and the Multi Commodity Exchange (MCX). The company is also engaged in the business of Market Making and registered as a Market Maker with the BSE Limited (BSE) in 2012 and with the National Stock Exchange (NSE) in 2016.

Details of Subsidiary/ associate – During the period of restatement, the holding company is having following subsidiary/ associate:

| Name of Company | Nature | % of holding | | | |
|------------------------------------|-------------------------|---------------|----------------|----------------|----------------|
| | | Sept 30, 2024 | March 31, 2024 | March 31, 2023 | March 31, 2022 |
| RSL IFSC Private Limited | Wholly Owned Subsidiary | 99.99% | 99.99% | 99.99% | 99.99% |
| Rikhav Insurance Brokers Pvt. Ltd. | Associate | * | * | 20.34% | 20.34% |

* Rikhav Insurance Brokers Pvt. Ltd. ceased to be an associate in FY 2023-24.

B. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

1. Basis of preparation of financial statements

The Restated Consolidated Statement of Assets and Liabilities of the Company as on September 30, 2024, March 31, 2024, March 31, 2023, and March 31, 2022 and the Restated Consolidated Statement of Profit and Loss and Restated Consolidated Statements of Cash Flows for the period/year ended on September 30, 2024, March 31, 2024, March 31, 2023, and March 31, 2022 and the annexure thereto (collectively, the “**Restated Consolidated Financial Statements**”) have been extracted by the management from the Audited Consolidated Financial Statements of the Company.

The financial statements of the company have been prepared and presented in accordance with the Generally Accepted Accounting Principles (GAAP). GAAP comprises the Accounting Standards notified u/s Section 133 read with Section 469 of the Companies Act, 2013. The accounting policies have been framed, keeping in view the fundamental accounting assumptions of Going Concern, Consistency and Accrual, as also basic considerations of Prudence, Substance over form, and Materiality. These have been applied consistently, except where a newly issued accounting standard is initially adopted or a revision in the existing accounting standards require a revision in the accounting policy so far in use. The need for such a revision is evaluated on an ongoing basis.

The Financial Statements have been prepared on a going concern basis, in as such as the management neither intends to liquidate the company nor to cease operations. Accordingly, assets, liabilities, income and expenses are recorded on a Going Concern basis. Based on the nature of products and services, and the time between the acquisition of assets and realization in cash or cash equivalents, the company has ascertained its operating cycle as 12 months for the purposes of current and non-current classification of assets and liabilities

2. Principles of consolidation

The Consolidated Financial Statements have been prepared in accordance with Accounting Standard 21 (AS 21) “Consolidated Financial Statements” and Accounting Standard 23 (AS 23) “Accounting for Investments in Associates in Consolidated Financial Statements”.

The Consolidated Financial Statements have been prepared on the following basis:

Investments in Subsidiaries:

- i. The Financial Statements of the Company and its subsidiary companies have been consolidated on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses. Intra group balances, intra group transactions and unrealised profits or losses have been fully eliminated.
- ii. The difference between the costs of investment in the subsidiaries and the Company’s share of equity at the time of acquisition of shares in the subsidiaries is recognised in the Financial Statements as Goodwill on consolidation or Capital Reserve on consolidation.
- iii. The difference between the proceeds from disposal of investment in a subsidiary and the carrying amount of its assets less liabilities as of date of disposal is recognised in the Statement of Profit and Loss as profit or loss on disposal of investment in subsidiaries.
- iv. Minority Interest in the net assets of consolidated subsidiaries consists:
 - a. the amount of equity attributable to minorities at the date on which investment in a subsidiary is made; and
 - b. the minorities’ share of movements in equity since the date the parent subsidiary relationship comes into existence."

The subsidiary (which along with RSL, the parent, constitute the group) considered in the presentation of these Consolidated Financial Statements is:

| Name of the Subsidiary Company | Country of Incorporation | Proportion of ownership interest | | | |
|--------------------------------|--------------------------|----------------------------------|----------------|----------------|----------------|
| | | Sept 30, 2024 | March 31, 2024 | March 31, 2023 | March 31, 2022 |
| RSL IFSC Private Limited | India | 99.99% | 99.99% | 99.99% | 99.99% |

Investments in Associates:

- i. The Financial Statements of the Company and its associate companies have been consolidated as per Equity Method.
- ii. Under the equity method, the investment is initially recorded at cost, identifying any goodwill/capital reserve arising at the time of acquisition. On initial recognition the investment in an associate is recognised at cost. The carrying amount is then increased or

decreased to recognise the investor's share of the subsequent profit or loss of the investee and to include that share of the investee's profit or loss in the investor's profit or loss.

The associate (which along with RSL, the parent, constitute the group) considered in the presentation of these Consolidated Financial Statements is:

| Name of the Subsidiary Company | Country of Incorporation | Proportion of ownership interest | | | |
|--|--------------------------|----------------------------------|----------------|----------------|----------------|
| | | Sept 30, 2024 | March 31, 2024 | March 31, 2023 | March 31, 2022 |
| Rikhav Insurance Brokers Private Limited | India | - | - | 20.34% | 20.34% |

The investment in Rikhav Insurance Brokers Private Limited has reduced to 13.56% at the year ended on March 31, 2024 and thus it is not classified as an associate for that year and thereafter.

2. Use of estimates

The preparation of the financial statements in conformity with the generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets and liabilities as at the balance sheet date, the results of operation during the reported period and disclosure of contingent liabilities as on the reporting date. Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable and are in their best knowledge of current event and actions. Actual results could differ from these estimates and differences between actual results and estimates are recognized in the period in which the results are known or materialize. Significant estimates used by the management in the preparation of these financial statements include provision for employee benefits, estimates of the economic useful life of plant and equipment, provision for expenses, provisioning for taxation etc.

The following significant accounting policies are adopted in the preparation and presentation of these financial statements:

1. Revenue Recognition

- a) Revenue is recognized to the extent that is probable that the economic benefits will flow to the Group and the revenue can be reliably measured.
- b) Revenue recognition in the form of commission & brokerages for sub brokering with BRLMs for various IPO's is considered in the year in which the IPO's are serviced.
- c) Interest Income is treated to accrue on timely basis.
- d) Lending Premium / Borrowing charges from the trades in Securities Lending & Borrowing Market (SLBM) segment is recognized in the year in which the contract for lending / borrowing is entered into.
- e) Income from the Stock Exchanges in the form of Incentives under Liquidity Enhancement Incentive Programme Scheme (LEIPS) is recorded on the receipt basis

2. Foreign Currency Transaction:

- a) Foreign currency transactions are recorded at the exchange rates prevailing on the date of the transaction.
- b) Short term monetary items denominated in foreign currencies (such as cash, receivable, payable etc.) outstanding at the year end, are translated /re-converted at the year-end exchange rate unless covered by a forward contract.
- c) Any gain or loss arising on settlement and / or translation of short-term monetary transaction in foreign currency is accounted for in the statement of Profit and Loss.

3. Shares, Stocks & Securities under SLBM:

The Company has recognized current liability (refer note no. 1(d)) for the trades executed for sale of shares in the spot market through borrowing it from the SLBM segment and has recognized the gain / loss on account of change in Fair Value of the obligation on valuation date

4. Employee Benefits

- Defined Benefit Plans

For Defined Benefit Plans, the cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuations being carried out at the date of each statement of financial position.

The retirement benefit obligations recognised in the statement of financial position represents the present value of the defined benefit obligations reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to the present value of available refunds and reductions in future contributions to the scheme.

5. Borrowing Costs

Borrowing cost includes interest and amortization of ancillary costs incurred in connection with the arrangement of borrowings. Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

6. Accounting for Taxes on Income

Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

- a) Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date.

- b) Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets are recognized for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the Company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

The carrying amount of deferred tax assets are reviewed at each reporting date. The company writes-down the carrying amount of a deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

7. Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, share split and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

8. Property, Plant and Equipment

Property, plant and equipment are stated at cost, less accumulated depreciation and accumulated impairment losses. The initial cost of a property, plant and equipment comprises its purchase price, any costs directly attributable to bringing the property, plant and equipment into the location and condition necessary for it to be capable of operating in the manner intended by management.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in statement of profit and loss.

The Company provides depreciation on items of property, plant and equipment on Written Down Value Method (WDV) based on useful life of assets as per Part C of Schedule II of the Companies Act, 2013.

Depreciation amount for asset is the cost of an asset less its estimated residual value. In case of impairment, depreciation is provided on revised carrying amount over its remaining useful life.

9. Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognized only when there is a present obligation as a result of past events and when a reliable estimate of the amount of obligation can be made.

Contingent Liability is disclosed for:

- a) Possible obligation which will be confirmed only by future events not wholly within the control of the Company, or
- b) Present obligations arising from the past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.
- c) 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 that the likelihood of outflow of resources is remote, no provision or disclosure is made.
- d) Contingent Assets are not recognized in the financial statements since this may result in the recognition of income that may never be realized.

10. Investments

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties.

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

11. Segment Accounting

Business Segment

- a) The business segment has been considered as the primary segment.
- b) The Company's primary business segments are reflected based on principal business activities, the nature of service, the differing risks and returns, the organization structure and the internal financial reporting system.
- c) The Company's primary business includes Stock Broking and Investment in securities. This is the only segment as envisaged in Accounting Standard 17: 'Segment Reporting' therefore disclosure for Segment reporting is not applicable.

12. Cash Flow Statement:

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. Cash flows from operating, investing and financing activities of the Company are segregated, accordingly.

C. CHANGES IN ACCOUNTING POLICIES IN THE YEARS COVERED IN THE RESTATED FINANCIALS

There was no change in accounting policies, which needs to be adjusted in the Restated Financial Statement.

D. NOTES ON RESTATEMENTS MADE IN THE RESTATED FINANCIALS

1. The financial statements including other financial information have been prepared after making such regroupings and adjustments, considered appropriate to comply with the same. As result of these regroupings and adjustments, the amount reported in the financial statements/information may not necessarily be same as those appearing in the respective audited financial statements for the relevant years.
2. Amount due to entities covered under Micro, Small and Medium Enterprises as defined in the Micro, Small, Medium Enterprises Development Act, 2006, have been reported to the extent of information memorandum received from the suppliers.
3. Value of Imports:

(Amount in Rs. Lakhs)

| Particulars | Sept-24 | FY 2023-24 | FY 2022-23 | FY 2021-22 |
|---------------------|---------|------------|------------|------------|
| CIF Value of Import | - | - | - | - |

4. Transactions in Foreign Currency:

(Amount in US\$ Lakhs)

| Particulars | Sept-24 | FY 2023-24 | FY 2022-23 | FY 2021-22 |
|---------------------------------------|---------|------------|------------|------------|
| Total Earnings in Foreign Currency | - | \$ 0.18 | \$ 1.13 | \$ 0.27 |
| Total Expenditure in Foreign Currency | - | \$ 0.38 | \$ 0.82 | \$ 0.21 |

5. Geographical Information

- Revenue

(Amount in Rs. Lakhs)

| Particulars | Sept-24 | FY 2023-24 | FY 2022-23 | FY 2021-22 |
|---------------|----------|------------|------------|------------|
| India | 9,285.81 | 10,431.39 | 4,946.76 | 3,549.91 |
| Outside India | - | - | - | - |

- Non-Current Assets

All the non-current assets of the Company are situated within India.

6. Employee benefits:

The Company has adopted the Accounting Standard 15 (revised 2005) on Employee Benefits as per an actuarial valuation carried out by an independent actuary. The disclosures as envisaged under the standard are as under:

(Amount in Rs. Lakhs)

| Particulars | 30/09/2024 | 31/03/2024 | 31/03/2023 | 31/03/2022 |
|--|-------------------------------|-----------------|-----------------|-----------------|
| 1.The amounts recognized in the Balance Sheet are as follows: | | | | |
| Defined benefit obligation as at the end of the period | 39.84 | 63.46 | 41.79 | 27.14 |
| Fair Value of Plan Assets at the end of the period | 0.00 | 0.00 | 0.00 | 0.00 |
| Net Liability/(Asset) | 39.84 | 63.46 | 41.79 | 27.14 |
| 2.The amounts recognized in the Profit & Loss A/c are as follows: | | | | |
| Current Service Cost | 5.47 | 25.25 | 12.04 | 7.10 |
| Interest on Defined Benefit Obligation | 2.30 | 3.03 | 1.97 | 2.19 |
| Expected Return on Plan Assets | | | | |
| Net actuarial losses (gains) recognised in the period | -31.39 | -6.61 | 0.64 | -12.33 |
| Total, Included in “Salaries, Allowances & Welfare” | -23.62 | 21.67 | 14.65 | -3.04 |
| 3.Changes in the present value of defined benefit obligation: | | | | |
| Defined benefit obligation as at the beginning of the period | 63.46 | 41.79 | 27.14 | 30.18 |
| Service cost | 5.47 | 25.25 | 12.04 | 7.10 |
| Interest cost | 2.30 | 3.03 | 1.97 | 2.19 |
| Expected Return on Plan Assets | 0.00 | 0.00 | 0.00 | 0.00 |
| Net actuarial losses (gains) recognised in the period | -31.39 | -6.61 | 0.64 | -12.33 |
| Benefit paid by the Company/Fund | 0.00 | 0.00 | 0.00 | 0.00 |
| Defined benefit obligation as at the end of the period | 39.84 | 63.46 | 41.79 | 27.14 |
| 4.Changes in the Fair Value of Plan Assets: | | | | |
| Fair Value of Plan Assets at the beginning of the period | 0.00 | 0.00 | 0.00 | 0.00 |
| Contributions by the Employer | 0.00 | 0.00 | 0.00 | 0.00 |
| Expected Return on Plan Assets | 0.00 | 0.00 | 0.00 | 0.00 |
| Net actuarial (losses) gains recognised in the period | 0.00 | 0.00 | 0.00 | 0.00 |
| Benefit paid by the Fund | 0.00 | 0.00 | 0.00 | 0.00 |
| Fair Value of Plan Assets at the end of the period | 0.00 | 0.00 | 0.00 | 0.00 |
| Benefit Description | | | | |
| Benefit type: | Gratuity Valuation as per Act | | | |
| Funding Status | Unfunded | Unfunded | Unfunded | Unfunded |
| Retirement Age: | 60 years | 60 years | 60 years | 60 years |

| | | | | |
|---|--------------------|------------|------------|------------|
| Vesting Period: | 5 years | 5 years | 5 years | 5 years |
| The principal actuarial assumptions for the above are: | | | | |
| Future Salary Rise: | 5.00% p.a. | 5.00% p.a. | 5.00% p.a. | 5.00% p.a. |
| Discount rate per annum: | 7.00% p.a. | 7.25% p.a. | 7.25% p.a. | 7.25% p.a. |
| Attrition Rate: | 10% Per Annum | | | |
| Mortality Rate: | IALM 2012-14 Urban | | | |

7. Provisions, Contingent Liabilities and Contingent Assets (AS 29)

Contingent liabilities and commitments (to the extent not provided for). There are no contingent liabilities as on the end of respective period except as mentioned in Annexure -AB, for any of the years covered by the statements.

8. Related Party Disclosure (AS 18)

Related party transactions are reported as per AS-18 of Companies (Accounting Standards) Rules, 2006, as amended, in the Annexure – Y of the enclosed financial statements.

9. Accounting For Taxes on Income (AS 22)

Deferred Tax liability/Asset in view of Accounting Standard – 22: “Accounting for Taxes on Income” as at the end of the year is reported as under:

(Amount in Rs. Lakhs)

| Particulars | As at | | | |
|--|--------------|--------------|--------------|---------------|
| | 30-09-2024 | 31-03-2024 | 31-03-2023 | 31-03-2022 |
| Opening Deferred Tax Assets/(Liabilities) (A) | 23.43 | 18.98 | 18.44 | 95.01 |
| Timing difference due to Depreciation & Gratuity | 118.09 | 93.72 | 76.10 | 73.87 |
| Cumulative Balance of Deferred Tax Assets/(Liability) (Net) (B) | 29.87 | 23.43 | 18.98 | 18.44 |
| Deferred Tax Assets/(Liabilities) on transferred to P & L Statement (A-B) | 6.44 | 4.45 | 0.53 | -76.57 |

10. Earnings Per Share (AS 20):

Earnings per Share have been calculated is already reported in the Annexure –X of the enclosed financial statements.

11. Contractual liabilities

All other contractual liabilities connected with business operations of the Company have been appropriately provided for.

12. Amounts in the financial statements

Amounts in the financial statements are reported in Indian Rupees in lakhs and rounded off to second digit of decimal. Figures in brackets indicate negative values.

13. Auditors Qualifications –

Details of Auditors qualifications and their impact on restated financial statement is given below.

a) Qualification which required adjustment in restated financial statements:

| Financial Year | Audit Qualifications | Remark |
|-----------------------|-----------------------------|----------------|
| FY 2021-22 | NIL | Not Applicable |
| FY 2022-23 | NIL | Not Applicable |
| FY 2023-24 | NIL | Not Applicable |
| Sept-2024 | NIL | Not Applicable |

b) Qualification which does not require adjustment in restated financial statements:

| Financial Year | Audit Qualifications | Management Reply |
|-----------------------|-----------------------------|-------------------------|
| FY 2021-22 | NIL | Not Applicable |
| FY 2022-23 | NIL | Not Applicable |
| FY 2023-24 | NIL | Not Applicable |
| Sept-2024 | NIL | Not Applicable |

ANNEXURE-V

MATERIAL ADJUSTMENTS [AS PER THE ICDR REGULATION]

Appropriate adjustments have been made in the restated consolidated financial statements, whenever required, by reclassification of the corresponding items of assets, liabilities and cash flow statement, in order to ensure consistency and compliance with requirement of Company Act 2013, and Accounting Standards.

The Summary of results of restatements made in the audited consolidated financial statements of the Group for the respective years and their impact on the profit /(losses) of the Group is as under.

Statement of adjustments in the Consolidated Financial Statements

Statement of Consolidated Reserve and Surplus

(Amount in Rs. Lakhs)

| Particulars | Sept-24 | 2023-24 | 2022-23 | 2021-22 |
|---|------------------|------------------|-----------------|-----------------|
| Consolidated Reserves and Surplus as per audited accounts but before adjustments for restated accounts | 17,409.90 | 12,356.31 | 8,088.50 | 7,091.35 |
| Add: Cumulative Adjustment made in Statement of Profit and Loss Account during the restated period | -41.03 | -24.77 | -68.49 | 17.19 |
| Add: Adjustment to the Opening Reserves as on 01-04-2021 | -22.01 | -22.01 | -22.01 | -22.01 |
| Total Net Adjustment in Profit and Loss Account | -63.04 | -46.78 | -90.50 | -4.82 |
| Reserves and Surplus as per Restated Accounts | 17,346.86 | 12,309.54 | 7,998.01 | 7,086.54 |

Statement of Consolidated Profit and Loss after Tax

The reconciliation of Profit/(loss) after tax as per audited results and the Profit/(loss) after tax as per Restated accounts is presented in below Table. This summarizes the results of restatements made in the audited accounts for the respective years and its impact on the respective year profit & losses of the group.

(Amount in Rs. Lakhs)

| Particulars | Sept-24 | 2023-24 | 2022-23 | 2021-22 |
|--|-----------------|-----------------|-----------------|-----------------|
| Net profit after tax as per audited accounts but before adjustments for restated accounts: | 5053.57 | 4,220.91 | 2,042.85 | 1,745.27 |
| Excess provision for gratuity as per AS - 15(revised) | 23.62 | -21.67 | -14.65 | 3.04 |
| Short/(excess) provision for deferred tax assets | -9.92 | -13.52 | 0.53 | -3.99 |
| (Short)/excess provision for income tax | -112.15 | -89.04 | -93.87 | -43.44 |
| Cost of Investment in Associate sold overstated | 0.00 | 73.88 | 0.00 | 0.00 |
| Prior period Expenses Restated - Professional Fee | 0.00 | 4.02 | -5.63 | 3.71 |
| Expenses does not forming part of P&L | 82.20 | 90.05 | 27.94 | 57.87 |
| Net adjustment in profit and loss account | -16.26 | 43.72 | -85.68 | 17.19 |
| Net Profit after tax as per restated accounts | 5,037.32 | 4,264.63 | 1,957.17 | 1,762.47 |

a) Adjustment of Gratuity Expenses

Company had accounted gratuity on cash basis, however during the restatement, Company has complied with the requirement of AS – 15 (Revised) “Employee Benefits” and accordingly booked Gratuity expenses basis of actuarial valuation report.

b) Adjustment on account of Provision of Deferred Tax Assets:

Due to Provision for Gratuity (Employee benefits) and Difference of WDV of Fixed Assets as per Companies Act, 2013 and Income Tax Act, 1961 which are temporary timing differences, during the period of restatement. The Company has recalculated the deferred tax liability and deferred tax assets at the end of respective year ended at the rate of normal tax rate applicable at the end of relevant year. For more details refer table of Reconciliation of Statement of Profit and loss as above.

c) Provision of Income Tax (Current/Prior Period):

During the restatement, the Income tax provision was recalculated on restated Profit/(Loss) of respective year as per the prevailing tax rates, accordingly the effect of revised income tax provision has been made in the Restated Consolidated Statement of Profit and Loss account. Short/(Excess) provision has been adjusted in respective year/period. For More details, refer Annexure AA enclosed with the Restated Financial Statement.

d) Accounting of Prior Period Expenses:

During the restatement, expenses booking has been reconsidered based on the year to which such expenses is pertaining to and accordingly all prior period expenses has been charged to Restated Consolidated Statement of Profit and Loss account of respective years. It includes Professional Fees.

e) Accounting of Expenses does not forming part of P&L:

During the restatement, expenses that does not form part of the Profit & Loss Statement of the group has been restated. These expenses include Interest on Income Tax and Self-Assessment Income Tax.

RESTATED CONSOLIDATED STATEMENT OF SHARE CAPITAL, RESERVES AND SURPLUS

(Amt. in Rs. Lakhs, Except Share Data)

| Particulars | 30/09/2024 | 31/03/2024 | As at | |
|---|-----------------|-----------------|-----------------|---------------|
| | | | 31/03/2023 | 31/03/2022 |
| Share Capital | | | | |
| Authorised Share Capital | | | | |
| No of Equity shares of Rs. 5 each (P.Y. Rs. 10/-) | 39,000,000 | 19,500,000 | 19,500,000 | 19,500,000 |
| Equity Share Capital | 1,950.00 | 1,950.00 | 1,950.00 | 1,950.00 |
| No of Preference shares of Rs. 10 each (P.Y. Rs. 10/-) | 2,500,000 | 2,500,000 | 2,500,000 | 2,500,000 |
| Preference Share Capital | 250.00 | 250.00 | 250.00 | 250.00 |
| Issued, Subscribed and Paid up Share Capital | | | | |
| No of Equity Shares of Rs. 5/- each (P.Y. Rs. 10/-) fully paid up | 29,964,000 | 14,982,000 | 14,982,000 | 4,994,000 |
| Equity Share Capital | 1,498.20 | 1,498.20 | 1,498.20 | 499.40 |
| Total | 1,498.20 | 1,498.20 | 1,498.20 | 499.40 |

1. Terms/rights attached to equity shares:

i. The company has only one class of shares referred to as equity shares having a par value of Rs. 5/- as at 30th September, 2024.

ii. Each holder of equity shares is entitled to one vote per share.

iii. In the event of liquidation of the Company, the holders of equity shares shall be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. The amount distributed will be in proportion to the number of equity shares held by the shareholders.

2. Pursuant to Board resolution dated on 4th April, 2022 and shareholder's consent dated 31st March, 2022 bonus issue of 99,88,000 equity shares of face value of Rs 10/- in the ratio 2:1 i.e. two (2) bonus equity shares for every one (1) equity share held by shareholder has been issued.

3. Pursuant to Board resolution dated July 16, 2024 the face value of Equity Shares of the Company was subdivided from Rs. 10/- per Equity Share to Rs. 5/- per Equity Share. Consequent to this subdivision, the number of Equity Shares issued by the company increases from 1,49,82,000 equity shares of face value ₹10/- each to 2,99,64,000 Equity Shares of face value ₹5/- each.

4. The Company has not done any buy-back of its shares in last 5 years immediately preceding 30th September 2024.

5. The Company has not issued bonus shares in last 5 years immediately preceding 30th September 2024 except as disclosed in Pt. 8 below.

6. The Company has not issued any shares for consideration other than cash in last 5 years immediately preceding 30th September 2024.

7. There are no calls unpaid by the Directors or officers of the company.

8. The reconciliation of the number of Equity shares outstanding as at: -

| Particulars | 30/09/2024 | 31/03/2024 | 31/03/2023 | 31/03/2022 |
|--|-------------------|-------------------|-------------------|------------------|
| Number of shares (Face value Rs 10) at the beginning | 14,982,000 | 14,982,000 | 4,994,000 | 4,994,000 |
| Add: Bonus Shares in the ratio of 2:1 | - | - | 9,988,000 | - |
| Add: Subdivision of Shares from Rs. 10/- to Rs. 5/- | 14,982,000 | - | - | - |
| Number of shares (Face value Rs 10) at the end of year | 29,964,000 | 14,982,000 | 14,982,000 | 4,994,000 |

9. The detail of shareholders holding more than 5% of Total Equity Shares: -

| Name of Shareholders | 30/09/2024 | 31/03/2024 | 31/03/2023 | 31/03/2022 |
|-------------------------|------------|------------|------------|------------|
| Hitesh Himatlal Lakhani | 2,289,720 | 1,144,860 | 1,144,860 | 381,620 |
| Vikram Shah | 2,007,876 | 1,003,938 | 1,003,938 | 334,646 |
| Vaishali Rajendra Shah | 1,977,876 | 988,938 | 988,938 | 329,646 |
| Mahesh Shah | 1,977,876 | 988,938 | 988,938 | 329,646 |
| Dharmesh Shah | 1,977,876 | 988,938 | 988,938 | 329,646 |
| Deep Hitesh Lakhani | 1,929,960 | 964,980 | 964,980 | 321,660 |

10. Shares held by promoters at the end of the respective year is as under

10a) Shares held by promoters at the period ended 30th September, 2024

| Promoter Name | No. of Shares (Face Value Rs. 5/- each) | % of total shares | % Changes during the year |
|-----------------------------|---|----------------------|---------------------------------|
| Hitesh Himatlal Lakhani | 2,289,720 | 7.64% | 0.00% |
| Vaishali Rajendra Shah | 1,977,876 | 6.60% | 0.00% |
| Deep Hitesh Lakhani | 1,929,960 | 6.44% | 0.00% |
| Rajendra Navalchand Shah | 1,436,496 | 4.79% | 0.00% |
| Bharti Hitesh Lakhani | 1,223,760 | 4.08% | 0.00% |
| Hitesh Himatlal Lakhani HUF | 1,314,600 | 4.39% | 0.00% |
| Monil Rajendra Shah | - | 0.00% | 0.00% |
| Total | | | |

10b) Shares held by promoters as at March 31, 2024

| Promoter Name | No. of Shares (Face Value Rs. 10/- each) | % of total shares | % Changes during the year |
|-----------------------------|--|----------------------|---------------------------------|
| Hitesh Himatlal Lakhani | 1,144,860 | 7.64% | 0.00% |
| Vaishali Rajendra Shah | 988,938 | 6.60% | 0.00% |
| Deep Hitesh Lakhani | 964,980 | 6.44% | 0.00% |
| Rajendra Navalchand Shah | 718,248 | 4.79% | 0.00% |
| Bharti Hitesh Lakhani | 611,880 | 4.08% | 0.00% |
| Hitesh Himatlal Lakhani HUF | 657,300 | 4.39% | 0.00% |

| | | | |
|---------------------|---------------------|---------------|----------|
| Monil Rajendra Shah | - | 0.00% | 0.00% |
| Total | 5,086,206.00 | 33.95% | 0 |

10c) Shares held by promoters as at March 31, 2023

| Promoter Name | No. of Shares (Face Value Rs. 10/- each) | % of total shares | % Changes during the year |
|-----------------------------|--|----------------------|---------------------------------|
| Hitesh Himatlal Lakhani | 1,144,860 | 7.64% | 0.00% |
| Vaishali Rajendra Shah | 988,938 | 6.60% | 0.00% |
| Deep Hitesh Lakhani | 964,980 | 6.44% | 0.00% |
| Rajendra Navalchand Shah | 718,248 | 4.79% | 0.00% |
| Bharti Hitesh Lakhani | 611,880 | 4.08% | 0.00% |
| Hitesh Himatlal Lakhani HUF | 657,300 | 4.39% | 0.00% |
| Monil Rajendra Shah | - | 0.00% | 0.00% |
| Total | 5,086,206 | 33.95% | 0 |

10d) Shares held by promoters as at March 31, 2022

| Promoter Name | No. of Shares (Face Value Rs. 10/- each) | % of total shares | % Changes during the year |
|-----------------------------|--|----------------------|---------------------------------|
| Hitesh Himatlal Lakhani | 381,620 | 7.64% | 0.00% |
| Vaishali Rajendra Shah | 329,646 | 6.60% | 0.00% |
| Deep Hitesh Lakhani | 321,660 | 6.44% | 0.00% |
| Rajendra Navalchand Shah | 239,416 | 4.79% | 0.00% |
| Bharti Hitesh Lakhani | 203,960 | 4.08% | 0.00% |
| Hitesh Himatlal Lakhani HUF | 219,100 | 4.39% | 0.00% |
| Monil Rajendra Shah | - | 0.00% | 0.00% |
| Total | 1,695,402 | 33.95% | 0 |

Reserves and Surplus

a) Share Premium Reserves

| | | | | |
|---------------------------|-----------------|-----------------|-----------------|-----------------|
| Opening Balance | 2,597.06 | 2,597.06 | 3,595.86 | 3,595.86 |
| Addition during the year | - | - | - | - |
| Reduction during the year | - | - | 998.80 | - |
| Closing Balance | 2,597.06 | 2,597.06 | 2,597.06 | 3,595.86 |

b) Capital Reserves

| | | | | |
|---------------------------|----------|----------|----------|----------|
| Opening Balance | - | - | - | - |
| Addition during the year | - | - | - | - |
| Reduction during the year | - | - | - | - |
| Closing Balance | - | - | - | - |

c) Surplus in Profit and Loss account

| | | | | |
|----------------------------|------------------|-----------------|-----------------|-----------------|
| Opening Balance | 9,712.48 | 5,447.85 | 3,490.68 | 1,728.21 |
| Profit for the Year | 5,037.32 | 4,264.63 | 1,910.27 | 1,762.47 |
| Less: Issue of Bonus Share | - | - | - | - |
| Closing Balance | 14,749.80 | 9,712.48 | 5,400.95 | 3,490.68 |

| | | | | |
|----------------------|------------------|------------------|-----------------|-----------------|
| Total (a+b+c) | 17,346.86 | 12,309.54 | 7,998.01 | 7,086.54 |
|----------------------|------------------|------------------|-----------------|-----------------|

11. Company does not have any Revaluation Reserve.

12. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.

RESTATED CONSOLIDATED STATEMENT OF LONG TERM AND SHORT TERM BORROWINGS

(Amount in Rs. Lakhs)

| Particulars | As at | | | |
|---|-----------------|-----------------|---------------|-----------------|
| | 30/09/2024 | 31/03/2024 | 31/03/2023 | 31/03/2022 |
| Long Term Borrowings | | | | |
| (Secured) | | | | |
| (a) Term loans | | | | |
| From Bank & Financial Institutions | 15.90 | 17.04 | - | - |
| From Others | - | - | - | - |
| Sub-total | 15.90 | 17.04 | - | - |
| (Unsecured) | | | | |
| (b) Term loans | | | | |
| From Bank & Financial Institutions | - | - | - | - |
| From Others | - | - | - | - |
| Sub-total (b) | - | - | - | - |
| (c) Loans and advances from related parties & shareholders (Unsecured) | | | | |
| From Shareholder | - | - | - | - |
| Sub-total (c) | - | - | - | - |
| (d) Loans and advances from others (Unsecured) | | | | |
| Inter-Corporate Borrowings | - | - | - | - |
| Sub-total (d) | - | - | - | - |
| Total | 15.90 | 17.04 | - | - |
| Short Term Borrowings | | | | |
| Secured | | | | |
| (a) Term loans | | | | |
| From Bank & Financial Institutions | 110.05 | 796.06 | 209.15 | 997.01 |
| Current Maturities of Long Term Debt | 2.22 | 2.13 | - | - |
| Sub total (a) | 112.27 | 798.18 | 209.15 | 997.01 |
| Unsecured | | | | |
| From Bank & Financial Institutions | 2,469.88 | 3,990.88 | 785.11 | 507.26 |
| Current Maturities of Long Term Debt | - | - | - | 1.85 |
| Sub total (b) | 2,469.88 | 3,990.88 | 785.11 | 509.10 |
| Total (a+b) | 2,582.16 | 4,789.07 | 994.27 | 1,506.12 |

Note :

1. The terms and conditions and other information in respect of Secured Loans are given in Annexure -B (A)
2. The terms and conditions and other information in respect of Unsecured Loans are given in Annexure - B (B)

RESTATED STATEMENT OF PRINCIPAL TERMS OF SECURED TERMS LOANS AND ASSETS CHARGED AS SECURITY

| Name of Lender | Purpose | Sanctioned Amount (Rs. in Lakhs) | Rate of interest per annum | Re-Payment Schedule | | | Outstanding amount as on (as per Books) (Rs. In Lakhs) | | | |
|----------------------------------|---|----------------------------------|--------------------------------|-----------------------|---------------------------|------------|---|---------------|---------------|---------------|
| | | | | No of EMI (in Months) | EMI Amount (Rs. In Lakhs) | Moratorium | 30/09/2024 | 31/03/2024 | 31/03/2023 | 31/03/2022 |
| HDFC Bank Ltd. (Note 1) | Purchase of Vehicle | 19.50 | 9.00% | 84 | 0.31 | - | 18.12 | 19.16 | - | - |
| HDFC Bank Ltd. (Note 2) | Working Capital | 5,000.00 | FDR Interest Rate + 2.00% p.a. | Repayable on demand | NA | NA | - | 123.54 | 107.67 | 416.02 |
| HDFC Bank Ltd. (Note 2) | Working Capital | | | Repayable on demand | NA | NA | 110.05 | 220.82 | -0.03 | 3.34 |
| Axis Bank Ltd. (Note 3) | Obligation and Working Capital | 2,000.00 | 1 year MCLR + 1.75% p.a. | Repayable on demand | NA | NA | - | 450.06 | 100.12 | 576.26 |
| Axis Bank Ltd. (Note 4) | Stock Exchange Obligation and Margin Requirements | 100.00 | FDR Interest Rate + 2.00% p.a. | Repayable on demand | NA | NA | - | 1.63 | 1.40 | 1.40 |
| Axis Bank Ltd. (Note 5) | Intraday Fund Requirements | 4,000.00 | 1 year MCLR + 7.25% p.a. | Intraday | NA | NA | - | - | - | - |
| State Bank of Mauritius (Note 6) | Working Capital | 500.00 | 11.00% | Repayable on demand | NA | NA | - | - | - | - |
| Total | | | | | | | 128.17 | 815.22 | 209.15 | 997.01 |

Note:

1. Term Loan of Rs. 19.50 Lakhs from HDFC Bank Ltd. is for purchase of Vehicle and secured with hypothecation of the respective vehicle.
2. Working Capital Limits from HDFC Bank is secured against Lien marked on Term Deposit, hypothecation of immovable property owned by AHL Investment Consultants Private Limited, personal guarantee of Bharti Lakhani, Hitesh Himmatlal Lakhani & Rajendra Navalchand Shah and corporate guarantee of AHL Investment Consultants Private Limited.
3. OD Limit from Axis Bank is secured against hypothecation of immovable property owned by Rikhav BPO and Software Services Pvt. Ltd., personal guarantee of Bharti Lakhani, Hitesh Himmatlal Lakhani & Rajendra Navalchand Shah and corporate guarantee of Rikhav BPO and Software Services Pvt. Ltd.
4. OD Limit from Axis Bank is secured against lien on FDR with Axis Bank.
5. Intraday Fund Limit from Axis Bank is secured against hypothecation of immovable property owned by Rikhav BPO and Software Services Pvt. Ltd., Lien on Bank Balances/FDR with Axis Bank, Pledge of Approved Listed Shares and Pledge in Mutual Funds Units held by Rikhav Securities Ltd.
6. OD from State Bank of Mauritius is secured against Book Debts of the company and personal guarantee of Bharti Lakhani, Hitesh Himmatlal Lakhani & Rajendra Navalchand Shah.

RESTATED STATEMENT OF TERMS & CONDITIONS OF UNSECURED LOANS

A) Details of Unsecured Loans outstanding as at the end of the latest Reporting period from Directors/Promoters/Promoter Group /Associates/Relatives of Directors/Group Companies/NBFC/Banks/other entities
Unsecured Loans from Promoters/Directors are interest free and all are taken without any preconditions attached towards repayments.

| Name of Lender | Purpose | Rate of interest per annum | Re-Payment Schedule | Moratorium | EMI Amount (Rs. In Lakhs) | Outstanding amount as at (Amount in Rs.) | | | |
|---------------------------------------|--|----------------------------|---------------------|------------|---------------------------|--|-----------------|---------------|---------------|
| | | | | | | 30/09/2024 | 31/03/2024 | 31/03/2023 | 31/03/2022 |
| Kotak Mahindra Ltd | Vehicle Loan | 10.50% | 60 Months | - | 0.16 | - | - | - | 1.85 |
| Manba Finance Limited | Term Loan | 12.00% | 6 Months | - | NA | - | 500.00 | - | - |
| Total Holdings & Finvest Pvt Ltd | For acquisition of shares & securities and working capital | 12.00% | On Demand | - | NA | 2,067.06 | 3,490.88 | 785.11 | 9.39 |
| Tata Capital Services Private Limited | For trading of shares & securities | 9.25% | On Demand | - | NA | 241.87 | - | - | 497.87 |
| Anand Rathi Global Finance Limited | For acquisition of shares & securities and working capital | 12.00% | On Demand | - | NA | 160.95 | - | - | - |
| Total | | | | | | 2,469.88 | 3,990.88 | 785.11 | 509.10 |

RESTATED CONSOLIDATED STATEMENT OF DEFERRED TAX ASSETS / LIABILITIES

(Amount in Rs. Lakhs)

| Particulars | As at | | | |
|---|--------------|--------------|--------------|--------------|
| | 30/09/2024 | 31/03/2024 | 31/03/2023 | 31/03/2022 |
| Opening Deferred Tax Assets/(Liabilities) (A) | 23.43 | 18.98 | 18.44 | 95.01 |
| | - | - | - | - |
| Timing difference due to Depreciation & Gratuity | 118.09 | 93.72 | 76.10 | 73.87 |
| Cumulative Balance of Deferred Tax Assets/(Liability) (Net) (B) | 29.87 | 23.43 | 18.98 | 18.44 |
| | - | - | - | - |
| Deferred Tax Assets/(Liabilities) on transferred to P & L Statement (A-B) | 6.44 | 4.45 | 0.53 | -76.57 |

RESTATED CONSOLIDATED STATEMENT OF LONG TERM PROVISIONS

(Amount in Rs. Lakhs)

| Particulars | As at | | | |
|--|--------------|--------------|--------------|--------------|
| | 30/09/2024 | 31/03/2024 | 31/03/2023 | 31/03/2022 |
| Provision for Employee Benefits | | | | |
| Grauity Provision - Long Term | 34.09 | 55.12 | 38.55 | 24.92 |
| Others | - | - | - | - |
| Total | 34.09 | 55.12 | 38.55 | 24.92 |

RESTATED CONSOLIDATED STATEMENT OF TRADE PAYABLES

(Rs. in Lakhs)

| Particulars | 30/09/2024 | 31/03/2024 | 31/03/2023 | 31/03/2022 |
|--|------------------|------------------|-----------------|-----------------|
| Trade Payables | | | | |
| Micro, Small and Medium Enterprises | - | - | - | - |
| Others | 10,915.26 | 10,521.75 | 7,218.96 | 8,159.85 |
| Total | 10,915.26 | 10,521.75 | 7,218.96 | 8,159.85 |
| Trade Payable Includes Dues to Related Party | | - | - | - |

Notes:

- Amount due to entities covered under Micro, Small and Medium Enterprises as defined in the Micro, Small, Medium Enterprises Development Act, 2006, have been identified on the basis of information available with the Company.
- Ageing of the Supplier, alongwith any amount involved in disputes as required by Schedule III of Companies Act, 2013 is disclosed below after it becomes due for payment. In case of no credit terms defined the break-up of agewise supplier balance is given below after consiering from the date of transactions.

Trade Payables ageing schedule: As at 30th September, 2024 (Rs. in Lakhs)

| Particulars | Not due | Outstanding for following periods from due date of payment | | | | Total |
|-----------------------------|---------|--|-----------|-----------|-------------------|-----------|
| | | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | |
| (i) MSME | - | - | - | - | - | - |
| (ii) Others | - | 10,915.26 | - | - | - | 10,915.26 |
| (iii) Disputed dues- MSME | - | - | - | - | - | - |
| (iv) Disputed dues - Others | - | - | - | - | - | - |

Trade Payables ageing schedule: As at March 31, 2024 (Rs. in Lakhs)

| Particulars | Not due | Outstanding for following periods from due date of payment | | | | Total |
|-----------------------------|---------|--|-----------|-----------|-------------------|-----------|
| | | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | |
| (i) MSME | - | - | - | - | - | - |
| (ii) Others | - | 10,521.75 | - | - | - | 10,521.75 |
| (iii) Disputed dues- MSME | - | - | - | - | - | - |
| (iv) Disputed dues - Others | - | - | - | - | - | - |

Trade Payables ageing schedule: As at March 31, 2023 (Rs. in Lakhs)

| Particulars | Not due | Outstanding for following periods from due date of payment | | | | Total |
|-----------------------------|---------|--|-----------|-----------|-------------------|----------|
| | | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | |
| (i) MSME | - | - | - | - | - | - |
| (ii) Others | - | 7,218.96 | - | - | - | 7,218.96 |
| (iii) Disputed dues- MSME | - | - | - | - | - | - |
| (iv) Disputed dues - Others | - | - | - | - | - | - |

Trade Payables ageing schedule: As at March 31, 2022 (Rs. in Lakhs)

| Particulars | Not due | Outstanding for following periods from due date of payment | | | | Total |
|-----------------------------|---------|--|-----------|-----------|-------------------|----------|
| | | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | |
| (i) MSME | - | - | - | - | - | - |
| (ii) Others | - | 8,159.85 | - | - | - | 8,159.85 |
| (iii) Disputed dues- MSME | - | - | - | - | - | - |
| (iv) Disputed dues - Others | - | - | - | - | - | - |

ANNEXURE - F

RESTATED CONSOLIDATED STATEMENT OF OTHER CURRENT LIABILITIES AND SHORT TERM PROVISIONS
(Amount in Rs. Lakhs)

| Particulars | 30/09/2024 | 31/03/2024 | 31/03/2023 | 31/03/2022 |
|--|-----------------|---------------|---------------|---------------|
| Other Current Liabilities | | | | - |
| Statutory Dues Payables | 37.43 | 37.79 | 70.60 | 26.89 |
| Advances Received from Customers | - | - | - | - |
| Salary & Wages Payable | 141.47 | 30.86 | - | - |
| Other Current Liabilities | 9.62 | 8.80 | 477.70 | 467.58 |
| Total | 188.52 | 77.45 | 548.30 | 494.46 |
| Short Term Provisions | | | | |
| Provision for Employee Benefits | - | - | - | - |
| Provision for Gratuity | 5.75 | 8.34 | 3.24 | 2.22 |
| Other Provisions | - | 1.20 | 1.20 | 0.90 |
| Income tax Provisions net of Advance tax and TDS | 1,204.76 | 929.12 | 471.28 | 296.28 |
| Total | 1,210.51 | 938.66 | 475.72 | 299.40 |

| Particulars | Gross Block | | | | Depreciation | | | | Net Block | |
|--------------------------|---------------|-------------------|-------------------|---------------|---------------|--------------|---------------|---------------|---------------|---------------|
| | As on | Addition | Deduction | As on | As on | for the | Deduction | As on | As on | As on |
| | 01/04/2024 | During the period | During the period | 30-Sep-24 | 01-Apr-24 | period | during the | 30-Sep-24 | 30-Sep-24 | 31-Mar-24 |
| Tangible Assets | | | | - | | | - | | - | - |
| Air Conditioner | 91.65 | 2.77 | 44.72 | 49.70 | 59.50 | 4.64 | 43.16 | 20.98 | 28.72 | 32.15 |
| BOI Matrix Card Reader | 0.24 | 0.07 | 0.24 | 0.07 | 0.22 | 0.01 | 0.22 | 0.00 | 0.07 | 0.03 |
| Camera And Projector | 1.05 | 0.01 | 0.47 | 0.59 | 0.65 | 0.06 | 0.43 | 0.28 | 0.31 | 0.40 |
| Car | 49.18 | 0.00 | 0.00 | 49.18 | 29.74 | 3.46 | 0.00 | 33.19 | 15.99 | 19.44 |
| Computer & Server | 345.81 | 34.89 | 122.14 | 258.56 | 304.06 | 17.25 | 120.30 | 201.01 | 57.55 | 41.75 |
| Furniture & Fixtures | 232.06 | 4.65 | 215.30 | 21.42 | 207.66 | 2.48 | 204.66 | 5.48 | 15.94 | 24.41 |
| Battery | 6.19 | 0.00 | 0.00 | 6.19 | 4.84 | 0.00 | 0.00 | 4.84 | 1.35 | 1.35 |
| Generator | 9.65 | 0.00 | 0.00 | 9.65 | 8.71 | 0.10 | 0.00 | 8.81 | 0.84 | 0.94 |
| Inverter | 12.21 | 0.00 | 9.69 | 2.52 | 10.92 | 0.22 | 9.22 | 1.93 | 0.60 | 1.29 |
| Mobile | 14.47 | 0.75 | 3.90 | 11.31 | 11.53 | 0.90 | 3.75 | 8.69 | 2.62 | 2.93 |
| Office Equipment | 76.23 | 7.26 | 10.86 | 72.64 | 13.49 | 0.78 | 10.71 | 3.56 | 69.07 | 62.74 |
| Television SET | 5.14 | 1.54 | 0.57 | 6.11 | 2.69 | 0.52 | 0.50 | 2.72 | 3.39 | 2.44 |
| Total | 843.89 | 51.94 | 407.89 | 487.94 | 654.02 | 30.43 | 392.94 | 291.50 | 196.43 | 189.87 |
| Intangible Assets | | | | | | | | | | |
| Software License | 26.87 | 7.71 | 0.00 | 34.58 | 21.01 | 2.48 | 0.00 | 23.49 | 11.09 | 5.86 |
| Website Charges | 2.95 | 0.00 | 0.00 | 2.95 | 2.38 | 0.08 | 0.00 | 2.46 | 0.49 | 0.57 |
| MCX Card | 7.91 | 0.00 | 0.00 | 7.91 | 0.00 | 0.00 | 0.00 | 0.00 | 7.91 | 7.91 |
| Total | 37.72 | 7.71 | 0.00 | 45.43 | 23.39 | 2.56 | 0.00 | 25.95 | 19.48 | 14.33 |
| Total | 881.61 | 59.65 | 407.89 | 533.37 | 677.41 | 32.99 | 392.94 | 317.45 | 215.92 | 204.20 |

RESTATED CONSOLIDATED STATEMENT OF NON-CURRENT INVESTMENTS

(Amount in Rs. Lakhs)

| Particulars | As at | | | |
|--|---------------|-----------------|---------------|---------------|
| | 30/09/2024 | 31/03/2024 | 31/03/2023 | 31/03/2022 |
| Non Current Investment (At Cost) | | | | |
| Investment In Unquoted Equity Share of Body Corporate | | | | |
| - RSL IFSC Pvt. Ltd. | | | | |
| - Rikhav Insurance Brokers Pvt Ltd (2,03,370 Equity Shares of Rs. 10/- each; P.Y. 2,03,370 Equity Shares of Rs. 10 each) | 73.88 | 73.88 | 63.92 | 110.83 |
| Investment In Quoted Equity Shares | 741.15 | 1,202.79 | 486.38 | - |
| Total | 815.04 | 1,276.67 | 550.30 | 110.83 |
| Aggregate amount of quoted investments market value | 1,284.06 | 1,296.99 | 418.22 | - |
| Aggregate amount of unquoted investments | 73.88 | 73.88 | 63.92 | 110.83 |

RESTATED CONSOLIDATED STATEMENT OF LONG-TERM LOANS AND ADVANCES

(Amount in Rs. Lakhs)

| Particulars | As at | | | |
|---|------------------|------------------|-----------------|-----------------|
| | 30/09/2024 | 31/03/2024 | 31/03/2023 | 31/03/2022 |
| Unsecured, Considered Good unless otherwise stated | | | | |
| Capital Advance | - | - | - | - |
| Security Deposit (1) | 16,000.02 | 13,943.17 | 7,149.37 | 7,340.84 |
| Loans and Advances to Related Parties | - | - | - | - |
| Loans and Advances to Others | - | - | - | - |
| Total | 16,000.02 | 13,943.17 | 7,149.37 | 7,340.84 |
| (1) Security Deposit includes: | | | | |
| Margin & Deposits to Stock Exchanges etc. | 3,721.21 | 3,284.54 | 242.65 | 383.58 |
| FD including accrued Interest, kept as collateral | 12,187.72 | 10,561.61 | 6,809.16 | 6,856.97 |
| Other Deposit | 91.09 | 97.02 | 97.56 | 100.29 |
| Total | 16,000.02 | 13,943.17 | 7,149.37 | 7,340.84 |

RESTATED CONSOLIDATED STATEMENT OF CURRENT INVESTMENT

(Amount in Rs. Lakhs)

| Particulars | As at | | | |
|---|------------------|------------------|-----------------|-----------------|
| | 30/09/2024 | 31/03/2024 | 31/03/2023 | 31/03/2022 |
| Investment In Quoted Equity Shares | 15,601.33 | 11,916.48 | 9,214.37 | 7,093.78 |
| Total | 15,601.33 | 11,916.48 | 9,214.37 | 7,093.78 |
| Aggregate amount of quoted investments market value | 16,579.26 | 12,849.77 | 7,923.11 | 7,695.26 |

RESTATED CONSOLIDATED STATEMENT OF INVENTORIES

(Amount in Lakhs Rs.)

| Particulars | As at | | | |
|---------------------|------------|------------|------------|------------|
| | 30/09/2024 | 31/03/2024 | 31/03/2023 | 31/03/2022 |
| Raw Materials | - | - | - | - |
| Work in Progress | - | - | - | - |
| Finished Goods | - | - | - | - |
| Tools & Consumables | - | - | - | - |
| Total | - | - | - | - |

Notes:

The Company does not hold any asset in the form of Inventory

RESTATED CONSOLIDATED STATEMENT OF TRADE RECEIVABLES

(Amount in Rs. Lakhs)

| Particulars | As at | | | |
|--|---------------|---------------|---------------|---------------|
| | 30/09/2024 | 31/03/2024 | 31/03/2023 | 31/03/2022 |
| Outstanding for a period exceeding six months (Unsecured and considered Good) | | | | |
| From Directors/Promoters/Promoter Group/Associates/ Relatives of Directors/ Group Companies. | - | - | - | - |
| Others | 52.91 | 62.89 | 79.98 | 35.67 |
| Outstanding for a period not exceeding 6 months (Unsecured and considered Good) | | | | |
| From Directors/Promoters/Promoter Group/Associates/ Relatives of Directors/ Group Companies. | - | - | - | - |
| Others | 173.07 | 356.33 | 479.28 | 643.81 |
| Total | 225.98 | 419.22 | 559.26 | 679.48 |

1. Ageing of the Trade receivable, along with any amount involved in disputes, if any as required by Schedule III of Companies Act, 2013 is disclosed as below. Ageing of debtors is based on the date of transaction in case there is no credit period agreed at the time of Supply.

Trade Receivables ageing schedule as at 30th September, 2024 (Rs. in Lakhs)

| Particulars | Not Due | Outstanding for following periods from due date of payment | | | | | Total |
|---|---------|--|------------------|-----------|-----------|-------------------|--------|
| | | Less than 6 months | 6 months -1 year | 1-2 years | 2-3 years | More than 3 years | |
| (i) Undisputed Trade receivables -considered good | - | 216.38 | 9.60 | - | - | - | 225.98 |
| (i) Undisputed Trade receivables -considered doubtful | - | - | - | - | - | - | - |
| (iii) Disputed trade receivables considered good | - | - | - | - | - | - | - |
| (iv) Disputed trade receivables considered doubtful | - | - | - | - | - | - | - |

Trade Receivables ageing schedule as at 31st March, 2024 (Rs. in Lakhs)

| Particulars | Not Due | Outstanding for following periods from due date of payment | | | | | Total |
|---|---------|--|------------------|-----------|-----------|-------------------|--------|
| | | Less than 6 months | 6 months -1 year | 1-2 years | 2-3 years | More than 3 years | |
| (i) Undisputed Trade receivables -considered good | - | 356.33 | 8.93 | 51.82 | 0.09 | 2.05 | 419.22 |
| (i) Undisputed Trade receivables -considered doubtful | - | - | - | - | - | - | - |
| (iii) Disputed trade receivables considered good | - | - | - | - | - | - | - |
| (iv) Disputed trade receivables considered doubtful | - | - | - | - | - | - | - |

Trade Receivables ageing schedule as at 31st March, 2023 (Rs. in Lakhs)

| Particulars | Not Due | Outstanding for following periods from due date of payment | | | | | Total |
|---|---------|--|------------------|-----------|-----------|-------------------|--------|
| | | Less than 6 months | 6 months -1 year | 1-2 years | 2-3 years | More than 3 years | |
| (i) Undisputed Trade receivables -considered good | - | 479.28 | 1.35 | 75.55 | 2.05 | 1.03 | 559.26 |
| (i) Undisputed Trade receivables -considered doubtful | - | - | - | - | - | - | - |
| (iii) Disputed trade receivables considered good | - | - | - | - | - | - | - |
| (iv) Disputed trade receivables considered doubtful | - | - | - | - | - | - | - |

Trade Receivables ageing schedule as at 31st March, 2022 (Rs. in Lakhs)

| Particulars | Not Due | Outstanding for following periods from due date of payment | | | | | Total |
|---|---------|--|------------------|-----------|-----------|-------------------|--------|
| | | Less than 6 months | 6 months -1 year | 1-2 years | 2-3 years | More than 3 years | |
| (i) Undisputed Trade receivables -considered good | - | 643.81 | 0.17 | 33.31 | 1.04 | 1.15 | 679.48 |
| (i) Undisputed Trade receivables -considered doubtful | - | - | - | - | - | - | - |
| (iii) Disputed trade receivables considered good | - | - | - | - | - | - | - |
| (iv) Disputed trade receivables considered doubtful | - | - | - | - | - | - | - |

2. There is no unbilled receivable at period/year end.

RESTATED CONSOLIDATED STATEMENT OF CASH & CASH EQUIVALENTS

(Amount in Rs. Lakhs)

| Particulars | As at | | | |
|--|---------------|-----------------|---------------|-----------------|
| | 30/09/2024 | 31/03/2024 | 31/03/2023 | 31/03/2022 |
| Cash and Cash Equivalents: (as per Accounting Standard 3: Cash flow Statements) | | | | |
| Balances with Banks in Current Accounts | 416.45 | 543.82 | 633.06 | 2,309.58 |
| Cash on Hand (As certified and verified by Management) | 16.47 | 19.26 | 39.02 | 18.99 |
| <u>Other Bank Balances</u> | | | | |
| Fixed Deposits | 261.86 | 1,596.65 | 57.02 | 56.29 |
| Deposits with NBFC | - | - | 4.97 | - |
| Total | 694.78 | 2,159.73 | 734.07 | 2,384.86 |

RESTATED CONSOLIDATED STATEMENT OF SHORT-TERM LOANS AND ADVANCES

(Amount in Rs. Lakhs)

| Particulars | As at | | | |
|---|---------------|--------------|---------------|---------------|
| | 30/09/2024 | 31/03/2024 | 31/03/2023 | 31/03/2022 |
| Unsecured, Considered Good unless otherwise stated | | | | |
| Security Deposit | - | - | 78.00 | 124.48 |
| Loans and advances to related parties | - | - | - | - |
| Advance to Vendors | 42.89 | - | 15.43 | 8.60 |
| Balance With Revenue Authorities | 99.07 | 78.94 | 57.46 | 71.67 |
| Advance to Staff including Directors | 1.55 | - | - | - |
| Others Short Term Loans & Advances | 12.35 | 12.62 | 13.14 | 13.66 |
| Total | 155.86 | 91.56 | 164.03 | 218.41 |

RESTATED CONSOLIDATED STATEMENT OF OTHER CURRENT ASSETS

(Amount in Rs. Lakhs)

| Particulars | As at | | | |
|----------------------|--------------|---------------|---------------|--------------|
| | 30/09/2024 | 31/03/2024 | 31/03/2023 | 31/03/2022 |
| Prepaid Expenses | 51.05 | 86.16 | 80.68 | 58.56 |
| Other Current Assets | 1.64 | 86.20 | 91.58 | 33.37 |
| Preliminary Expenses | - | - | 0.85 | 1.69 |
| Total | 52.69 | 172.36 | 173.11 | 93.62 |

RESTATED CONSOLIDATED STATEMENT OF TURNOVER

(Amount in Rs. Lakhs)

| Particulars | For the period/year ended on | | | |
|-------------------------------------|------------------------------|------------------|-----------------|-----------------|
| | 30/09/2024 | 31/03/2024 | 31/03/2023 | 31/03/2022 |
| (i) Revenue from Operations | - | - | - | - |
| Brokerage & Commission Income | 387.61 | 793.96 | 818.24 | 638.37 |
| Market Making Fees | 44.30 | 71.75 | 41.26 | 15.71 |
| Revenue From Demat Operations | 32.34 | 31.79 | 26.55 | 53.49 |
| Capital Gain from Share Trading | 5,918.09 | 5,193.64 | 3,346.69 | 1,367.86 |
| Derivative Trading Income | 2,870.81 | 4,279.39 | 657.15 | 1,421.39 |
| Sub-total (i) | 9,253.17 | 10,370.54 | 4,889.88 | 3,496.82 |
| (ii) Other Operating Revenue | | | | |
| Dividend on Shares | 27.86 | 54.46 | 55.89 | 24.71 |
| Software license fees received | 4.79 | 6.40 | - | - |
| Others | - | -15.22 | 0.99 | 28.38 |
| Sub-total (ii) | 32.64 | 45.63 | 56.88 | 53.09 |
| Total | 9,285.81 | 10,416.17 | 4,946.76 | 3,549.91 |

RESTATED CONSOLIDATED STATEMENT OF OTHER NON OPERATING INCOME

(Amount in Rs. Lakhs)

| Particulars | For the period/year ended on | | | |
|--|------------------------------|---------------|---------------|---------------|
| | 30/09/2024 | 31/03/2024 | 31/03/2023 | 31/03/2022 |
| Related and Recurring Income: | | | | |
| Interest Income | 330.02 | 710.68 | 501.68 | 745.58 |
| Duty Drawback | 0.00 | 0.00 | 0.00 | 0.00 |
| Foreign Exchange Gain | 0.00 | 0.42 | 3.92 | 2.73 |
| Rate Difference | 0.00 | 0.00 | 0.00 | 0.00 |
| Miscellaneous Income | 0.00 | 6.99 | 0.07 | 0.09 |
| Total | 330.02 | 718.09 | 505.67 | 748.40 |
| % of Other Income with Profit Before Tax | 5.25% | 13.71% | 20.54% | 33.83% |

1. The classification of other income as recurring/not-recurring, related/not-related to business activity is based on the current operations and business activity of the Company as determined by the management.

RESTATED CONSOLIDATED STATEMENT OF COST OF MATERIAL CONSUMED AND PURCHASE OF STOCK IN TRADE
(Amount in Lakhs Rs.)

| Particulars | For the period/year ended on | | | |
|-------------------------------------|------------------------------|------------|------------|------------|
| | 30/09/2024 | 31/03/2024 | 31/03/2023 | 31/03/2022 |
| Cost of Material Consumed | | | | |
| Opening Stock of Raw Material | - | - | - | - |
| Add: Purchases of Raw Material | - | - | - | - |
| Add: Direct Expenses | - | - | - | - |
| Less: Closing Stock of Raw Material | - | - | - | - |
| Total | - | - | - | - |

RESTATED CONSOLIDATED STATEMENT OF CHANGES IN INVENTORIES

(Amt. in Lakh Rs.)

| Particulars | For the period/year ended on | | | |
|-------------------------------|------------------------------|------------|------------|------------|
| | 30/09/2024 | 31/03/2024 | 31/03/2023 | 31/03/2022 |
| Closing Inventories | | | | |
| Work in Progress | - | - | - | - |
| Finished goods | - | - | - | - |
| Sub Total (A) | - | - | - | - |
| Opening Inventories | | | | |
| Work in Progress | - | - | - | - |
| Finished goods | - | - | - | - |
| Sub Total (B) | - | - | - | - |
| Changes in Inventories | - | - | - | - |

RESTATED CONSOLIDATED STATEMENT OF EMPLOYEE BENEFITS EXPENSES

(Amount in Rs. Lakhs)

| Particulars | For the period/year ended on | | | |
|---|------------------------------|-----------------|---------------|---------------|
| | 30/09/2024 | 31/03/2024 | 31/03/2023 | 31/03/2022 |
| Salary and Wages | 822.32 | 1,689.83 | 858.83 | 509.05 |
| Director's Remuneration | 9.00 | 19.50 | 1.50 | 12.00 |
| Contribution to Provident Fund and Other Fund | -22.27 | 24.21 | 16.13 | -1.40 |
| Staff Welfare Expenses | 0.61 | 6.08 | 0.07 | 2.61 |
| Total | 809.66 | 1,739.62 | 876.52 | 522.26 |

RESTATED CONSOLIDATED STATEMENT OF FINANCE COST

(Amount in Rs. Lakhs)

| Particulars | For the period/year ended on | | | |
|----------------------|------------------------------|---------------|---------------|---------------|
| | 30/09/2024 | 31/03/2024 | 31/03/2023 | 31/03/2022 |
| Interest expense | 191.62 | 100.77 | 210.26 | 266.32 |
| Other Borrowing cost | 85.17 | 145.06 | 121.88 | 70.22 |
| Total | 276.79 | 245.82 | 332.14 | 336.54 |

RESTATED STATEMENT OF CONSOLIDATED DEPRECIATION & AMORTISATION

(Amount in Rs. Lakhs)

| Particulars | For the period/year ended on | | | |
|--|------------------------------|--------------|--------------|--------------|
| | 30/09/2024 | 31/03/2024 | 31/03/2023 | 31/03/2022 |
| Depreciation and Amortization Expenses | 32.99 | 60.48 | 48.87 | 31.99 |
| Total | 32.99 | 60.48 | 48.87 | 31.99 |

RESTATED CONSOLIDATED STATEMENT OF OTHER EXPENSES

(Amount in Rs. Lakhs)

| Particulars | For the period/year ended on | | | |
|-----------------------------|------------------------------|-----------------|-----------------|-----------------|
| | 30/09/2024 | 31/03/2024 | 31/03/2023 | 31/03/2022 |
| Professional Fees | 1,265.20 | 1,574.72 | 630.54 | 395.65 |
| Expenses on Shares Trading | 203.25 | 1,173.72 | 559.53 | 186.45 |
| Annual Maintainance Charges | 222.93 | 463.37 | 85.93 | 51.65 |
| Brokerage & Commission | 92.27 | 207.84 | 103.97 | 165.99 |
| Rates, Taxes & Penalties | 4.76 | 106.88 | 17.22 | 33.53 |
| Rent Expenses | 21.41 | 55.52 | 92.23 | 101.34 |
| CSR Expenses | - | 39.44 | 25.56 | 12.33 |
| Auditors Fee | - | 1.50 | 1.35 | 1.05 |
| Connectivity Charges | 36.83 | 35.97 | 35.92 | 22.09 |
| Electricity Expenses | 17.62 | 23.48 | 15.70 | 11.30 |
| Miscellaneous Expenses | 340.11 | 169.24 | 164.78 | 213.83 |
| Total | 2,204.38 | 3,851.68 | 1,732.72 | 1,195.20 |

Miscellaneous Expenses

| | | | | |
|----------------------------|---------------|---------------|---------------|---------------|
| Computer Expenses | 0.39 | 22.96 | 13.21 | 2.89 |
| Conveyance Expenses | 4.08 | 18.71 | - | - |
| Office Maintainance | 0.60 | 14.81 | 1.61 | 2.90 |
| Insurance Expenses | 3.56 | 11.83 | 2.50 | 0.83 |
| Written Off | - | 10.91 | - | - |
| Telephone Expenses | 1.66 | 9.15 | 2.94 | 2.56 |
| Petrol & Diesel Expenses | 3.84 | 6.73 | 1.64 | 1.74 |
| Exchange Expenses | 219.44 | 6.73 | 39.49 | 160.00 |
| Business & Promotion | 0.66 | 6.14 | 13.99 | 1.31 |
| Amenities Charges | 5.40 | 6.00 | 6.00 | 4.00 |
| Turnover charges | - | 23.03 | 59.27 | 11.08 |
| Refreshment Expenses | 2.85 | 5.53 | 4.49 | 3.00 |
| Administrative charges | - | 4.00 | 0.42 | 1.46 |
| Repairs & Maintainance | 3.45 | 3.59 | 8.04 | 6.18 |
| Donation | 12.31 | 3.13 | 0.16 | 3.15 |
| Travelling Expenses | 4.16 | 2.72 | 1.97 | 1.12 |
| Printing & Stationery | 0.87 | 2.49 | 1.27 | 1.33 |
| Sundry Expenses | 2.15 | 1.96 | 2.44 | 1.05 |
| Courier & Postage Expenses | 0.27 | 0.63 | 0.49 | 0.48 |
| Software Expenses | 33.52 | 0.52 | 0.30 | 0.17 |
| Prior Period Expense | - | - | 0.15 | 1.94 |
| SLBM Fees | 19.14 | 6.76 | 3.55 | 2.36 |
| Director Sitting Fees | 11.25 | 0.85 | 0.85 | 0.85 |
| Bad debt written off | 10.00 | - | - | 3.44 |
| Legal Expenses | 0.51 | 0.06 | - | - |
| Sub Total | 340.11 | 169.24 | 164.78 | 213.83 |

RESTATED CONSOLIDATED STATEMENT OF MANDATORY ACCOUNTING RATIOS

(Amount in Lakhs Rs. Except Per Share Data)

| Particulars | As at | | | |
|--|------------|------------|------------|------------|
| | 30/09/2024 | 31/03/2024 | 31/03/2023 | 31/03/2022 |
| Net Worth (A) | 18,845.06 | 13,807.74 | 9,496.21 | 7,585.94 |
| Restated Profit after tax | 5,037.32 | 4,264.63 | 1,910.27 | 1,762.47 |
| Less: Prior Period Item | - | - | - | - |
| Adjusted Profit after Tax (B) | 5,037.32 | 4,264.63 | 1,910.27 | 1,762.47 |
| Number of Equity shares (Face Value Rs 5/-; PY Rs. 10/-) outstanding as on the end of period/Year (Refer Note 6) | 29,964,000 | 14,982,000 | 14,982,000 | 4,994,000 |
| Weighted Average Number of Equity shares (Face Value Rs 5/-; PY Rs. 10/-) (c) | 29,964,000 | 14,982,000 | 14,982,000 | 4,994,000 |
| Weighted Average Number of Equity shares (Face Value Rs 5) after considering Bonus Issue of Shares and Sub-division (D) (Refer Note 6 and 7) | 29,964,000 | 29,964,000 | 29,964,000 | 29,964,000 |
| Current Assets (E) | 16,730.64 | 14,759.34 | 10,844.85 | 10,470.16 |
| Current Liabilities (F) | 14,896.44 | 16,326.92 | 9,237.25 | 10,459.84 |
| Face Value per Share (Refer Note 7) | 5.00 | 5.00 | 5.00 | 5.00 |
| Restated Basic and Diluted Earning Per Share (Rs.) (B/D) (After Bonus and Sub-division) (Refer Note 6 and 7) | 16.81 | 14.23 | 6.38 | 5.88 |
| Return on Net worth (%) (B/A) | 26.73% | 30.89% | 20.12% | 23.23% |
| Net asset value per share (A/C) (Face Value Rs 5/-; PY Rs. 10/-) Based on actual number of shares at year end | 62.89 | 92.16 | 63.38 | 151.90 |
| Net asset value per share (A/D) (Face Value of Rs. 5 Each) Based on after bonus number of shares and Sub-division (Refer Note 6 and 7) | 62.89 | 46.08 | 31.69 | 25.32 |
| Current Ratio (E/F) | 1.12 | 0.90 | 1.17 | 1.00 |
| Restated Earnings Before Interest Tax Depreciation and Amortisation and Other Income (EBITDA) | 6,271.77 | 4,824.88 | 2,337.52 | 1,832.45 |
| | 67.54% | 46.32% | 47.25% | 51.62% |

Notes:

1) The ratios have been computed as below:

(a) Basic earnings per share (Rs.) - : Net profit after tax as restated for calculating basic EPS / Weighted average number of equity shares outstanding at the end of the period or year

(b) Diluted earnings per share (Rs.) - : Net profit after tax as restated for calculating diluted EPS / Weighted average number of equity shares outstanding at the end of the period or year for diluted EPS

(c) Return on net worth (%) - : Net profit after tax (as restated) / Net worth at the end of the period or year

(d) Net assets value per share - : Net Worth at the end of the period or year / Total number of equity shares outstanding at the end of the period or year

(e) EBITDA has been calculated as Profit before Tax+Depreciation+Interest Expenses-Other Income

2) Weighted average number of equity shares is the number of equity shares outstanding at the beginning of the period/year adjusted by the number of equity shares issued during period/year multiplied by the time weighting factor. The time weighting factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the period/year. In case of Subdivision and Bonus issue, the event has been considered as if it had occurred at the beginning of restatement period.

3) Net worth for ratios mentioned is equals to Equity share capital + Reserves and surplus (including, Securities Premium, General Reserve and surplus in statement of profit and loss).

4) The figures disclosed above are based on the restated summary statements.

5) The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures I, II, III and IV.

6) Pursuant to Board resolution dated on 4th April, 2022 and shareholder's consent dated 31st March, 2022 bonus issue of 99,88,000 equity shares of face value of Rs 10/- in the ratio 2:1 i.e. two (2) bonus equity shares for every one (1) equity share held by shareholder has been issued.

7) Pursuant to Shareholders' resolution dated July 16, 2024 the face value of Equity Shares of the Company was subdivided from Rs. 10/- per Equity Share to Rs. 5/- per Equity Share. Consequent to this subdivision, the number of Equity Shares issued by the company increases from 1,49,82,000 equity shares of face value ₹10/- each to 2,99,64,000 Equity Shares of face value ₹5/- each.

RESTATED STATEMENT OF RELATED PARTY TRANSACTION

List of Related Parties as per AS - 18 :

(Amount in Rs. Lakhs)

| Particulars | Names of related parties | Nature of Relationship |
|--|--|---|
| Directors and Key Management Personnel (KMP) | Hitesh Himmatlal Lakhani | Chairman & Managing Director |
| | Rajendra Navalchand Shah | Whole Time Director |
| | Monil Rajendra Shah | Director |
| | Manish Lalitkumar Jain | Director |
| | Tarang Madanjit Mehta | Director |
| | Bharati Hitesh Lakhani | Director |
| | Hemant Shah | CFO |
| | Sona Jain | Company Secretary |
| Relatives of KMP | Vaishali R Shah | Wife of Rajendra N Shah |
| | Mahesh Navalchand Shah | Brother of Rajendra Navalchand Shah |
| | Deep Hitesh Lakhani | Son of Hitesh Himmatlal Lakhani |
| Enterprises in which KMP/Relatives of KMP can exercise significant influence | Virang Enterprises Private Limited | |
| | AHL Investment Consultants Private Limited | |
| | Anukriti Reality Private Limited | |
| | Dweep Enterprises Private Limited | |
| | Viranchi Trading LLP | |
| | Rikhav Insurance Brokers Private Limited | |
| | Rikhav BPO & Software Services Private Limited | |
| | Rajendra N Shah HUF | HUF Entity of Rajendra N Shah |
| | Hitesh Himmatlal Lakhani HUF | HUF Entity Firm of Hitesh Himmatlal Lakhani |
| | M/s. B D Lakhani | Partnership Firm of Son of Hitesh Himmatlal Lakhani |
| | M/s. H J Lakhani | Partnership Firm of Son of Hitesh Himmatlal Lakhani |
| | M/s. N D Lakhani | Partnership Firm of Son of Hitesh Himmatlal Lakhani |
| | M/s. R H Lakhani | Partnership Firm of Son of Hitesh Himmatlal Lakhani |
| | M/s. K J SHAH | Partnership Firm of Son of Rajendra N Shah |
| | M/s. R M Shah | Partnership Firm of Son of Rajendra N Shah |
| | M/s. S M Shah | Partnership Firm of Son of Rajendra N Shah |
| | Navalchand Virchand Shah HUF | HUF Entity of Father of Rajendra N Shah |
| Mahesh Navalchand Shah HUF | HUF Entity of Brother of Rajendra N Shah | |
| RSL ISFC Private Limited | Subsidiary | |

Transactions with Related Parties

30-Sep-24 31-Mar-24 31-Mar-23 31-Mar-22

1. Director Remuneration

| | | | | |
|--------------------------|------|------|---|-------|
| Hitesh Himmatlal Lakhani | 4.50 | 6.50 | - | 12.00 |
| Rajendra Navalchand Shah | 4.50 | - | - | - |

2. Director Sitting Fees

| | | | | |
|--------------------------------|------|------|------|---|
| Hitesh Himmatlal Lakhani | 1.50 | 3.25 | 7.00 | - |
| Manish Jain | 2.50 | 5.00 | - | - |
| Monil Rajendra Navalchand Shah | 2.50 | 4.50 | 0.50 | - |
| Sarthak Kothari | - | 1.75 | - | - |
| Tarang Mehta | 2.50 | 5.00 | - | - |
| Bharti Hitesh Lakhani | 0.75 | - | - | - |
| Rajendra Navalchand Shah | 1.50 | - | - | - |

3. Professional Fees

| | | | | |
|--------------------------------|-------|-------|-------|---|
| Arpit Lodaya | 12.65 | 11.62 | - | - |
| B D Lakhani | 8.90 | 19.05 | - | - |
| Bharti Hitesh Lakhani | 4.70 | 18.75 | - | - |
| H J Lakhani | 9.06 | 21.44 | 18.00 | - |
| K J Shah | 9.40 | 18.15 | - | - |
| Manish Jain | 3.55 | 8.15 | - | - |
| Monil Rajendra Navalchand Shah | 4.45 | 15.25 | - | - |
| N D Lakhani | 9.13 | 19.20 | - | - |
| R H Lakhani | 9.35 | 18.30 | - | - |

| | | | | |
|--|-------|-------|-------|-------|
| Rajendra Navalchand Shah | 4.35 | 18.00 | - | - |
| S M Shah | 9.25 | 18.40 | - | - |
| Tarang Mehta | 0.80 | 2.87 | 0.75 | - |
| Viranchi Trading LLP | 8.93 | 18.45 | - | - |
| Virang Enterprises Private Limited | - | 19.15 | - | - |
| 4. Salary | | | | |
| Deep Hitesh Lakhani | 1.29 | 2.09 | - | 4.80 |
| Rajendra Navalchand Shah | - | 7.50 | - | - |
| Mahesh Navalchand Shah | 4.50 | - | - | - |
| 5. Rent & Amenities | | | | |
| AHL Investment Consultants Private Limited | - | - | 47.20 | 70.80 |
| Bharti Hitesh Lakhani | - | 12.00 | - | 2.20 |
| Garvita Developers Private Limited | - | - | 2.20 | 2.20 |
| Hitesh Himatlal Lakhani HUF | - | 9.30 | - | - |
| Hitesh Himatlal Lakhani | - | - | - | 2.20 |
| Rajendra Navalchand Shah | - | - | 2.20 | 2.20 |
| Rikhav Insurance Brokers Private Limited | 24.78 | 49.56 | 49.56 | 38.98 |
| Anukriti Reality Private Limited | - | - | 2.20 | 2.20 |
| 6. Brokerage & Commission | | | | |
| Arpit Lodaya | - | 1.46 | 2.82 | 1.49 |
| Mahesh Navalchand Shah HUF | 4.30 | 18.56 | - | - |
| Monil Rajendra Shah | - | - | - | 0.70 |
| Navalchand Virchand Shah HUF | 4.70 | 16.62 | - | - |
| Vaishali R Shah | - | 3.03 | - | - |
| 7. Contract Charges | | | | |
| Anukriti Reality Private Limited | - | 19.30 | - | - |
| Dweep Enterprises Private Limited | - | 19.30 | - | - |
| Mahesh Navalchand Shah HUF | - | 9.30 | - | - |
| Mahesh Navalchand Shah | 4.65 | - | - | - |
| R M Shah | 9.58 | 19.10 | - | - |
| Rajendra Navalchand Shah HUF | 4.65 | 18.35 | - | - |
| Hitesh Himatlal Lakhani HUF | 4.55 | - | - | - |

RESTATED CONSOLIDATED STATEMENT OF CAPITALISATION

(Amount in Rs. Lakhs)

| Particulars | Pre Issue 30/09/2024 | Post Issue* |
|--|-------------------------|-------------|
| Debt | | |
| Short Term Debt | 2,582.16 | [•] |
| Long Term Debt | 15.90 | [•] |
| Total Debt | 2,598.06 | [•] |
| Shareholders' Fund (Equity) | | |
| Share Capital | 1,498.20 | [•] |
| Reserves & Surplus | 17,346.86 | [•] |
| Less: Miscellaneous Expenses not w/off | - | [•] |
| Total Shareholders' Fund (Equity) | 18,845.06 | [•] |
| Long Term Debt/Equity | 0.00 | [•] |
| Total Debt/Equity | 0.14 | [•] |

Notes:

1. Short Term Debts represent which are expected to be paid/payable within 12 months and includes installment of Long Term Loans repayable within 12 months.
2. Long term Debts represent debts other than Short term Debts as defined above but excludes installment of Long Term Loans repayable within 12 months grouped under Short Term Debts
3. The figures disclosed above are based on restated statement of Assets and Liabilities of the Company as at 30/09/2024.

* The corresponding post issue figures are not determinable at this stage.

RESTATED STATEMENT OF TAX SHELTER

(Amount in Rs. Lakhs)

| Particulars | For the period/year ended on | | | |
|---|------------------------------|------------------|------------------|------------------|
| | 30/09/2024 | 31/03/2024 | 31/03/2023 | 31/03/2022 |
| A Consolidated Profit before taxes as restated | 6,292.01 | 5,236.66 | 2,462.17 | 2,212.32 |
| Includes: | | | | |
| A(i) Profit before taxes as restated of Parent Company | 6,317.34 | 5,253.01 | 2,437.88 | 2,206.07 |
| A(ii) Profit/(Loss) before taxes of subsidiary | -25.32 | -16.35 | 24.30 | 6.25 |
| B Tax Rate Applicable % | 25.17 | 25.17 | 25.17 | 25.17 |
| Adjustments: | | | | |
| C Permanent Differences | | | | |
| Expenses disallowed Under Section 36 of the IT Act 1961 | - | 0.56 | 0.82 | 0.14 |
| Expenses disallowed Under Section 37 of the IT Act 1961 | 12.31 | 42.60 | 28.07 | 137.96 |
| Expenses disallowed Under Section 40 of the IT Act 1961 | - | 41.06 | 27.94 | 3.60 |
| Any other Expenses disallowed Under the IT Act 1961 | 77.90 | 133.08 | 35.32 | - |
| Total Permanent Differences | 90.21 | 217.30 | 92.15 | 141.71 |
| D Timing Difference | | | | |
| Difference between tax depreciation and book depreciation | 0.42 | -2.72 | -13.89 | -3.61 |
| Expenses Disallowed Under Section 43B | -23.62 | 21.67 | 14.65 | -3.04 |
| Total Timing Differences | -23.20 | 18.95 | 0.76 | -6.65 |
| E Net Adjustment (E) = (C+D) | 67.01 | 236.24 | 92.91 | 135.05 |
| F Total Income (F) = (A(i)+E) | 6,384.35 | 5,489.25 | 2,530.79 | 2,341.12 |
| G Tax Liability, After Considering the effect of Adjustment | 1,202.44 | 923.80 | 456.99 | 345.35 |
| H Interest U/s 234A, B and C of Income Tax Act, 1961 | 58.69 | 52.69 | 48.54 | 27.94 |
| I Total Tax expenses (I) = (G+H) | 1,261.14 | 976.49 | 505.53 | 373.29 |
| J Book Profit as per MAT * | | Opted for 115BAA | Opted for 115BAA | Opted for 115BAA |
| K MAT Rate (%) | | Opted for 115BAA | Opted for 115BAA | Opted for 115BAA |
| L Tax liability as per MAT (L) = (J*K) | NA | NA | NA | NA |
| M Tax Paid Under (Normal/MAT) in Income Tax Return Filed by Company | Normal | Normal | Normal | Normal |

* MAT refers to Minimum Alternative Tax as referred to in section 115 JB of the Income Tax Act,1961

Notes:

- The aforesaid statement of tax shelters has been prepared as per the restated statement of profits and losses of the Company. The permanent/timing differences have been computed considering the acknowledged copies of the income-tax returns/Provisional computation of total income of respective years as stated above.
- Tax Shelter has been prepared for the Parent Company as the subsidiary company is enjoying Tax Incentive u/s 80LA of the Income Tax Act 1961.

RESTATED CONSOLIDATED STATEMENT OF CONTINGENT LIABILITIES

| Particulars | (Amount in Rs. Lakhs) | | | |
|---|------------------------|------------------|---------------------|-----------------|
| | 30/09/2024 | 31/03/2024 | As at 31/03/2023 | 31/03/2022 |
| Contingent liabilities in respect of: | | | | |
| Guarantees given on Behalf of the Company | 12,500.00 | 11,500.00 | 12,475.00 | 8,475.00 |
| TDS Defaults with respect to Delay filing fee, Short Deduction and Interest thereon | 0.07 | 0.73 | 0.16 | 0.16 |
| Income Tax Outstanding Demand excluding Interest | 475.80 | 475.10 | 475.10 | 475.10 |
| Service Tax Demand | 94.45 | 43.27 | 43.27 | 43.27 |
| Total | 13,070.32 | 12,019.10 | 12,993.53 | 8,993.53 |

RESTATED CONSOLIDATED STATEMENT OF OTHER FINANCIAL RATIOS

| S. No. | Ratio | Numerator | Denominator | 30-Sep-24* | 31-Mar-24 | 31-Mar-23 | 31-Mar-22 |
|--------|---|--|------------------------------|------------|-----------|-----------|-----------|
| 1 | Current Ratio (No of Times) | Current assets | Current liabilities | 1.12 | 0.90 | 1.17 | 1.00 |
| 2 | Debt Equity Ratio (No of Times) | Debt | Shareholder's Equity | 0.14 | 0.35 | 0.10 | 0.20 |
| 3 | Debt Service Coverage Ratio (No of Times) | Earnings available for debt service | Debt Service | 2.38 | 1.13 | 2.36 | 1.46 |
| 4 | Return On Equity Ratio (%) | Net Profits after taxes | Average Shareholder's Equity | 30.85% | 36.60% | 22.91% | 26.29% |
| 5 | Inventory Turnover Ratio (No of Times) | Revenue | Average Inventory | 0.00 | 0.00 | 0.00 | 0.00 |
| 6 | Trade Receivable Turnover Ratio (No of Times) | Revenue | Average Trade Receivable | 28.78 | 21.29 | 7.99 | 5.32 |
| 7 | Trade Payable Turnover Ratio (No of Times) | Cost of goods sold | Average Trade Payables | 0 | 0 | 0 | 0 |
| 8 | Net Capital Turnover Ratio (No of Times)# | Revenue | Working Capital | 5.06 | -6.64 | 3.08 | 343.82 |
| 9 | Net Profit Ratio (%) | Net Profit | Revenue | 54.25% | 40.94% | 39.56% | 49.65% |
| 10 | Return On Capital Employed (%) | Earning before interest and taxes | Capital Employed | 30.66% | 29.48% | 26.68% | 28.07% |
| 11 | Return On Investment (%) | Profit generated on sale of investment | Cost of investment | 47.41% | 39.57% | 28.87% | 31.47% |

* Not annualised

| S. No. | Ratio | 31-Mar-24 | 31-Mar-23 | Variance | Reason for Variance > 25% |
|--------|---|-----------|-----------|----------|--|
| 1 | Current Ratio (No of Times) | 0.90 | 1.17 | -23.00% | NA |
| 2 | Debt Equity Ratio (No of Times) | 0.35 | 0.10 | 232.44% | Due to Increase in Borrowings |
| 3 | Debt Service Coverage Ratio (No of Times) | 1.13 | 2.36 | -51.98% | Due to increase in Current Debt Obligations |
| 4 | Return On Equity Ratio (%) | 36.60% | 22.91% | 59.72% | Due to increase in profit in FY 2023-24 as compared to FY 2022-23. |
| 5 | Inventory Turnover Ratio (No of Times) | 0.00 | 0.00 | - | NA |
| 6 | Trade Receivable Turnover Ratio (No of Times) | 21.29 | 7.99 | 166.57% | Due to Increase in Sales and Decrease in Trade Receivables |
| 7 | Trade Payable Turnover Ratio (No of Times) | 0.00 | 0.00 | - | NA |
| 8 | Net Capital Turnover Ratio (No of Times) | -6.64 | 3.08 | -315.94% | Due to Increase in Revenue and Decrease in Working Capital |
| 9 | Net Profit Ratio (%) | 40.94% | 39.56% | 3.48% | NA |
| 10 | Return On Capital Employed (%) | 29.48% | 26.68% | 10.49% | NA |
| 11 | Return On Investment (%) | 39.57% | 28.87% | 31.47% | Due to increase in Capital Gains on sale of listed securities |

| S. No. | Ratio | 31-Mar-23 | 31-Mar-22 | Variance | Reason for Variance > 25% |
|--------|---|-----------|-----------|----------|--|
| 1 | Current Ratio (No of Times) | 1.17 | 1.00 | 17.29% | NA |
| 2 | Debt Equity Ratio (No of Times) | 0.10 | 0.20 | -47.26% | Due to Decrease in Borrowings |
| 3 | Debt Service Coverage Ratio (No of Times) | 2.36 | 1.46 | 62.11% | Due to Decrease in Short Term Borrowings |
| 4 | Return On Equity Ratio (%) | 22.91% | 26.29% | -12.83% | NA |
| 5 | Inventory Turnover Ratio (No of Times) | 0.00 | 0.00 | - | NA |
| 6 | Trade Receivable Turnover Ratio (No of Times) | 7.99 | 5.32 | 50.05% | Due to Increase in Sales and Decrease in Trade Receivables |
| 7 | Trade Payable Turnover Ratio (No of Times) | 0.00 | 0.00 | - | NA |
| 8 | Net Capital Turnover Ratio (No of Times) | 3.08 | 343.82 | -99.11% | Due to Decrease in Working Capital |
| 9 | Net Profit Ratio (%) | 39.56% | 49.65% | -20.31% | NA |
| 10 | Return On Capital Employed (%) | 26.68% | 28.07% | -4.95% | NA |
| 11 | Return On Investment (%) | 28.87% | 31.47% | -8.26% | NA |

Other Notes-

- The title deeds of all immovable properties are held in the name of the Company. Accordingly, there are no Immovable Properties which were not held in name of the Company as on 30th September, 2024.
- The Company has borrowed from Banks and Financial Institutions on the basis of securities of Current Assets as primary security. There is no material discrepancy in the quarterly statements filed by the company with bank/financial institutions and are in agreement with the books of accounts.
- The Company has not utilised the borrowings received from banks and financial institutions for the purpose other than for which it was taken during the period of restatement.
- Breakup of Amount Paid to Auditors is as under-

(Amt in Lakhs)

| Particulars | 30/09/2024 | 31/03/2024 | 31/03/2023 | 31/03/2022 |
|-----------------|------------|------------|------------|------------|
| Statutory Audit | 0.00 | 1.20 | 1.05 | 0.75 |
| Tax Audit | 0.00 | 0.30 | 0.30 | 0.30 |

- The disclosures required under AS 15 "Employee Benefits" notified in the Companies Act has been disclosed in Notes on Restatement.
- The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- The Company has not been declared wilful defaulter by any Banks or any other Financial Institution at any time during the period of restatement.
- The Company has not revalued its Property, Plant and Equipment (including Right of use assets) or intangible assets during the period of restatement.
- As stated & confirmed by the Board of Directors, the Company did not have any material transactions with companies struck-off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956 during the financial period ended on 30th September, 2024.
- During the period of restatement, The Company has not traded or invested in Crypto Currency or Virtual Currency.
- As on 3th September, 2024, the Company does not have any charges for which registration or satisfaction is yet to be done with Registrar of Companies (ROC) beyond the statutory period except as mentioned below-

| Name of Lender | Remarks |
|-----------------------|---|
| Axis Bank Ltd | Charge not created for Rs. 100 Lakh for OD on FDR |
| SBM Bank (India) Ltd. | Charge not satisfied |
| Yes Bank | Charge not created for Rs. 2500 Lakh for BG |

- During the period of restatement, the Company has no such transactions which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in tax assessments under Income Tax Act, 1961.
- The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.
- During the period of restatement, the Company is not part of any Scheme(s) of arrangements.
- The Company has not granted loans or advances in the nature of loan to promoters, directors, KMPs and the related parties (as defined under the Act). Accordingly, the disclosure of information related to this point is not applicable.
- Disclosures related to Micro, Small and Medium Enterprises.
Management is in the process of compiling information from its suppliers regarding their status under the MSME act, who qualify under the definition of micro and small enterprises, as defined under the Micro, Small and Medium Enterprises Development Act 2003 and hence disclosure, if any, of the amount unpaid As at the period/year-end together with the interest paid/payable as required has been given to the extent information available;

The details relating to Micro, Small and medium enterprise disclosed as under to the extent of information available:

| Sr. No. | Particulars | 30/09/2024 | 31/03/2024 | 31/03/2023 | 31/03/2022 |
|---------|---|------------|------------|------------|------------|
| 1 | The principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier at the end of each accounting year | - | - | - | - |
| 2 | The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year; | - | - | - | - |
| 3 | The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006; | - | - | - | - |
| 4 | The amount of interest accrued and remaining unpaid at the end of each accounting year; and | - | - | - | - |
| 5 | The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006. | - | - | - | - |

- The company has not paid any dividend during the restatement period. There are no proposed or arrears of dividend to be distributed to equity or preference shareholders for the period.

18. Corporate Social Responsibility (CSR) activities

As per Section 135 of the Companies Act, 2013, a Corporate Social Responsibility (CSR) committee has been formed by the Company and the amount that needs to be spent by the Company for the year is 2% of average net profits for previous three financial years, calculated as per Section 198 of the Companies Act, 2013. The areas for CSR activities are promoting sports, education, medical and other social projects. All these activities are covered under Schedule VII to the Companies Act, 2013. The details of amount spent are :

| Particulars | (Amt in Lakhs) | | | |
|---|---|---|--|-----------------------------------|
| | For the period 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 |
| Amount required to be spent by the Company during the period/year | - | 39.44 | 25.56 | 12.33 |
| Amount of expenditure incurred | - | 39.44 | 25.56 | 12.33 |
| Shortfall at the end of the period/year | - | - | - | - |
| Total of previous years shortfall | - | - | - | - |
| Reason for shortfall | NA | NA | NA | NA |
| Nature of CSR Activities | NA | Promoting education & protection of flora and fauna | Promoting education, animal welfare and general fund | Promoting education |
| Details of related party transactions e.g. contribution to a trust controlled by the Company in relation to CSR expenditure as per relevant Accounting Standard | NA | NA | NA | NA |
| Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision | NA | NA | NA | NA |

19. As on 30th September 2024, the company does not have any Capital WIP. Hence, ageing schedule of CWIP is not applicable.

20. As on 30th September 2024, the company does not have any Intangible under development. Hence, ageing schedule is not applicable.

21. Utilisation of Borrowed funds and share premium:

A) As stated & confirmed by the Board of Directors, the company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall:

- (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
- (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries;

B) As stated & confirmed by the Board of Directors, the company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the company shall:

- (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
- (ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

22. Figures have been rounded off to the multiple of lakhs. Previous year's figures have been regrouped, recast and rearranged wherever necessary to make them comparable with the current year figures.

For Mundra & Co.
Chartered Accountants
FRN: 013023C

For and on Behalf of the Board

(CA Nitin Khandelwal)
M. No. 414387
Partner
Date: 01-01-2025
Place: Jaipur
UDIN: 25414387BMGYBT8447

Hitesh H. Lakhani
DIN: 01457990
Chairman & Managing Director

Monil R. Shah
DIN: 08064436
Executive Director

Hemant Shah
Chief Financial Officer

Sona Jain
Company Secretary

OTHER FINANCIAL INFORMATION

ANNEXURE – X: RESTATED CONSOLIDATED STATEMENT OF MANDATORY ACCOUNTING RATIOS

The accounting ratios required under Clause 11 of Part A of Schedule VI of the SEBI ICDR Regulations, as derived from the Restated Consolidated Financial Information, are given below:

(₹ in Lakhs except the percentage % data)

| Particulars | As at | | | |
|--|-------------|-------------|-------------|-------------|
| | 30-09-2024 | 31-03-2024 | 31-03-2023 | 31-03-2022 |
| Net Worth (A) | 18,845.06 | 13,807.74 | 9,496.21 | 7,585.94 |
| Restated Profit after tax | 5,037.32 | 4,264.63 | 1,910.27 | 1,762.47 |
| Less: Prior Period Item | - | - | - | - |
| Adjusted Profit after Tax (B) | 5,037.32 | 4,264.63 | 1,910.27 | 1,762.47 |
| Number of Equity shares (Face Value Rs 10) outstanding as on the end of Year (Refer Note 6) | 2,99,64,000 | 1,49,82,000 | 1,49,82,000 | 49,94,000 |
| Weighted Average Number of Equity shares (Face Value Rs 10) (c) | 2,99,64,000 | 1,49,82,000 | 1,49,82,000 | 49,94,000 |
| Weighted Average Number of Equity shares (Face Value Rs 5) after considering Bonus Issue of Shares and Sub-division (D) (Refer Note 6 and 7) | 2,99,64,000 | 2,99,64,000 | 2,99,64,000 | 2,99,64,000 |
| Current Assets (E) | 16,730.64 | 14,759.34 | 10,844.85 | 10,470.16 |
| Current Liabilities (F) | 14,896.44 | 16,326.92 | 9,237.25 | 10,459.84 |
| Face Value per Share (Refer Note 7) | 5.00 | 5.00 | 5.00 | 5.00 |
| Restated Basic and Diluted Earning Per Share (Rs.) (B/D) (After Bonus and Sub-division) (Refer Note 6 and 7) | 16.81 | 14.23 | 6.38 | 5.88 |
| Return on Net worth (%) (B/A) | 26.73% | 30.89% | 20.12% | 23.23% |
| Net asset value per share (A/C) (Face Value of Rs. 10 Each) Based on actual number of shares at year end | 62.89 | 92.16 | 63.38 | 151.90 |
| Net asset value per share (A/D) (Face Value of Rs. 5 Each) Based on after bonus number of shares and Sub-division (Refer Note 6 and 7) | 62.89 | 46.08 | 31.69 | 25.32 |
| Current Ratio (E/F) | 1.12 | 0.90 | 1.17 | 1.00 |
| Restated Earnings Before Interest Tax Depreciation and Amortisation and Other Income (EBITDA) | 6,271.77 | 4,824.88 | 2,337.52 | 1,832.45 |

Notes:

1. The ratios have been computed as below:
 - (a) Basic earnings per share (Rs.) -: Net profit after tax as restated for calculating basic EPS / Weighted average number of equity shares outstanding at the end of the period or year
 - (b) Diluted earnings per share (Rs.) -: Net profit after tax as restated for calculating diluted EPS / Weighted average number of equity shares outstanding at the end of the period or year for diluted EPS
 - (c) Return on net worth (%) -: Net profit after tax (as restated) / Net worth at the end of the period or year
 - (d) Net assets value per share -: Net Worth at the end of the period or year / Total number of equity shares outstanding at the end of the period or year
 - (e) EBITDA has been calculated as Profit before Tax + Depreciation + Interest Expenses - Other Income
2. Weighted average number of equity shares is the number of equity shares outstanding at the beginning of the period/year adjusted by the number of equity shares issued during period/year multiplied by the time weighting factor. The time weighting factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the period/year. In case of Subdivision and Bonus issue, the event has been considered as if it had occurred at the beginning of restatement period.

3. Net worth for ratios mentioned is equals to Equity share capital + Reserves and surplus (including, Securities Premium, General Reserve and surplus in statement of profit and loss).
4. The figures disclosed above are based on the restated summary statements.
5. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures I, II, III and IV.
6. Pursuant to Board resolution dated on 4th April, 2022 and shareholder's consent dated 31st March, 2022 bonus issue of 99,88,000 equity shares of face value of Rs 10/- in the ratio 2:1 i.e. two (2) bonus equity shares for every one (1) equity share held by shareholder has been issued.
7. Pursuant to Shareholders' resolution dated September 02, 2024 the face value of Equity Shares of the Company was subdivided from Rs. 10/- per Equity Share to Rs. 5/- per Equity Share. Consequent to this subdivision, the number of Equity Shares issued by the company increases from 1,49,82,000 equity shares of face value ₹10/- each to 2,99,64,000 Equity Shares of face value ₹5/- each.

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CAPITALISATION STATEMENT

ANNEXURE - Z: RESTATED CONSOLIDATED STATEMENT OF CAPITALISATION

The following table sets forth our capitalisation derived from our Restated Consolidated Financial Information as at January 01, 2025 and as adjusted for the offer. This table should be read in conjunction with “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*”, “*Restated Financial Information*” and “*Risk Factors*” on pages 201, 197, and 30, respectively of this Prospectus.

(₹ in Lakhs)

| Particulars | Pre-Issue | Post Issue* |
|--|------------------|------------------|
| | 30-09-2024 | |
| Debt | | |
| Short Term Debt | 2,582.16 | 2,582.16 |
| Long Term Debt | 15.90 | 15.90 |
| Total Debt | 2,598.06 | 2,598.06 |
| Shareholders' Fund (Equity) | | |
| Share Capital | 1,498.20 | 1,914.60 |
| Reserves & Surplus | 17,346.86 | 24,092.54 |
| Less: Miscellaneous Expenses not w/off | - | - |
| Total Shareholders' Fund (Equity) | 18,845.06 | 26,007.14 |
| Long Term Debt/Equity | 0.00 | 0.00 |
| Total Debt/Equity | 0.14 | 0.09 |

Notes:

1. *Short term Debts represent which are expected to be paid/payable within 12 months and includes installment of term loans repayable within 12 months.*
2. *Long term Debts represent debts other than Short term Debts as defined above but excludes installment of term loans repayable within 12 months grouped under other current liabilities.*
3. *The figures disclosed above are based on restated statement of Assets and Liabilities of the Company as at 30/09/2024.*

FINANCIAL INDEBTEDNESS

Our Company has availed borrowings in the ordinary course of our business. Set forth below is a brief summary of our aggregate outstanding borrowings as on September 30, 2024:

(₹ in Lakhs)

| Nature of Borrowing | Amount |
|----------------------|-----------------|
| Secured Borrowings | 128.17 |
| Unsecured Borrowings | 2,469.88 |
| Total | 2,598.05 |

Details of Secured Borrowings (Fund Based):

(₹ in Lakhs)

| Name of Lender | Purpose | Sanctioned Amount | Rate of Interest p.a. | Re-Payment Schedule | Outstanding amount as on Sept 30, 2024 (as per Books) |
|-----------------------------------|---|-------------------|--------------------------------|---------------------------------|---|
| HDFC Bank Ltd. (Note 1) | Purchase of Vehicle | 19.50 | 9.00% | 84 EMI's of Rs. 0.31 Lakhs each | 18.12 |
| HDFC Bank Ltd. (Note 2) | Working Capital | 5,000.00 | FDR Interest Rate + 2.00% p.a. | Repayable on demand | - |
| HDFC Bank Ltd. (Note 2) | Working Capital | | | Repayable on demand | 110.05 |
| Axis Bank Ltd. (Note 3) | Stock Exchange Obligation and Working Capital | 2,000.00 | 1-year MCLR + 1.75% p.a. | Repayable on demand | - |
| Axis Bank Ltd. (Note 4) | Stock Exchange Obligation and Margin Requirements | 100.00 | FDR Interest Rate + 2.00% p.a. | Repayable on demand | - |
| Axis Bank Ltd. (Note 5) | Intraday Fund Requirements | 5,000.00 | 1-year MCLR + 7.25% p.a. | Intraday | - |
| SBM Bank (India) Ltd. (Note 6) | Working Capital | 500.00 | 11.00% p.a. | Repayable on demand | - |
| Total (Fund Based) | | | | | 128.17 |

Details of Secured Borrowings (Non-Fund Based):

(₹ in Lakhs)

| Name of Lender | Purpose | Sanctioned Amount | Outstanding amount as on Sept 30, 2024 (as per Books) |
|---|----------------|-------------------|---|
| HDFC Bank (Note 2) | Bank Guarantee | 2,000.00 | 2,000.00 |
| ICICI (Note 7) | Bank Guarantee | 3,000.00 | 3,000.00 |
| Axis Bank (Note 8) | Bank Guarantee | 7,500.00 | 7,500.00 |
| Total (Non-Fund Based) | | | 12,500.00 |
| Total Secured Borrowings (Fund Based + Non-Fund Based) | | | 12,628.17 |

Note: Collateral Security for the Secured Borrowings is as under:

- Term Loan of ₹ 19.50 Lakhs from HDFC Bank Ltd. is for purchase of Vehicle and secured with hypothecation of the respective vehicle.
- Borrowings from HDFC Bank is secured against Lien marked on Term Deposit, Exclusive charge on Stock in trade and other current assets, Book debts and receivables, hypothecation of immovable property owned by AHL Investment

Consultants Private Limited, personal guarantee of Bharti Lakhani, Hitesh Himmatlal Lakhani & Rajendra Navalchand Shah and corporate guarantee of AHL Investment Consultants Private Limited.

3. Borrowings from Axis Bank is secured against hypothecation of immovable property owned by Rikhav BPO and Software Services Pvt. Ltd., immovable property owned by PJS Securities LLP, personal guarantee of Bharti Lakhani, Hitesh Himmatlal Lakhani & Rajendra Navalchand Shah, corporate guarantee of Rikhav BPO and Software Services Pvt. Ltd. and corporate guarantee of PJS Securities LLP.
4. OD Limit from Axis Bank is secured against lien on FDR with Axis Bank.
5. Intraday Fund Limit from Axis Bank is secured against hypothecation of immovable property owned by Rikhav BPO and Software Services Pvt. Ltd., Lien on Bank Balances/FDR with Axis Bank, Pledge of Approved Listed Shares and Pledge in Mutual Funds Units held by Rikhav Securities Ltd.
6. OD from State Bank of Mauritius is secured against Book Debts of the company and personal guarantee of Bharti Lakhani, Hitesh Himmatlal Lakhani & Rajendra Navalchand Shah.
7. Bank Guarantee from ICICI Bank Ltd. is secured against lien marked on FDR aggregating to 50.0% of the outstanding BG facility and Personal Guarantee of Hitesh Himmatlal Lakhani, Monil Rajendra Shah and Rajendra Navalchand Shah.
8. Bank Guarantee from Axis Bank Ltd. is secured against lien marked on FDR for 75% of value of BG and remaining 25% in the form of demat shares; Personal Guarantee of Hitesh Himmatlal Lakhani, Mr. Monil Shah and Rajendra Navalchand Shah.

Details of Unsecured Borrowings:

(₹ in Lakhs)

| Name of Lender | Purpose | Rate of Interest p.a. | Repayment Schedule | Outstanding amount as on Sept 30, 2024 (as per Books) |
|---------------------------------------|--|-----------------------|--------------------|---|
| Total Holdings & Finvest Pvt. Ltd. | For acquisition of shares & securities and working capital | 12.00% p.a. | On Demand | 2,067.06 |
| Tata Capital Services Private Limited | For trading of shares & securities | 9.25% p.a. | On Demand | 241.87 |
| Anand Rathi Global Finance Limited | For acquisition of shares & securities and working capital | 12.00% p.a. | On Demand | 160.95 |
| Total Unsecured Borrowings | | | | 2,469.88 |

MANAGEMENT’S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion and analysis of our financial condition and results of operations for the period ended on September 30, 2024 and for the Financial Years 2024, 2023, and 2022 is based on, and should be read in conjunction with, our Restated Financial Information, including the schedules, notes and significant accounting policies thereto, included in the chapter titled “Restated Financial Information” beginning on page 197 of this Prospectus. Our Restated Financial Information have been derived from our audited financial statements and restated in accordance with the SEBI ICDR Regulations and the ICAI Guidance Note. Our financial statements are prepared in accordance with AS.

You should read the following discussion of our financial condition and results of operations together with our restated financial information included in this Prospectus. You should also read the section titled “Risk Factors” beginning on page 30 of this Prospectus, which discusses a number of factors, risks and contingencies that could affect our financial condition and results of operations. Our fiscal year ends on March 31 of each year, so all references to a particular fiscal year are to the twelve-month period ended March 31 of that year.

In this section, unless the context otherwise requires, any reference to “we”, “us” or “our” refers to Rikhav Securities Limited, our Company. Unless otherwise indicated, financial information included herein are based on our “Restated Financial Information” for the period ended on September 30, 2024 and for the Financial Years 2024, 2023, and 2022 included in this Prospectus beginning on page 197 of this Prospectus.

Note: Statement in the Management Discussion and Analysis Report describing our objectives, outlook, estimates, expectations or prediction may be “Forward Looking Statements” within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to our operations include, among others, economic conditions affecting demand/supply and price conditions in domestic and overseas market in which we operate, changes in Government Regulations, Tax Laws and other Statutes and incidental factors.

Business Overview

Overview

Our company “Rikhav Securities Limited” (RSL), established in the year 1995, is engaged in the business of equity broking, investing, and trading activities. We are registered with SEBI as a stock broker and hold memberships with BSE Limited (BSE), the National Stock Exchange of India (NSE), and the Multi Commodity Exchange (MCX). Our services encompass a comprehensive range of financial activities such as, equity broking, we offer cash delivery, intra-day trading, futures, and options. We are actively involved in trading across various derivative and commodity segments. Additionally, as a Self-Clearing Member of both the Indian Clearing Corporation Limited (ICCL) and NSE Clearing Limited (NCL), we ensure the smooth settlement of trades. We also assist clients in participating in Initial Public Offerings (IPOs) and provide depository services, including the opening and maintenance of demat accounts. As a mutual fund advisor and distributor, we guide clients through mutual fund investments, ensuring they navigate their options effectively.

Our company also engaged in the business of Market Making by way of supporting companies that have recently listed their securities on stock exchanges. By facilitating the buying and selling of these securities post-initial public offerings (IPOs), we enhance liquidity and market efficiency. We were registered as a Market Maker with the BSE Limited (BSE) in 2012 and with the National Stock Exchange (NSE) in 2016, accumulating over a decade of experience in this field. As on the date of this Prospectus, we have executed market-making mandates for 66 companies listed on SME platforms. Our market-making activities involve providing two-way quotes during trading hours to ensure liquidity in the SME segment. Our revenue model includes fixed fees from corporates, which consist of one-time and annual fees, as well as additional earnings from spreads and other trading activities in secondary market transactions. Our commitment in market making continues to contribute to the dynamic and efficient functioning of the securities market.

Our Company is also engaged in making proprietary investments in various tradable securities. We invest in both securities and derivatives, currency with sufficient liquidity. The investment strategies are mostly to earn arbitrage gain done based on analysis and investment rationale.

Our broking and other services are offered through our online and digital platforms, and our network of 24 Authorized Persons (the “**Authorized Persons**”) for the NSE equity segments, 23 Authorized Persons for the NSE Derivative segment, 8 Authorized Persons for the NSE Currency segment, 24 Authorized Persons and for the BSE Equity segment to acquire new clients and support existing clients with their business-related needs. Our client outreach spans several pin codes across India. As part of our financial product distribution business, we serve a diverse range of clients by facilitating investments in financial instruments and providing a variety of wealth solutions.

At Rikhav Securities Limited, we believe in delivering quality financial services to Retail Individual and High Net Worth clients. With over two decades of industry experience, we provide tailored Private Client Broking services for active equity traders and comprehensive depository services through CDSL. Our integrated approach combines trading and depository solutions in one seamless platform. Our diverse clientele includes institutional clients, high net worth individuals, and retail investors across India. We use a knowledge-based approach and personalized strategies to align with each client's investment objectives. Our commitment to integrating industry expertise with advanced technology ensures a superior client experience. As a growing Indian domestic brokerage house, we are dedicated to meeting our client financial goals with precision and excellence.

Our business model involves working with Authorized Persons (APs) who are registered in compliance with SEBI and stock exchange requirements. The APs are responsible for bringing in clients by offering comprehensive services, including account opening, KYC, trade execution, query resolution, and client servicing. During the account opening process, APs determine the brokerage fees to be charged to clients, which are based on defined slab rates. The brokerage is charged to clients for each trade, and RSL collects all the brokerage fees, accounting for this as Revenue from Operations. RSL then retains a fixed portion of the brokerage to cover infrastructure and back-end support costs. The remaining brokerage amount is disbursed to the APs on a monthly basis, recorded as Expenses in RSL accounts. Our Company has continuously adapted to the evolving financial landscape, embracing change and innovation to meet the diverse needs of its clients and stakeholders. The company's operations have not only expanded but have also demonstrated an ability to navigate complexities, leading to consistent growth and enhancing its future prospects.

Over the years, we have significantly enhanced client engagement and experience through the digitization of our processes and the augmentation of our technological platform. We launched our mobile application for broking services in 2024 and implemented KYC authentication and complete client onboarding through electronic and digital mediums in 2020. We provide our broking services by placing orders on behalf of our clients and through a web-based mobile application, which are integrated to enable a seamless trading and investment experience. This positions us to benefit from the development of the Indian financial market, the increased emphasis on digitalization, and the growth in returns from such financial investments.

Our goal is to enhance our brokerage operations and market position by implementing a multi-faceted strategy. To boost trades and transactions, we intend to enhance our trading platforms, offer advanced trading tools, and promote high-volume trading with incentives. Increasing retail broking revenues will involve exploring diversified revenue streams and optimizing our fee structure. Additionally, we intend to focus on market making for SME companies to improve liquidity and trading volumes, thereby attracting more investors. Our implementation plan includes assessing current operations, integrating advanced technology, launching client engagement strategies, and continuously monitoring and optimizing performance. By addressing these areas, we seek to expand our client base, drive trading activity, increase revenues, and strengthen our overall market presence.

Our company benefits from an experienced management team with extensive experience in the Indian financial services and broking sectors. This experienced leadership has been a driving force behind our comprehensive business growth. Each member of our senior management team brings significant expertise to our operations. Our Promoters, Mr. Hitesh Himatlal Lakhani and Mr. Rajendra N Shah, each have over 15 years of experience in the broking industry and are the founders of Rikhav Securities Limited. Their industry knowledge and strategic vision have been instrumental in shaping our company's success. Additionally, Mr. Monil Rajendra Shah, another Promoter, has 3 years of experience in stock broking and mutual fund distribution. Their visionary strategies and leadership enable us to effectively anticipate, guide, manage, and develop key aspects of our business operations. They also help us leverage customer relationships to drive further growth. For a detailed overview of our management team and our promoters, please refer to the chapters titled “*Our Management*” and “*Our Promoter and Promoter Group*” on pages 174 and 188 of this Prospectus. We attribute our success to their sustained efforts in process improvements, and expanding our operational scale. We believe that the combined experience and industry insight of our management team, along with their expertise in regulatory affairs, sales, marketing, and finance, position us to capitalize on both current and future market opportunities.

Over the past three Fiscals, our business has grown significantly, as evidenced by the following operational and financial performance metrics for the specified periods.

As per Restated Consolidated Financial Information:

(₹ in Lakhs, otherwise mentioned)

| Key Financial Performance | September 2024 | 30, March 31, 2024 | March 31, 2023 | March 31, 2022 |
|--|----------------|--------------------|----------------|----------------|
| Revenue from Operations ⁽¹⁾ | 9,285.81 | 10,416.17 | 4,946.76 | 3,549.91 |
| EBITDA ⁽²⁾ | 6,271.77 | 4,824.87 | 2,337.52 | 1,832.45 |
| EBITDA Margin (%) ⁽³⁾ | 67.54% | 46.32% | 47.25% | 51.62% |

| Key Financial Performance | September 30, 2024 | March 31, 2024 | March 31, 2023 | March 31, 2022 |
|---|--------------------|----------------|----------------|----------------|
| PAT | 5,037.32 | 4,264.63 | 1,957.17 | 1,762.47 |
| PAT Margin (%) ⁽⁴⁾ | 54.25% | 40.94% | 39.56% | 49.65% |
| Return on equity (%) ⁽⁵⁾ | 30.85% | 36.60% | 22.91% | 26.29% |
| Return on capital employed (%) ⁽⁶⁾ | 30.66% | 29.48% | 26.68% | 28.07% |
| Debt-Equity Ratio (times) ⁽⁷⁾ | 0.14 | 0.35 | 0.10 | 0.20 |
| Net fixed asset turnover ratio (times) ⁽⁸⁾ | 43.01 | 51.01 | 23.72 | 40.01 |

*As certified by M/s. Mundra & Co, Chartered Accountants, by way of their certificate dated January 01, 2025.

Notes:

- 1) Revenue from operation means revenue from sale of our products
- 2) EBITDA is calculated as Profit before tax + Depreciation + Finance Costs – Other Income
- 3) EBITDA Margin is calculated as EBITDA divided by Revenue from Operations
- 4) PAT Margin is calculated as PAT for the period/year divided by revenue from operations
- 5) Return on Equity is calculated by comparing the proportion of net income against the amount of average shareholder equity
- 6) Earnings before interest and taxes (EBIT) / Capital employed
- 7) Debt to Equity ratio is calculated as Total Debt divided by equity
- 8) Revenue from operation/Net fixed Asset

Significant Developments after September 30, 2024 that may affect our future results of operations

Except as discussed below and elsewhere in this Prospectus and except as set forth below, to our knowledge, no circumstances have arisen since the date of the Restated Consolidated Financial Information as disclosed in this Prospectus which materially and adversely affect or are likely to affect our operations or profitability, or the value of our assets or our ability to pay our liabilities within the next twelve months.

1. Pursuant to Board resolution dated July 16, 2024 the face value of Equity Shares of the Company was subdivided from ₹10/- per Equity Share to ₹5/- per Equity Share. Consequent to this subdivision, the number of Equity Shares issued by the company increases from 1,49,82,000 equity shares of face value ₹10/- each to 2,99,64,000 Equity Shares of face value ₹5/- each.
2. The members of our Company approved proposal of Board of Directors to raise funds through initial public offering in the Annual General Meeting held on September 02, 2024.

Statement of Significant Accounting Policies

A. Company Information

Rikhav Securities Limited is a Public Limited Unlisted Company registered on March 21, 1995 under the provisions of the Companies Act, 1956 with the Registrar of Companies, Mumbai and bearing CIN U99999MH1995PLC086635. The company is engaged in the business of equity broking, investing, and trading activities.

The Company is registered with SEBI as a stock broker and hold memberships with BSE Limited (BSE), the National Stock Exchange of India (NSE), and the Multi Commodity Exchange (MCX). The company is also engaged in the business of Market Making and registered as a Market Maker with the BSE Limited (BSE) in 2012 and with the National Stock Exchange (NSE) in 2016.

Details of Subsidiary/ associate – During the period of restatement, the holding company is having following subsidiary/ associate:

| Name of Company | Nature | % of Holding | | | |
|--|-------------------------|--------------------|----------------|----------------|----------------|
| | | September 30, 2024 | March 31, 2024 | March 31, 2023 | March 31, 2022 |
| RSL IFSC Private Limited | Wholly Owned Subsidiary | 99.99% | 99.99% | 99.99% | 99.99% |
| Rikhav Insurance Brokers Private Limited.* | Associate | -- | -- | 20.34% | 20.34% |

* Rikhav Insurance Brokers Pvt. Ltd. ceased to be an associate in FY 2023-24.

B. Statement of Significant Accounting Policies

1. Basis of preparation of financial statements

The Restated Consolidated Statement of Assets and Liabilities of the Company as on September 30, 2024, March 31, 2024, March 31, 2023, and March 31, 2022 and the Restated Consolidated Statement of Profit and Loss and Restated Consolidated Statements of Cash Flows for the period/year ended on September 30, 2024, March 31, 2024, March 31, 2023, and March 31, 2022 and the annexure thereto (collectively, the “**Restated Consolidated Financial Statements**”) have been extracted by the management from the Audited Consolidated Financial Statements of the Company.

The financial statements of the company have been prepared and presented in accordance with the Generally Accepted Accounting Principles (GAAP). GAAP comprises the Accounting Standards notified u/s Section 133 read with Section 469 of the Companies Act, 2013. The accounting policies have been framed, keeping in view the fundamental accounting assumptions of Going Concern, Consistency and Accrual, as also basic considerations of Prudence, Substance over form, and Materiality. These have been applied consistently, except where a newly issued accounting standard is initially adopted or a revision in the existing accounting standards require a revision in the accounting policy so far in use. The need for such a revision is evaluated on an ongoing basis.

The Financial Statements have been prepared on a going concern basis, in as such as the management neither intends to liquidate the company nor to cease operations. Accordingly, assets, liabilities, income and expenses are recorded on a Going Concern basis. Based on the nature of products and services, and the time between the acquisition of assets and realization in cash or cash equivalents, the company has ascertained its operating cycle as 12 months for the purposes of current and non-current classification of assets and liabilities

2. Principles of consolidation

The Consolidated Financial Statements have been prepared in accordance with Accounting Standard 21 (AS 21) “Consolidated Financial Statements” and Accounting Standard 23 (AS 23) “Accounting for Investments in Associates in Consolidated Financial Statements”.

The Consolidated Financial Statements have been prepared on the following basis:

Investments in Subsidiaries:

- i. The Financial Statements of the Company and its subsidiary companies have been consolidated on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses. Intra group balances, intra group transactions and unrealised profits or losses have been fully eliminated.
- ii. The difference between the costs of investment in the subsidiaries and the Company’s share of equity at the time of acquisition of shares in the subsidiaries is recognised in the Financial Statements as Goodwill on consolidation or Capital Reserve on consolidation.
- iii. The difference between the proceeds from disposal of investment in a subsidiary and the carrying amount of its assets less liabilities as of date of disposal is recognised in the Statement of Profit and Loss as profit or loss on disposal of investment in subsidiaries.
- iv. Minority Interest in the net assets of consolidated subsidiaries consists:
 - a. the amount of equity attributable to minorities at the date on which investment in a subsidiary is made; and
 - b. the minorities’ share of movements in equity since the date the parent subsidiary relationship comes into existence.

The subsidiary (which along with RSL, the parent, constitute the group) considered in the presentation of these Consolidated Financial Statements is:

| Name of the Subsidiary Company | Country of Incorporation | Proportion of ownership interest | | | |
|--------------------------------|--------------------------|----------------------------------|---------------|---------------|---------------|
| | | Sept 30, 2024 | 31 March 2024 | 31 March 2023 | 31 March 2022 |
| RSL IFSC Private Limited | India | 99.99% | 99.99% | 99.99% | 99.99% |

Investments in Associates:

- i. The Financial Statements of the Company and its associate companies have been consolidated as per Equity Method.
- ii. Under the equity method, the investment is initially recorded at cost, identifying any goodwill/capital reserve arising at the time of acquisition. On initial recognition the investment in an associate is recognised at cost. The carrying amount is then increased or decreased to recognise the investor's share of the subsequent profit or loss of the investee and to include that share of the investee's profit or loss in the investor's profit or loss.

The associate (which along with RSL, the parent, constitute the group) considered in the presentation of these Consolidated Financial Statements is:

| Name of the Associate Company | Country of Incorporation | Proportion of ownership interest | | | |
|--|--------------------------|----------------------------------|----------------|----------------|----------------|
| | | Sept 30, 2024 | March 31, 2024 | March 31, 2023 | March 31, 2022 |
| Rikhav Insurance Brokers Private Limited | India | -- | -- | 20.34% | 20.34% |

The investment in Rikhav Insurance Brokers Private Limited has reduced to 13.56% for the year ended on March 31, 2024 and thus it is not classified as an associate for that year.

3. Use of estimates

The preparation of the financial statements in conformity with the generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets and liabilities as at the balance sheet date, the results of operation during the reported period and disclosure of contingent liabilities as on the reporting date. Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable and are in their best knowledge of current event and actions. Actual results could differ from these estimates and differences between actual results and estimates are recognized in the period in which the results are known or materialize. Significant estimates used by the management in the preparation of these financial statements include provision for employee benefits, estimates of the economic useful life of plant and equipment, provision for expenses, provisioning for taxation etc.

The following significant accounting policies are adopted in the preparation and presentation of these financial statements:

(i) Revenue Recognition

- a) Revenue is recognized to the extent that is probable that the economic benefits will flow to the Group and the revenue can be reliably measured.
- b) Revenue recognition in the form of commission & brokerages for sub brokering with BRLMs for various IPO's is considered in the year in which the IPO's are serviced.
- c) Interest Income is treated to accrue on timely basis.
- d) Lending Premium / Borrowing charges from the trades in Securities Lending & Borrowing Market (SLBM) segment is recognized in the year in which the contract for lending / borrowing is entered into.
- e) Income from the Stock Exchanges in the form of Incentives under Liquidity Enhancement Incentive Programme Scheme (LEIPS) is recorded on the receipt basis

(ii) Foreign Currency Transaction:

- a) Foreign currency transactions are recorded at the exchange rates prevailing on the date of the transaction.
- b) Short term monetary items denominated in foreign currencies (such as cash, receivable, payable etc.) outstanding at the year end, are translated /re-converted at the year-end exchange rate unless covered by a forward contract.
- c) Any gain or loss arising on settlement and / or translation of short-term monetary transaction in foreign currency is accounted for in the statement of Profit and Loss.

(iii) Shares, Stocks & Securities under SLBM:

The Company has recognized current liability (refer note no. 1(d)) for the trades executed for sale of shares in the spot market through borrowing it from the SLBM segment and has recognized the gain / loss on account of change in Fair Value of the obligation on valuation date

(iv) Employee Benefits

- Defined Benefit Plans

For Defined Benefit Plans, the cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuations being carried out at the date of each statement of financial position.

The retirement benefit obligations recognised in the statement of financial position represents the present value of the defined benefit obligations reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to the present value of available refunds and reductions in future contributions to the scheme.

(v) Borrowing Costs

Borrowing cost includes interest and amortization of ancillary costs incurred in connection with the arrangement of borrowings. Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

(vi) Accounting for Taxes on Income

Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

- a) Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date.
- b) Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets are recognized for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the Company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

The carrying amount of deferred tax assets are reviewed at each reporting date. The company writes-down the carrying amount of a deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

(vii) Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, share split and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

(viii) Property, Plant and Equipment

Property, plant and equipment are stated at cost, less accumulated depreciation and accumulated impairment losses. The initial cost of a property, plant and equipment comprises its purchase price, any costs directly attributable to bringing the

property, plant and equipment into the location and condition necessary for it to be capable of operating in the manner intended by management.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in statement of profit and loss.

The Company provides depreciation on items of property, plant and equipment on Written Down Value Method (WDV) based on useful life of assets as per Part C of Schedule II of the Companies Act, 2013.

Depreciation amount for asset is the cost of an asset less its estimated residual value. In case of impairment, depreciation is provided on revised carrying amount over its remaining useful life.

(ix) Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognized only when there is a present obligation as a result of past events and when a reliable estimate of the amount of obligation can be made.

Contingent Liability is disclosed for:

- a) Possible obligation which will be confirmed only by future events not wholly within the control of the Company, or
- b) Present obligations arising from the past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.
- c) 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 that the likelihood of outflow of resources is remote, no provision or disclosure is made.
- d) Contingent Assets are not recognized in the financial statements since this may result in the recognition of income that may never be realized.

(x) Investments

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments. On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties.

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

(xi) Segment Accounting

Business Segment

- a) The business segment has been considered as the primary segment.
- b) The Company's primary business segments are reflected based on principal business activities, the nature of service, the differing risks and returns, the organization structure and the internal financial reporting system.
- c) The Company's primary business includes Stock Broking and Investment in securities. This is the only segment as envisaged in Accounting Standard 17: 'Segment Reporting' therefore disclosure for Segment reporting is not applicable.

(xii) Cash Flow Statement:

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. Cash flows from operating, investing and financing activities of the Company are segregated, accordingly.

C. Changes in Accounting Policies in the Years Covered in the Restated Financials

There was no change in accounting policies, which needs to be adjusted in the Restated Financial Statement.

D. Notes on Restatements Made in the Restated Financials

1. The financial statements including other financial information have been prepared after making such regroupings and adjustments, considered appropriate to comply with the same. As result of these regroupings and adjustments, the amount reported in the financial statements/information may not necessarily be same as those appearing in the respective audited financial statements for the relevant years.
2. Amount due to entities covered under Micro, Small and Medium Enterprises as defined in the Micro, Small, Medium Enterprises Development Act, 2006, have been reported to the extent of information memorandum received from the suppliers.
3. Value of Imports:

(₹. in Lakhs)

| Particulars | Sept-24 | FY 2023-24 | FY 2022-23 | FY 2021-22 |
|---------------------|---------|------------|------------|------------|
| CIF Value of Import | - | - | - | - |

4. Transactions in Foreign Currency:

(US\$. in Lakhs)

| Particulars | Sept-24 | FY 2023-24 | FY 2022-23 | FY 2021-22 |
|---------------------------------------|---------|------------|------------|------------|
| Total Earnings in Foreign Currency | - | \$ 0.18 | \$ 1.13 | \$ 0.27 |
| Total Expenditure in Foreign Currency | - | \$ 0.38 | \$ 0.82 | \$ 0.21 |

5. Geographical Information

- Revenue

(₹. in Lakhs)

| Particulars | Sept-24 | FY 2023-24 | FY 2022-23 | FY 2021-22 |
|---------------|----------|------------|------------|------------|
| India | 9,285.81 | 10,416.17 | 4,946.76 | 3,549.91 |
| Outside India | | - | - | - |

- Non-Current Assets

All the non-current assets of the Company are situated within India.

6. Employee benefits:

The Company has adopted the Accounting Standard 15 (revised 2005) on Employee Benefits as per an actuarial valuation carried out by an independent actuary. The disclosures as envisaged under the standard are as under:

(₹. in Lakhs)

| Particulars | 30/09/2024 | 31/03/2024 | 31/03/2023 | 31/03/2022 |
|---|--------------|--------------|--------------|--------------|
| 1. The amounts recognized in the Balance Sheet are as follows: | | | | |
| Defined benefit obligation as at the end of the period | 39.84 | 63.46 | 41.79 | 27.14 |
| Fair Value of Plan Assets at the end of the period | 0.00 | 0.00 | 0.00 | 0.00 |
| Net Liability/(Asset) | 39.84 | 63.46 | 41.79 | 27.14 |
| 2. The amounts recognized in the Profit & Loss A/c are as follows: | | | | |
| Current Service Cost | 5.47 | 25.25 | 12.04 | 7.10 |

| Particulars | 30/09/2024 | 31/03/2024 | 31/03/2023 | 31/03/2022 |
|---|--------------------------------------|---------------------------|-----------------|-----------------|
| Interest on Defined Benefit Obligation | 2.30 | 3.03 | 1.97 | 2.19 |
| Expected Return on Plan Assets | | 0.00 | 0.00 | 0.00 |
| Net actuarial losses (gains) recognised in the period | -31.39 | -6.61 | 0.64 | -12.33 |
| Total, Included in “Salaries, Allowances & Welfare” | -23.62 | 21.67 | 14.65 | -3.04 |
| 3. Changes in the present value of defined benefit obligation: | | | | |
| Defined benefit obligation as at the beginning of the period | 63.46 | 41.79 | 27.14 | 30.18 |
| Service cost | 5.47 | 25.25 | 12.04 | 7.10 |
| Interest cost | 2.30 | 3.03 | 1.97 | 2.19 |
| Expected Return on Plan Assets | 0.00 | 0.00 | 0.00 | 0.00 |
| Net actuarial losses (gains) recognised in the period | -31.39 | -6.61 | 0.64 | -12.33 |
| Benefit paid by the Company/Fund | 0.00 | 0.00 | 0.00 | 0.00 |
| Defined benefit obligation as at the end of the period | 39.84 | 63.46 | 41.79 | 27.14 |
| 4. Changes in the Fair Value of Plan Assets: | | | | |
| Fair Value of Plan Assets at the beginning of the period | 0.00 | 0.00 | 0.00 | 0.00 |
| Contributions by the Employer | 0.00 | 0.00 | 0.00 | 0.00 |
| Expected Return on Plan Assets | 0.00 | 0.00 | 0.00 | 0.00 |
| Net actuarial (losses) gains recognised in the period | 0.00 | 0.00 | 0.00 | 0.00 |
| Benefit paid by the Fund | 0.00 | 0.00 | 0.00 | 0.00 |
| Fair Value of Plan Assets at the end of the period | 0.00 | 0.00 | 0.00 | 0.00 |
| Benefit Description: | | | | |
| Benefit type: | Gratuity Valuation as per Act | | | |
| Funding Status | Unfunded | Unfunded | Unfunded | Unfunded |
| Retirement Age: | 60 years | 60 years | 60 years | 60 years |
| Vesting Period: | 5 years | 5 years | 5 years | 5 years |
| The principal actuarial assumptions for the above are: | | | | |
| Future Salary Rise: | 5.00% p.a. | 5.00% p.a. | 5.00% p.a. | 5.00% p.a. |
| Discount rate per annum: | 7.00% p.a. | 7.25% p.a. | 7.25% p.a. | 7.25% p.a. |
| Attrition Rate: | | 10% Per Annum | | |
| Mortality Rate: | | IALM 2012-14 Urban | | |

7. Provisions, Contingent Liabilities and Contingent Assets (AS 29)

Contingent liabilities and commitments (to the extent not provided for). There are no contingent liabilities as on the end of respective period except as mentioned in Annexure -AB, for any of the years covered by the statements.

8. Related Party Disclosure (AS 18)

Related party transactions are reported as per AS-18 of Companies (Accounting Standards) Rules, 2006, as amended, in the Annexure – Y of the enclosed financial statements.

9. Accounting For Taxes on Income (AS 22)

Deferred Tax liability/Asset in view of Accounting Standard – 22: “Accounting for Taxes on Income” as at the end of the year is reported as under:

(₹. in Lakhs)

| Particulars | As at | | | |
|--|--------------|--------------|--------------|--------------|
| | 30-09-2024 | 31-03-2024 | 31-03-2023 | 31-03-2022 |
| Opening Deferred Tax Assets/(Liabilities) (A) | 23.43 | 18.98 | 18.44 | 95.01 |
| | | | | |
| Timing difference due to Depreciation & Gratuity | 118.09 | 93.72 | 76.10 | 73.87 |

| Particulars | As at | | | |
|---|------------|------------|------------|------------|
| | 30-09-2024 | 31-03-2024 | 31-03-2023 | 31-03-2022 |
| Cumulative Balance of Deferred Tax Assets/(Liability) (Net) (B) | 29.87 | 23.43 | 18.98 | 18.44 |
| Deferred Tax Assets/(Liabilities) on transferred to P & L Statement (A-B) | 6.44 | 4.45 | 0.53 | -76.57 |

10. Earnings Per Share (AS 20):

Earnings per Share have been calculated is already reported in the Annexure –X of the enclosed financial statements.

11. Contractual liabilities

All other contractual liabilities connected with business operations of the Company have been appropriately provided for.

12. Amounts in the financial statements

Amounts in the financial statements are reported in Indian Rupees in lakhs and rounded off to second digit of decimal. Figures in brackets indicate negative values.

13. Auditors Qualifications –

Details of Auditors qualifications and their impact on restated financial statement is given below.

Qualification which required adjustment in restated financial statements:

| Financial Year | Audit Qualifications | Remark |
|--------------------|----------------------|----------------|
| FY 2021-22 | NIL | Not Applicable |
| FY 2022-23 | NIL | Not Applicable |
| FY 2023-24 | NIL | Not Applicable |
| September 30, 2024 | NIL | Not Applicable |

Qualification which does not require adjustment in restated financial statements:

| Financial Year | Audit Qualifications | Management Reply |
|--------------------|----------------------|------------------|
| FY 2021-22 | NIL | Not Applicable |
| FY 2022-23 | NIL | Not Applicable |
| FY 2023-24 | NIL | Not Applicable |
| September 30, 2024 | NIL | Not Applicable |

Material Adjustments [as per the ICDR Regulation]

Appropriate adjustments have been made in the restated consolidated financial statements, whenever required, by reclassification of the corresponding items of assets, liabilities and cash flow statement, in order to ensure consistency and compliance with requirement of Company Act 2013, and Accounting Standards.

The Summary of results of restatements made in the audited consolidated financial statements of the Group for the respective years and their impact on the profit /(losses) of the Group is as under.

Statement of adjustments in the Financial Statements

Statement of Reserve and Surplus:

| Particulars | (₹. in Lakhs) | | | |
|---|---------------|-----------|----------|----------|
| | Sept - 24 | 2023-24 | 2022-23 | 2021-22 |
| Reserves and Surplus as per audited accounts but before adjustments for restated accounts | 17,409.90 | 12,336.90 | 8,099.64 | 7,079.89 |

| Particulars | Sept - 24 | 2023-24 | 2022-23 | 2021-22 |
|---|-----------|-----------|----------|----------|
| Add: Cumulative Adjustment made in Statement of Profit and Loss Account during the restated period | -41.03 | -24.77 | -68.49 | 17.19 |
| Add: Adjustment to the Opening Reserves as on 01-04-2021 | -22.01 | -26.18 | -26.18 | -26.18 |
| Total Net Adjustment in Profit and Loss Account | -63.04 | -50.95 | -94.67 | -8.99 |
| Reserves and Surplus as per Restated Accounts | 17,346.86 | 12,285.95 | 8,004.98 | 7,070.90 |

Statement of Profit and Loss after Tax

The reconciliation of Profit/(loss) after tax as per audited results and the Profit/(loss) after tax as per Restated accounts is presented in below Table. This summarizes the results of restatements made in the audited accounts for the respective years and its impact on the respective year profit & losses of the group.

(₹. in Lakhs)

| Particulars | Sept – 24 | 2023-24 | 2022-23 | 2021-22 |
|--|-----------------|-----------------|-----------------|-----------------|
| Net profit after tax as per audited accounts but before adjustments for restated accounts: | 5,053.57 | 4,220.91 | 2,042.85 | 1,745.27 |
| Excess provision for gratuity as per AS -15(revised) | 23.62 | -21.67 | -14.65 | 3.04 |
| Short/(excess) provision for deferred tax assets | -9.92 | -13.52 | 0.53 | -3.99 |
| (Short)/excess provision for income tax | -112.15 | -89.04 | -93.87 | -43.44 |
| Cost of Investment in Associate sold overstated | 0.00 | 73.88 | 0.00 | 0.00 |
| Prior period Expenses Restated - Professional Fee | 0.00 | 4.02 | -5.63 | 3.71 |
| Expenses does not forming part of P&L | 82.20 | 90.05 | 27.94 | 57.87 |
| Net adjustment in profit and loss account | -16.26 | 43.72 | -85.68 | 17.19 |
| Net Profit after tax as per restated accounts | 5,037.32 | 4,264.63 | 1,957.17 | 1,762.47 |

a) Adjustment of Gratuity Expenses

Company had accounted gratuity on cash basis, however during the restatement, Company has complied with the requirement of AS – 15 (Revised) “Employee Benefits” and accordingly booked Gratuity expenses basis of actuarial valuation report.

b) Adjustment on account of Provision of Deferred Tax Assets:

Due to Provision for Gratuity (Employee benefits) and Difference of WDV of Fixed Assets as per Companies Act, 2013 and Income Tax Act, 1961 which are temporary timing differences, during the period of restatement. The Company has recalculated the deferred tax liability and deferred tax assets at the end of respective year ended at the rate of normal tax rate applicable at the end of relevant year. For more details refer table of Reconciliation of Statement of Profit and loss as above.

c) Provision of Income Tax (Current/Prior Period):

During the restatement, the Income tax provision was recalculated on restated Profit/(Loss) of respective year as per the prevailing tax rates, accordingly the effect of revised income tax provision has been made in the Restated Consolidated Statement of Profit and Loss account. Short/(Excess) provision has been adjusted in respective year/period. For More details, refer Annexure AA enclosed with the Restated Financial Statement.

d) Accounting of Prior Period Expenses:

During the restatement, expenses booking has been reconsidered based on the year to which such expenses is pertaining to and accordingly all prior period expenses has been charged to Restated Consolidated Statement of Profit and Loss account of respective years. It includes Professional Fees.

e) Accounting of Expenses does not forming part of P&L:

During the restatement, expenses that does not form part of the Profit & Loss Statement of the group has been restated. These expenses include Interest on Income Tax and Self-Assessment Income Tax.

Results of Our Operation

The following discussion on results of operations should be read in conjunction with the Restated Financial Statements of our Company for the six months ended September 30, 2024 and for the financial years ended on 2024, 2023 and 2022:

(₹ in lakhs)

| Particulars | For the Period/Year Ended 31 st March | | | | | | | |
|--|--|--------------------|------------------|--------------------|-----------------|--------------------|-----------------|--------------------|
| | September 30, 2024 | % of Total Revenue | FY 2024 | % of Total Revenue | FY 2023 | % of Total Revenue | FY 2022 | % of Total Revenue |
| Revenue: | | | | | | | | |
| Revenue from Operations | 9,285.81 | 96.57% | 10,416.17 | 93.55% | 4,946.76 | 90.73% | 3,549.91 | 82.59% |
| Other income | 330.02 | 3.43% | 718.09 | 6.45% | 505.67 | 9.27% | 748.40 | 17.41% |
| Total revenue | 9615.83 | 100.0% | 11,134.26 | 100.00% | 5,452.43 | 100.00% | 4,298.31 | 100.00% |
| Expenses: | | | | | | | | |
| Employees Benefit Expenses | 809.66 | 8.42% | 1,739.62 | 15.62% | 876.52 | 16.08% | 522.26 | 12.15% |
| Finance costs | 276.79 | 2.88% | 245.82 | 2.21% | 332.14 | 6.09% | 336.54 | 7.83% |
| Depreciation and Amortization | 32.99 | 0.34% | 60.48 | 0.54% | 48.87 | 0.90% | 31.99 | 0.74% |
| Other expenses | 2,204.38 | 22.92% | 3,851.68 | 34.59% | 1,732.72 | 31.78% | 1,195.20 | 27.81% |
| Total Expenses | 3,323.81 | 34.57% | 5,897.60 | 52.97% | 2,990.26 | 54.84% | 2,085.99 | 48.53% |
| Profit before exceptional and extraordinary items and tax | 6,292.01 | 65.43% | 5,236.66 | 47.03% | 2,462.17 | 45.16% | 2,212.32 | 51.47% |
| Exceptional Items | - | - | - | - | - | - | - | - |
| Profit before extraordinary items and tax | 6,292.01 | 65.43% | 5,236.66 | 47.03% | 2,462.17 | 45.16% | 2,212.32 | 51.47% |
| Extraordinary items | - | - | - | - | - | - | - | - |
| Profit before tax | 6,292.01 | 65.43% | 5,236.66 | 47.03% | 2,462.17 | 45.16% | 2,212.32 | 51.47% |
| Tax expense: | | | | | | | | |
| Current tax | 1,261.14 | 13.12% | 976.49 | 8.77% | 505.53 | 9.27% | 373.29 | 8.68% |
| Deferred Tax | (6.44) | (0.07%) | (4.45) | (0.04%) | (0.53) | (0.01%) | 76.57 | 1.78% |
| Net Total Tax Expenses | 1,254.32 | 13.05% | 972.04 | 8.73% | 505.00 | 9.26% | 449.85 | 10.47% |
| Profit /(Loss) for the period from continuing operations | 5,037.32 | 52.39% | 4,264.63 | 38.30% | 1,957.17 | 35.90% | 1,762.47 | 41.00% |
| Profit /(Loss) attributable to minority holders | - | - | - | - | - | - | - | - |
| Profit/Loss from Associates | - | - | - | - | (46.91) | (0.86%) | - | - |
| Profit/Loss attributable to owners of the group | 5,037.32 | 52.39% | 4,264.63 | 38.30% | 1,910.27 | 35.04% | 1,762.47 | 41.00% |

Factors Affecting Our Results of Operations

Our business is subjected to various risks and uncertainties, including those discussed in the section titled “Risk Factors” beginning on page 30 of this Prospectus. Our results of operations and financial conditions are affected by numerous factors including the following:

1. Disruption in our business process.
2. Our ability to successfully implement our strategy, our growth and expansion, technological changes.
3. Fail to attract, retain and manage the transition of our management team and other skilled & unskilled employees;
4. Our ability to protect our intellectual property rights and not infringing intellectual property rights of other parties;
5. Ability to respond to technological changes;

6. Failure to comply with regulations prescribed by authorities of the jurisdictions in which we operate;
7. General economic and business conditions in the markets in which we operate and in the local, regional and national economies;
8. Our ability to effectively manage a variety of business, legal, regulatory, economic, social and political risks associated with our operations;
9. Recession in the market;
10. Changes in laws and regulations relating to the industries in which we operate;
11. Effect of lack of infrastructure facilities on our business;
12. Our ability to meet our capital expenditure requirements;
13. Failure to adapt to the changing technology in our industry of operation may adversely affect our business and financial condition;
14. Failure to obtain any approvals, licenses, registrations and permits in a timely manner;
15. Changes in political and social conditions in India or in countries that we may enter, the monetary and interest rate policies of India and other countries, inflation, deflation, unanticipated turbulence in interest rates, equity prices or other rates or prices;
16. Occurrence of natural disasters or calamities affecting the areas in which we have operations;
17. Conflicts of interest with affiliated companies, the promoter group and other related parties;
18. The performance of the financial markets in India and globally;
19. Any adverse outcome in the legal proceedings in which we are involved;
20. Our ability to expand our geographical area of operation;
21. Concentration of ownership among our Promoters.

Key Components of Company's Profit and Loss Statement

Revenue from operations: Revenue from operations mainly consists from Sales of services.

Other Income: Other Income Consist of duty drawback claim, foreign exchange gain, other income and Interest Income.

Expenses: Company's expenses consist of Employee Benefit Expenses, Finance Cost, Depreciation Expenses & Other Expenses.

Employee Benefits Expense: Employee benefit expenses include Salaries and Wages, Directors Remuneration & Contribution to Statutory Funds, staff welfare, other allowances, Gratuity Expenses etc.

Finance Cost: Finance Cost includes Interest paid on borrowings & Bank Charges.

Depreciation and Amortization Expense: We recognize Depreciation and Amortization expense on a WDV basis as per the rates set forth in the Companies Act, 2013/ Companies Act, 1956, as applicable.

Other Expenses: Other expenses include Professional Fees, Expenses on Shares Trading, Annual Maintenance Charges, Brokerage & Commission, Rates, Taxes & Penalties, Rent Expenses, CSR Expenses, Auditors Fee, Connectivity Charges, Electricity Expenses and Miscellaneous Expenses.

For the Period ended September 30, 2024

Revenue from Operation

Revenue from operations for the period ended September 30, 2024, amounted to ₹9285.81 lakhs, representing 96.57% of the Total Revenue.

Other Income

Other Income consisting of interest income of ₹330.02 lakhs and foreign exchange loss of ₹0.03 lakhs represents 3.43% of Total Revenue.

Employee Benefit Expenses

Employee benefit expenses, which include salaries and wages, director remuneration, contributions to provident fund and other fund and staff welfare expenses, amounted to ₹809.66 lakhs, representing 8.42% of the total revenue.

Finance Cost

Finance Cost includes borrowing cost amounting to ₹276.79 Lakhs represents 2.88% of Total Revenue.

Depreciation and Amortization Expenses

Depreciation is charged on WDV method amounting to ₹32.99 Lakhs represents 0.34% of Total Revenue.

Other Expenses

Other expenses include professional fees, share trading expenses, annual maintenance charges, brokerage & commission, connectivity charges, electricity expenses etc. amounting to ₹2,204.38 lakhs represents 22.92% of Total Revenue.

Tax Expenses

Tax Expenses consisting of Current Tax and deferred tax for the period ended on September 30, 2024 was ₹1,261.14 lakhs and (₹6.44) lakhs respectively, representing 13.12% and (0.07%) respectively of Total Revenue.

Profit after Tax

After accounting for taxes at the applicable rates, our company reported a net profit of ₹5037.32 lakhs for the period ended September 30, 2024, compared to a net profit of ₹4,264.63 lakhs in fiscal 2024. This resulted in an increase in the profit margin from 40.94% in fiscal 2024 to 54.25% for the period ended September 30, 2024.

Fiscal 2024 Compared with Fiscal 2023

Revenue from Operation

The company operates within the capital markets and is engaged in trading activities. Its revenue generation is significantly influenced by the prevailing stock market conditions each year. Additionally, strategic investment analysis and effective fund allocation are integral components of the company's approach to value investing and trading.

Revenue from operations grew by **110.57%**, from ₹49.46 crores in Fiscal 2023 to ₹104.16 crores in Fiscal 2024. The key drivers of this growth are discussed below:

1. Sensex Growth and FNO Trading Profits:

- **Sensex Performance:** The Sensex increased by **14,660 points** during Fiscal 2024, which created a favorable market environment for the company's trading activities.
- **FNO Trading:** Profits from Futures and Options (FNO) trading surged by **868.10%**, from ₹4.42 crores in Fiscal 2023 to ₹42.79 crores in Fiscal 2024. This sharp rise was primarily due to the company's ability to capitalize on the market conditions, resulting in substantial gains from derivatives trading.

- #### **2. Market Making Fees:**
- Revenue from **market-making fees** grew by **76.83%**, from ₹0.41 crores in Fiscal 2023 to ₹0.72 crores in Fiscal 2024. This increase reflects the company's expanding role in providing liquidity to the market, a strategy that became more profitable in a rising market environment.

3. **Funds Managed and Brokerage Commissions:** The company managed **₹120 crores** in funds during Fiscal 2024, up from ₹95 crores in Fiscal 2023, representing an increase of **26.32%**. As a result, brokerage and commission income from these funds grew by **10.47%**, from ₹7.07 crores in Fiscal 2023 to ₹7.81 crores in Fiscal 2024. This growth indicates effective fund management and solid returns on investments.
4. **DMAT Operations** Revenue from **DMAT operations** rose by **18.52%**, increasing from ₹0.27 crores in Fiscal 2023 to ₹0.32 crores in Fiscal 2024. This growth is largely attributed to a higher number of IPO applications, reflecting increased investor participation in the market.
5. **Short-Term Capital Gains: Short-term capital gains** grew by **46%**, from ₹11.00 crores in Fiscal 2023 to ₹16.06 crores in Fiscal 2024. This indicates the company's success in executing its trading strategy, capitalizing on favorable market conditions to realize higher profits from short-term positions.

Other Income

Other income had increased from ₹505.67 lakhs in Fiscal 2023 to ₹718.09 lakhs in Fiscal 2024 due to increase in interest income. The company's interest income in the year 2023 was ₹501.68 lakhs which increased in the year 2024 to ₹710.68 lakhs.

Employee Benefit Expenses

Employee benefit expenses had increased by 98.47% from ₹876.52 lakhs in Fiscal 2023 to ₹1739.62 lakhs in Fiscal 2024. This increase was primarily due to increase in salaries & wages from ₹858.83 lakhs in Fiscal 2023 to ₹1,689.83 lakhs in Fiscal 2024, increase in director's remuneration from ₹1.50 lakhs in Fiscal 2023 to ₹19.50 lakhs in Fiscal 2024, increase in Contribution to PF and other fund from ₹16.13 lakhs in Fiscal 2023 to ₹24.21 lakhs in Fiscal 2024 & increase in Staff Welfare Expenses from ₹0.07 lakhs in Fiscal 2023 to ₹6.08 lakhs in Fiscal 2024.

Finance Cost

Finance Cost had decreased by 25.99% from ₹332.14 lakhs in Fiscal 2023 to ₹245.82 lakhs in Fiscal 2024. This decrease was primarily due to decrease in interest expenses from ₹152.89 lakhs in Fiscal 2023 to ₹0.78 lakhs in Fiscal 2024.

Depreciation and Amortization Expenses

Depreciation had increased by 23.75% from ₹48.87 lakhs in Fiscal 2023 to ₹60.48 lakhs in Fiscal 2024. This was primarily due to addition of fixed assets of ₹54.28 lakhs by company during Fiscal 2024.

Other Expenses

Other expenses had increased by 122.29% from ₹1,732.72 lakhs in Fiscal 2023 to ₹3,851.68 lakhs in Fiscal 2024. The increase was primarily due to increase in professional fees by ₹944.19 lakhs, expenses on share trading by ₹614.19 lakhs, annual maintenance charges by ₹377.44 lakhs, brokerage and commission by ₹103.87 lakhs, rates, taxes & penalties by ₹89.66 lakhs etc. in Fiscal 2024.

Tax Expenses

The Company's tax expenses had increased by ₹467.04 lakhs from ₹505.00 lakhs in the Fiscal 2023 to ₹972.04 lakhs in Fiscal 2024. This was primarily due to increase in current tax expenses during the year which got increased from ₹505.53 Lakhs in the year 2023 to ₹976.49 lakhs in the year 2024.

Profit after Tax

The increase in Profit After Tax (PAT) from ₹19.57 crores in Fiscal 2023 to ₹42.64 crores in Fiscal 2024 can be attributed to several key factors, primarily driven by growth in revenue and efficient cost management. In the capital market industry, operational costs do not rise in direct proportion to the amount of funds managed, allowing fund managers to generate higher profits during favorable market conditions. This is evident from the ₹54.69 crore increase in revenue from operations and a ₹29.07 crore rise in operating costs during Fiscal 2024. The growth in PAT was primarily driven by the increase in assets under management (AUM), which grew from ₹95.00 crores in Fiscal 2023 to ₹120.00 crores in Fiscal 2024, resulting in higher revenue.

Additionally, the company's ability to manage costs efficiently contributed to the significant rise in profits. The favorable market environment likely played a role in both attracting more investor interest and boosting fund performance, further supporting the revenue growth.

Fiscal 2023 Compared with Fiscal 2022

Revenue from Operation

Revenue from operations had increased by 39.35% from ₹3,549.91 lakhs in Fiscal 2022 to ₹4,946.76 lakhs in Fiscal 2023. The company engaged in the business of equity broking, investing, and trading activities. The growth in the revenue is discussed below:

- a. Profits from short term capital gain had increased by 684.83% from ₹468 lakhs in fiscal 2022 to ₹3673 lakhs in fiscal 2023 due to favorable market conditions.
- b. Market making fees rose by 156.25% from ₹16 lakhs in fiscal 2022 to ₹41 lakhs in fiscal 2023.
- c. Brokerage and commission revenue had increased by 14.22% from ₹619 lakhs in fiscal 2022 to ₹707 lakhs in fiscal 2023, driven by a rise in client funds invested, from ₹8000 lakhs in fiscal 2022 to ₹9500 lakhs in fiscal 2023.
- d. Speculation Profit rose by 51.41% from ₹142 lakhs in fiscal 2022 to ₹215 lakhs in fiscal 2023.

Dividend income from shares had increased by 129.17% from ₹24 lakhs in fiscal 2022 to ₹55 lakhs in fiscal 2023, reflecting the strength of the company's investment portfolio.

Other Income

Other income had decreased by 32.43% from ₹748.40 lakhs in Fiscal 2022 to ₹505.67 lakhs in Fiscal 2023. This was primarily due to decrease in interest income by ₹243.91 lakhs from ₹745.58 lakhs in Fiscal 2022 to ₹501.68 lakhs in Fiscal 2023.

Employee Benefit Expenses

Employee benefit expenses had increased by 67.83% from ₹522.26 lakhs in Fiscal 2022 to ₹876.52 lakhs in Fiscal 2023. This increase was primarily due to increase in salary & wages from ₹509.05 lakhs in Fiscal 2022 to ₹858.83 lakhs in Fiscal 2023.

Finance Cost

Finance Cost had decreased by 1.31% from ₹336.54 lakhs in Fiscal 2022 to ₹332.14 lakhs in Fiscal 2023. This decrease was primarily due to decrease in Bank Charges from ₹129.42 lakhs in Fiscal 2022 to ₹58.23 lakhs in Fiscal 2023.

Depreciation and Amortization Expenses

Depreciation had increased by 52.78% from ₹31.99 lakhs in Fiscal 2022 to ₹48.87 lakhs in Fiscal 2023. This was primarily due to addition of fixed assets of ₹161.54 lakhs by company during Fiscal 2023.

Other Expenses

Other expenses had increased by 44.97% from ₹1,195.20 lakhs in Fiscal 2022 to ₹1,732.72 lakhs in Fiscal 2023. The increase was primarily due to increase in professional fees by ₹234.89 lakhs, expenses on share trading by ₹373.08 lakhs, annual maintenance charges by ₹34.28 lakhs etc. in Fiscal 2023.

Tax Expenses

The Company's tax expenses had increased by ₹55.15 lakhs from ₹449.85 lakhs in the Fiscal 2022 to ₹505.00 lakhs in Fiscal 2023. This was primarily due to increase in Current Tax Expenses from ₹373.29 Lakhs in Fiscal 2022 to ₹505.53 Lakhs in Fiscal 2023 and decrease in deferred tax expenses from ₹76.57 lakhs in Fiscal 2022 to (₹0.53) lakhs in Fiscal 2023. The Current Tax Expenses has been increased due to higher profit during the year.

Profit after Tax

After accounting for taxes at applicable rates, our Company reported a net profit of ₹1,957.17 lakhs in Fiscal 2023, compared to a net profit of ₹1,762.47 lakhs in Fiscal 2022. The profit margin decreased to 36.56% in Fiscal 2023 from 49.65% in Fiscal 2022. The reasons are discussed below:

1. Profit from FNO trading fell to ₹441.78 lakhs in Fiscal 2023 from ₹1,249.18 lakhs in Fiscal 2022.
2. Additionally, interest income decreased to ₹500.44 lakhs in Fiscal 2023 from ₹745.32 lakhs in Fiscal 2022.

Yet the company achieved an incremental profit of ₹194.7 lakhs in absolute terms due to higher revenue in Fiscal 2023.

Cash Flows

(₹ in lakhs)

| Particulars | September 30, 2024 | March 31, 2024 | March 31, 2023 | March 31, 2022 |
|------------------------------------|--------------------|----------------|----------------|----------------|
| Net Cash from Operating Activities | 2,329.79 | 4,693.63 | (886.61) | (3,664.22) |
| Net Cash from Investing Activities | (1,309.90) | (6,833.98) | 79.81 | 7,626.90 |
| Net Cash from Financing Activities | (2,484.84) | 3,566.01 | (844.00) | (1,768.03) |

Cash Flows from Operating Activities

For the period ended September 30, 2024

Our net cash from operating activities for period ended September 30, 2024 was at ₹2,329.79 lakhs as compared to the Profit Before Tax at ₹6,292.01 lakhs. Our operating profit before working capital changes was ₹6,260.74 lakhs for the period ended September 30, 2024 which was primarily adjusted against increase in current investment by ₹3,684.85 lakhs, decrease in trade receivables by ₹183.24 lakhs, increase in short term loans & advances and provisions by ₹64.30 lakhs, decrease in other current assets by ₹119.66 lakhs, increase in trade payables by ₹393.50 lakhs, increase in other current liabilities by ₹111.07 lakhs, decrease in short term & loans term provisions by ₹3.78 lakhs and Income taxes paid by ₹985.50 lakhs.

For the financial year ended March 31, 2024

Our net cash used from operating activities was ₹7,395.74 Lakhs for the financial year ended March 31, 2024. Our operating profit before working capital changes was ₹4,864.08 Lakhs for the financial year ended March 31, 2024 which was primarily adjusted against income tax of ₹518.64 Lakhs, decrease in trade receivables by ₹140.04 Lakhs, decrease in short term loans & advances and provisions by ₹72.47 Lakhs, decrease in other current assets by ₹0.76 lakhs, increase in trade payables by ₹3,302.79 Lakhs, decrease in other current liabilities by ₹470.85 Lakhs and increase in short term & long-term provisions by ₹5.10 lakhs.

For the financial year ended March 31, 2023

Our net cash used from operating activities was ₹1,233.98 Lakhs for the financial year ended March 31, 2023. Our operating profit before working capital changes was ₹2,355.14 Lakhs for the financial year ended March 31, 2023 which was primarily adjusted against income tax of ₹330.53 Lakhs, decrease in trade receivables by ₹120.22 Lakhs, decrease in short term loans & advances and provision by ₹54.38 Lakhs, increase in other current assets by ₹79.49 lakhs, decrease in trade payables by ₹940.89 Lakhs, increase in other current liabilities by ₹53.83 Lakhs and increase in short term & long-term provisions by ₹1.32 lakhs.

For the financial year ended March 31, 2022

Our net cash used from operating activities was ₹3,429.56 Lakhs for the financial year ended March 31, 2022. Our operating profit before working capital changes was ₹1,831.99 Lakhs for the financial year ended March 31, 2022 which was primarily adjusted against income tax of ₹518.29 lakhs, increase in trade receivables by ₹25.14 Lakhs, increase in short term loans & advances and provisions by ₹124.33 Lakhs, decrease in other current assets by ₹581.89 lakhs, increase in trade payables by ₹1,466.41 Lakhs, increase in other current liabilities by ₹273.91 Lakhs and decrease in short term & long-term provisions by ₹56.89 lakhs.

Cash Flows from Investment Activities

For the period ended September 30, 2024

For the period ended September 30, 2024, the net cash invested in Investing Activities was (₹1,309.90) lakhs. This was mainly on account of purchase of fixed assets including intangibles & CWIP of ₹59.65 lakhs, sales of fixed assets of ₹14.95 lakhs, decrease in long term loans and advances by ₹2056.84 lakhs, increase in non-current investments by ₹461.63 lakhs and interest income of ₹330.02 lakhs.

For the financial year ended March 31, 2024

Our net cash flow from investing activities was (₹9,536.09) lakhs. This was mainly on account of Purchase of fixed assets including CWIP of ₹56.17 lakhs, decrease in long term loans and advances by ₹6,793.81 lakhs, decrease in non-current investments by ₹3,418.52 lakhs, proceeds from sale of Investment in Associate by ₹21.72 lakhs, interest income by ₹710.68 lakhs during Fiscal 2024.

For the financial year ended March 31, 2023

Our net cash flow from investing activities was (₹2,040.78) lakhs. This was mainly on account of Purchase of fixed assets of ₹126.96 lakhs, received interest of ₹501.68 lakhs, decrease in fair value of the investment in associate by ₹4.69 lakhs, increase in long term loans and advances by ₹191.47 lakhs and decrease in non-current investments by ₹2,602.28 lakhs in Fiscal 2023.

For the financial year ended March 31, 2022

Our net cash flow from investing activities was (₹533.12) lakhs. This was mainly on account of Purchase of fixed assets of ₹92.45 lakhs, received interest of ₹745.58 lakhs, increase in long term loans and advances by ₹2,816.30 and decrease in non-current investments by ₹2936.32 lakhs in Fiscal 2023.

Cash Flows from Financing Activities

For the period ended September 30, 2024

Our net cash flow from financing activities was (₹2,484.84) lakhs. This was on account of decrease in long-term borrowings by ₹1.04 lakhs, decrease in short term borrowings by ₹2,207.01 lakhs and interest paid of ₹276.79 lakhs.

For the financial year ended March 31, 2024

Our net cash flow from financing activities was ₹3,566.01 lakhs. This was on account of increase in long-term borrowings by ₹17.04 lakhs, increase in short term borrowings by ₹3,794.80 lakhs and interest paid of ₹245.82 lakhs.

For the financial year ended March 31, 2023

Our net cash flow from financing activities was (₹844.00) lakhs. This was on account of repayment of short-term borrowings of ₹511.85 lakhs and interest paid of ₹332.14 lakhs.

For the financial year ended March 31, 2022

Our net cash flow from financing activities was ₹1,768.03 lakhs. This was on account of repayment of short-term borrowings of ₹1,427.67 lakhs, repayment of long-term borrowings of ₹3.82 lakhs and interest paid of ₹336.54 lakhs.

Related Party Transactions

Related party transactions with certain of our promoter, directors and their entities and relatives primarily relate to remuneration, salary, commission and issue of Equity Shares. For further details of related parties kindly refer chapter titled "Restated Financial Statements" beginning on page 197 of this Prospectus.

Off-Balance Sheet Items

We do not have any other off-balance sheet arrangements, derivative instruments or other relationships with any entity that have been established for the purposes of facilitating off-balance sheet arrangements.

Qualifications of the Statutory Auditors Which Have Not Been Given Effect to in The Restated Consolidated Financial Statements

There are no qualifications in the audit report that require adjustments in the Restated Financial Statements.

Qualitative Disclosure About Market Risk

Financial Market Risks

Market risk is the risk of loss related to adverse changes in market prices, including interest rate risk. We are exposed to interest rate risk, inflation and credit risk in the normal course of our business.

Interest Rate Risk

Our financial results are subject to changes in interest rates, which may affect our debt service obligations in future and our access to funds.

Effect of Inflation

We are affected by inflation as it has an impact on the salary, wages, etc. In line with changing inflation rates, we rework our margins so as to absorb the inflationary impact.

Credit Risk

We are exposed to credit risk on monies owed to us by our customers. If our customers do not pay us promptly, or at all, we may have to make provisions for or write-off such amounts.

Other Matters

Details of Default, if any, Including Therein the Amount Involved, Duration of Default and Present Status, in Repayment of Statutory Dues or Repayment of Debentures or Repayment of Deposits or Repayment of Loans from any Bank or Financial Institution

Except as disclosed in chapter titled “*Restated Financial Statements*” beginning on page 197 of this Prospectus, there have been no defaults in payment of statutory dues or repayment of debentures and interest thereon or repayment of deposits and interest thereon or repayment of loans from any bank or financial institution and interest thereon by the Company.

Material Frauds

There are no material frauds, as reported by our statutory auditor, committed against our Company, in the last three Fiscals.

Unusual or infrequent events or transactions

Except as described in the Prospectus, during the period/ years under review there have been no transactions or events, which in our best judgment, would be considered “unusual” or “infrequent”.

Significant Economic Changes that Materially Affected or are Likely to Affect Income from Continuing Operations

Indian rules and regulations as well as the overall growth of the Indian economy have a significant bearing on our operations. Major changes in these factors can significantly impact income from continuing operations. There are no significant economic changes that materially affected our Company’s operations or are likely to affect income from continuing operations except as described in chapter titled “*Risk Factors*” beginning on page 30 of this Prospectus.

Known trends or uncertainties that have had or are expected to have a material adverse impact on revenue or income from continuing operations

Other than as described in the section titled “*Risk Factors*” and chapter titled “*Management’s Discussion and Analysis of Financial Conditions and Results of Operations*”, beginning on page 30 and 201 of this Prospectus respectively to our knowledge there are no known trends or uncertainties that have or had or are expected to have a material adverse impact on revenues or income of our company from continuing operations.

Future relationship between Costs and Income

Other than as described in the section titled “*Risk Factors*” beginning on page 30 of this Prospectus, to our knowledge there are no factors, which will affect the future relationship between costs and income or which are expected to have a material adverse impact on our operations and finances.

The extent to which material increases in revenue or income from operations are due to increased volume, introduction of new products or services or increased prices

Changes in revenue in the last three financial years are as explained in the part “*Financial Year 2023-24 compared with financial year 2022-23 and Financial Year 2022-23 Compared with Financial Year 2021-22*” above.

Significant dependence on a single or few Suppliers or Customers

Our revenue is not dependent on a single or a few customers /suppliers.

Status of any publicly announced new products or business segments

Please refer to the chapter titled “*Our Business*” beginning on page 144 of this Prospectus for new products or business segments.

The extent to which the business is seasonal

Our business is not seasonal in nature.

Competitive Conditions

Competitive conditions are as described in the Chapter “*Our Business*” beginning on page 151 of the Prospectus.

SECTION VIII – LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATIONS AND MATERIAL DEVELOPMENTS

Except as stated below there is no (i) pending criminal litigation involving our Company, Directors, Promoter or Group Companies; (ii) actions taken by statutory or regulatory authorities involving our Company, Directors, Promoter or Group Companies; (iii) outstanding claims involving our Company, Directors, Promoter or Group Companies for any direct and indirect tax liabilities; (iv) outstanding proceedings initiated against our Company for economic offences; (v) defaults or non-payment of statutory dues by our Company; (vi) material fraud against our Company in the last five years immediately preceding the year of this Prospectus; (vii) inquiry, inspection or investigation initiated or conducted under the Companies Act 2013 or any previous companies law against our Company during the last five years immediately preceding the year of this Prospectus and if there were prosecutions filed (whether pending or not); (viii) fines imposed or compounding of offences for our Company in the last five years immediately preceding the year of this Prospectus; (ix) litigation or legal action against our Promoter by any ministry or Government department or statutory authority during the last five years immediately preceding the year of this Prospectus; (x) pending litigations involving our Company, Directors, Promoter, Group Companies or any other person, as determined to be material by the Company's Board of Directors in accordance with the SEBI (ICDR) Regulations; or (xi) outstanding dues to creditors of our Company as determined to be material by our Company's Board of Directors in accordance with the SEBI (ICDR) Regulations and dues to small scale undertakings and other creditors.

For the purpose of material litigation in (x) above, our Board has considered and adopted the following policy on August 31, 2024, materiality with regard to outstanding litigations to be disclosed by our Company in this Prospectus:

- a) All criminal proceedings, statutory or regulatory actions and taxation matters, involving our Company, Promoter, Directors, or Group Companies, as the case may be shall be deemed to be material;*
- b) All pending litigation involving our Company, Promoter, Directors, or Group Companies as the case may be, other than criminal proceedings, statutory or regulatory actions and taxation matters, would be considered 'material' (a) the monetary amount of claim by or against the entity or person in any such pending matter(s) is in excess of 5% of the revenue of the Company for the most recent audited fiscal period;*
- c) Notices received by our Company, Promoter, Directors, or Group Companies, as the case may be, from third parties (excluding statutory/regulatory authorities or notices threatening criminal action) shall, in any event, not be evaluated for materiality until such time that the Company / Directors / Promoter / Group Companies, as the case may be, are impleaded as parties in proceedings before any judicial forum.*
- d) As per the materiality policy adopted by the Board of our Company in its meeting held on August 31, 2024, creditors of our Company The outstanding dues to creditors in excess of 10% of the trade payables of our company as per the audited previous full year financial statements will be considered material. Details of outstanding dues to creditors (including micro and small enterprises as defined under the Micro, Small and Medium Enterprises Development Act, 2006) as required under the SEBI Regulations have been disclosed on our website at*

Our Company, our Promoter and/or our Directors, have not been declared as wilful defaulters by the RBI or any governmental authority, have not been debarred from dealing in securities and/or accessing capital markets by the SEBI and no disciplinary action has been taken by the SEBI or any stock exchanges against our Company, our Promoter or our Directors, that may have a material adverse effect on our business or financial position, nor, so far as we are aware, are there any such proceedings pending or threatened.

OUTSTANDING TAXATION MATTERS INVOLVING OUR COMPANY, DIRECTORS, PROMOTER AND SUBSIDIARIES

PART 1: LITIGATION RELATING TO OUR COMPANY

A. FILED AGAINST OUR COMPANY

1) Litigation involving Criminal Laws

NIL

2) Litigation Involving Actions by Statutory/Regulatory Authorities

NIL

3) Disciplinary Actions by Authorities

NIL

4) Litigation involving Tax Liability

Service Tax Matter:

| Sr. No | Entity and GSTIN | Name of Authority | Notice / Demand Order Id & Period | Notice / Order Description | Amount in Dispute (Rs.) | Current Status |
|--------|---|---|---|---|---|---|
| 1. | M/s. Rikhav Securities Limited Service Tax No. AADCR3067 QST001 | Joint Commissioner, Navi Mumbai | Order in Original No. 56/CGST-NM/JC/VR/2020-21 Dated March 31, 2021 File No. V. Adj/CGST-NM/JC/SCN/Rikhav/09/2020-21 SCN ref. No. 11/GST AUDIT RAIGAD/JC/C-IV/2019-20 dated July 23, 2020 Period: F.Y. 2014-2015 | Order in original issued against the Company alleging delay in payment of Service tax and filing of return and short payment of interest thereon. | Total disputed amount: Rs. 58,08,554/- (Rs. 51,07,566/- towards Penalty levied u/s. 78 of the Finance Act, 1994; + Interest: Rs. 6,90,988/- (Original interest levied Rs. 10,01,050/- less appropriated amount already paid Rs. 3,10,062/-); + Rs. 10000/- (Penalty u/s. 77(2) of the Finance Act, 1994 | The matter is pending under appeal before the Central Excise and Service Tax Appellate Tribunal (before the Division bench) vide case diary no. 85356/2022 filed on February 14, 2022 (Impugn No. RG-178-RGD-APP-2021-22 dated November 18, 2021) |
| 2. | M/s. Rikhav Securities Limited Service Tax No. AADCR3067 QST001 | Deputy Commissioner, Division-IV, Navi Mumbai | Order in Original No. 17/DC/PJ/Div-IV/Rikhav/2020-21 Dated February 15, 2021 SCN ref. No. 178/GST AUDIT RAIGAD/DD Cost/C-IV/2019-20 dated January 21, 2020 Period: April to September 2015 | Order in original issued against the Company alleging delay in payment of Service tax and filing of return and short payment of interest thereon. | Total disputed amount: Rs. 5,73,896/- (Original interest levied Rs. 6,22,890/- less appropriated amount already paid Rs. 48,994/-) | |
| 3. | M/s. Rikhav Securities Limited Service Tax No. AADCR3067 QST001 | Deputy Commissioner, Division-IV, Navi Mumbai | Order in Original No. 18/DC/PJ/Div-IV/Rikhav/2020-21 Dated February 15, 2021 SCN ref. No. 169/GST AUDIT RAIGAD/DD Cost/C-IV/2019-20 dated January 17, 2020 Period: April 2014 till April 2018 | Order in original issued against the Company alleging delay in payment of Service tax and filing of return and short payment of interest thereon. | Total disputed amount: Rs. 30,62,363/- (Penalty levied) (2014-2015: 4,32,898/-; 2015-16: 3,81,017/-; 2016-17: 12,63,929/-; 2017-18: 9,84,519/-) | |

Direct Tax:

1. M/s. Rikhav Securities Limited (Company)

a) Pending Liability in TDS:

As per details available on the TRACES an aggregate outstanding amount of Rs 6978/- is determined to be paid from Previous years till 2024-25 against **M/s. Rikhav Securities Limited** (hereinafter referred to as the “Assessee”) as default on account of short payment and short deduction of TDS and late filing fees u/s 234E Interest u/s 220 and 221 of the Income Tax Act. Although no action in respect of recovery of same has been taken by the department till date, except for issue of communication notices, the department may at any time issue recovery notices in which event the same shall become payable.

b) A.Y. 2023-24:

M/s. Rikhav Securities Limited (hereinafter referred to as the “Assessee”) have been issued with an intimation bearing no. **ITBA/AST/S/143(2)/2023-24/1061257802(1)** dated February 21, 2024 for the A.Y. 2023-24, intimating the assessee of its selection for the purpose of Scrutiny in accordance with the provisions of the Income Tax Act, 1961 and have subsequently been issued with a notice u/s. 142(1) (no. **ITBA/AST/F/142(1)/2024-25/1066491030(1)** dated July 08, 2024) requiring the assessee to submit certain documents including financial statements, bank statements audit reports and like for the period and identifies discrepancies discovered notably unrecorded cash payments to jobbers/arbitrators and have been required to explain the alleged transactions, and the assessment is pending.

c) A.Y. 2022-23:

M/s. Rikhav Securities Limited (hereinafter referred to as the “Assessee”) had been issued with an order bearing no. **ITBA/AST/S/143(3)/2023- 24/1063751754(1)** dated March 31, 2024 issued u/s. 143(3) of the Income Tax Act, 1961, raising a demand notice vide identification no. 2023202237246604863C for an amount of Rs. 5,53,04,856/- for A.Y. 2022-23. Aggrieved by the aforementioned order, the assessee herein filed an appeal before the Joint Commissioner (Appeals) or the Commissioner of Income –Tax (Appeals) vide acknowledgement no. 179389350180424 dated April 18, 2024 and the same is pending.

A separate penalty proceedings were initiated against the assessee vide show cause notice bearing no. **ITBA/PNL/S/271AAC (1)/2023- 24/1063756915(1)** and dated March 31, 2024 issued u/s. 274 r.w.s. 271AAC(1) and notice bearing no. **ITBA/PNL/S/270A/2023- 24/1063757565(1)** dated March 31, 2024 issued u/s. 274 r.w.s. 270A and the same is pending. However as per details available on the website of the Income Tax Department, an amount of Rs. Rs 55304856/- including an interest of Rs. 9972996/- for A.Y 2022-23, Is pending to be paid by the assessee.

d) A.Y. 2021-22:

M/s. Rikhav Securities Limited (hereinafter referred to as the “Assessee”) had been issued with an order bearing no. **ITBA/AST/M/147/2023-24/1063735359(1)** dated March 30, 2024 issued u/s. 147 of the Income Tax Act, 1961, raising a demand notice vide identification no. 2023202140415884924C for an amount of Rs. 2211264/- including interest calculated under the provisions of Section 234A, 234B & 234C for A.Y. 2021-22.

Aggrieved by the aforementioned order, the assessee herein filed an appeal before the Joint Commissioner (Appeals) or the Commissioner of Income –Tax (Appeals) vide acknowledgement no. 179529650180424 dated April 18, 2024 and the same is pending.

Separate penalty proceedings were initiated against the assessee vide show cause notice bearing no. **ITBA/PNL/S/270A/2023- 24/1063739314(1)** dated March 31, 2024 issued u/s. 274 r.w.s. 270A and the same is pending.

However as per details available on the website of the Income Tax Department, an amount of Rs. 22,11,264/- including an interest of Rs. 1,63,792/- is pending to be paid by the assessee.

e) A.Y. 2020-21:

As per details available on the website of the Income Tax Department **M/s. Rikhav Securities Limited** (hereinafter referred to as the “Assessee”) have been issued with a demand bearing Demand Identification No: 2023202037246584666C dated March 29, 2024 u/s. 147 of the Income Tax Act, 1961, raising a demand of Rs

1,30,800/- (Rs. 1,13,930/- towards tax and Rs. 16,870/- towards interest calculated under the provisions of Section 234A, 234B & 234C) for A.Y 2020-21 and the same is pending to be paid.

f) A.Y. 2017-18:

M/s. Rikhav Securities Limited (hereinafter referred to as the “Assessee”) had been issued with an order bearing no. **ITBA/AST/S/143(3)/2019-20/1022246851(1)** dated December 12, 2019 issued u/s. 143(3) of the Income Tax Act, 1961, raising a demand notice vide identification no. 2021201740408582031C for an amount of Rs. 43,689/- for A.Y. 2017-18.

Aggrieved by the aforementioned order, the assessee herein filed an appeal before the Joint Commissioner (Appeals) or the Commissioner of Income –Tax (Appeals) vide acknowledgement no. 286169940040322 dated March 04, 2022 and the same is pending vide appeal no. NFAC/2016-17/10100330.

Separate penalty proceedings were initiated against the assessee vide show cause notice bearing no. ITBA/PNL/S/270A/2019- 20/1022246920(1) dated December 12, 2019 issued u/s. 274 r.w.s. 270A which has further been adjudicated for penalty vide an order bearing no. ITBA/PNL/F/270A/2021-22/1039756163(1) dated February 15, 2022 for an amount of Rs. 18,577/- and the same is pending.

However as per details available on the website of the Income Tax Department, an amount of Rs. 2,454/- is pending to be paid towards interest.

5) Other Pending Litigation based on Materiality Policy of our Company

Mr. Pradeep Kumar Lakhani (Resolution Professional of M/s. Dion Global Solutions Ltd.) (Applicant) V/s. 1. Chunilal T. Mehta; 2. Guinness Securities Ltd.; 3. Incubators Commodities Ltd.; 4. KSBL Securities Ltd.; 5. Nitesh Estates Ltd.; 6. Niveza India Pvt. Ltd.; 7. Rajiv Gandhi Institute of Management; 8. Rikhav Securities Limited; 9. SAMCO Securities Ltd.; 10. Zee Digital Convergence Ltd., 11. Zee Media Corp. Ltd.; (Parties 1 to 11 collectively referred to as Respondents and individually as Respondent No. 1, 2, 3, 4, 5, 6, 7, 8, 9, 10 & 11)

Interim Application No. (I.B.C.) -1536/2021 filed under the provisions of Insolvency & Bankruptcy Code and pending before the Hon’ble National Company Law Tribunal, Delhi Bench at New Delhi

Original Matter: M/s. Mykind Vacations Pvt. Ltd. (Operational Creditor) And M/s. Dion Global Solutions Limited (Corporate Debtor)

Company Petition no. IB 2695/ND/2019

As stated herein, the applicant is the Interim Resolution Professional appointed vide an order dated August 08, 2020, passed by the hon’ble National company Law Tribunal, New Delhi, regarding commencement of Corporate Insolvency Resolution Process (CIRP) of M/s. Dion Global Solutions Limited (“Corporate Debtor”) pursuant to an application filed by M/s. Mykind Vacations Pvt. Ltd. under Section 9 of the Code. Pursuant to his appointment, the applicant claims to have taken over the affairs of the Corporate Debtor on August 27, 2020 in terms of the Provisions of Section 20 of the Code and CIRP regulations.

The Applicant further claims that upon having taken up the affairs of the Corporate Debtors and reconciliation of its books, it was discovered that an amount of 13,08,116/- stood to be recoverable by the corporate debtor from the respondents herein. The Resolution professional, having charge of the affairs of the corporate debtor and in his capacity as such, claims to have communicated to all the respondents regarding the initiation of the insolvency proceedings against the Corporate Debtor vide its letter dated October 07, 2020 and required the respondents herein to pay their dues to the Corporate Debtor and 2nd notice in this respect is said to have been issued on November 10, 2020.

M/s. Rikhav Securities Limited (Respondent No. 8 herein) among others and against whom an amount of Rs. 2,47,142/- was due to be recovered, failed to respond to the notices so issued.

Upon failure of all the respondents herein, to pay the amounts sought against each of them, the applicant herein filed the instant petition to the concerned authority praying the concerned authority for issue of appropriate directions to the respondents, contesting that the failure to release the respective amounts by the respondents, would tantamount to defeating the purpose of the Code of maximisation of assets of the Corporate Debtor. The application is pending.

B. CASES FILED BY OUR COMPANY

1. Litigation involving Criminal Laws

NIL

2. Litigation Involving Actions by Statutory/Regulatory Authorities

NIL

3. Disciplinary Actions by Authorities

NIL

4. Litigation involving Tax Liability

NIL

5. Other Pending Litigation based on Materiality Policy of our Company

NIL

PART 2: LITIGATION RELATING TO OUR DIRECTORS AND PROMOTER OF THE COMPANY

A. LITIGATION AGAINST OUR DIRECTORS AND PROMOTER

1) Litigation involving Criminal Laws

NIL

2) Litigation Involving Actions by Statutory/Regulatory Authorities

NIL

3) Disciplinary Actions by Authorities

NIL

4) Litigation involving Tax Liability

Indirect Tax:

NIL

Direct Tax:

A. M/s. C U Lakhani (Partnership firm of Promoters)

a) Pending Liability in TDS:

As per details available on the TRACES an aggregate outstanding amount of Rs. 21,118/- is determined to be paid for Previous years against **M/s. C U Lakhani** (hereinafter referred to as the "Assessee") as default on account of short payment and short deduction of TDS and late filing fees u/s 234E Interest u/s 220 and 221 of the Income Tax Act. Although no action in respect of recovery of same has been taken by the department till date, except for issue of communication notices, the department may at any time issue recovery notices in which event the same shall become payable.

B. M/s. R N Shah (Partnership Firm of Promoters)

a) Pending Liability in TDS:

As per details available on the TRACES an aggregate outstanding amount of Rs 197,947/- is determined to be paid from Previous years till 2023-24 against **M/s. R N Shah** (hereinafter referred to as the “Assessee”) as default on account of short payment and short deduction of TDS and late filing fees u/s 234E Interest u/s 220 and 221 of the Income Tax Act. Although no action in respect of recovery of same has been taken by the department till date, except for issue of communication notices, the department may at any time issue recovery notices in which event the same shall become payable.

C. M/s. B H Lakhani (Partnership firm of promoters)

a) Pending Liability in TDS:

As per details available on the TRACES an aggregate outstanding amount of Rs 143,548/- is determined to be paid from Previous years till 2022-23 against **M/s. B H Lakhani** (hereinafter referred to as the “Assessee”) as default on account of short payment and short deduction of TDS and late filing fees u/s 234E Interest u/s 220 and 221 of the Income Tax Act. Although no action in respect of recovery of same has been taken by the department till date, except for issue of communication notices, the department may at any time issue recovery notices in which event the same shall become payable.

5) Other Pending Litigation based on Materiality Policy of our Company

NIL

B. LITIGATION FILED BY OUR DIRECTORS AND PROMOTER

1) Litigation involving Criminal Laws

NIL

2) Litigation Involving Actions by Statutory/Regulatory Authorities

NIL

3) Disciplinary Actions by Authorities

NIL

4) Litigation involving Tax Liability

NIL

5) Other Pending Litigation based on Materiality Policy of our Company

NIL

PART 3: LITIGATION RELATING TO OUR SUBSIDIARIES AND/OR GROUP COMPANIES

A. LITIGATION AGAINST OUR SUBSIDIARIES AND /OR GROUP COMPANIES

1) Litigation involving Criminal Laws

NIL

2) Litigation Involving Actions by Statutory/Regulatory Authorities

NIL

3) Disciplinary Actions by Authorities

NIL

4) Litigation involving Tax Liability

Indirect Tax:

NIL

Direct Tax:

1. M/s. Viranchi Trading LLP

Pending Liability in TDS:

As per details available on the TRACES an aggregate outstanding amount of Rs 24,932/- is determined to be paid from Previous years till 2023-24 against **M/s. Viranchi Trading LLP** (hereinafter referred to as the “Assessee”) as default on account of short payment and short deduction of TDS and late filing fees u/s 234E Interest u/s 220 and 221 of the Income Tax Act. Although no action in respect of recovery of same has been taken by the department till date, except for issue of communication notices, the department may at any time issue recovery notices in which event the same shall become payable.

2. M/s. PJS Securities LLP

a) Pending Liability in TDS:

As per details available on the TRACES an aggregate outstanding amount of Rs 5,508/- is determined to be paid from Previous years till 2021-22 against **M/s. PJS Securities LLP** (hereinafter referred to as the “Assessee”) as default on account of short payment and short deduction of TDS and late filing fees u/s 234E Interest u/s 220 and 221 of the Income Tax Act. Although no action in respect of recovery of same has been taken by the department till date, except for issue of communication notices, the department may at any time issue recovery notices in which event the same shall become payable

b) A.Y. 2021-22:

M/s. PJS Securities LLP (hereinafter referred to as the “Assessee”) had been issued with an order bearing no. **ITBA/AST/S/143(3)/2022-23/1048035524(1)** dated December 15, 2022 issued u/s. 143(3) of the Income Tax Act, 1961, raising a demand notice vide identification no. 2021201740408582031C for an amount of Rs. 6,76,585/- for A.Y. 2021-22.

Aggrieved by the aforementioned order, the assessee herein filed an appeal before the Joint Commissioner (Appeals) or the Commissioner of Income –Tax (Appeals) vide acknowledgement no. 921005570130123 dated January 13, 2023 and the same is pending vide appeal no. NFAC/2020-21/10199425.

However as per details available on the website of the Income Tax Department, NIL amount is pending to be paid for the A.Y.

c) A.Y. 2016-17:

As per details available on the website of the Income Tax Department **M/s. PJS Securities LLP** (hereinafter referred to as the “Assessee”) have been issued a notice bearing no. **ITBA/AST/S/148/2020-21/1031977239(1)** dated **March 30, 2021** issued u/s. 148 of the Income Tax Act, 1961 alleging that the assessee has escaped assessment of within the meaning of Section 147 of the Act. And have been required to deliver a return in prescribed a return for A, Y. 2016-17.

Followed by the notice the assessee herein filed a return as desired within prescribed period, pursuant to which, the assessee have been issued with a notice bearing no. **ITBA/AST/F/143(2)_4/2021- 22/1033834459(1)** dated June 29, 2021 issued u/s. 143(2) read with section 147 of the Act, requiring the assessee to explain certain discrepancies identified during the assessment of the income tax return filed in response to a previous notice under section 148, The Department has highlighted concerns regarding bogus profits and losses from reversal trades in illiquid stock options on the Bombay Stock Exchange (BSE). According to the notice, the Securities and Exchange Board of India (SEBI) found that PJS Securities LLP engaged in manipulative trading practices, such as reversal trades, which artificially created losses and gains. The assessee has filed its response dated November 10, 2021 and the assessment is pending.

d) A.Y. 2015-16:

M/s. PJS Securities LLP (hereinafter referred to as the “Assessee”) had been issued with an order bearing no. **ITBA/AST/S/147/2021-22/1041957936(1)** dated March 29, 2022 issued u/s. 147 r.w.s. 144B of the Income Tax Act, 1961, raising a demand for an amount of Rs. 19,295/- including interest calculated under the provisions of Section 234A, 234B & 234C for A.Y. 2021-22.

Aggrieved by the aforementioned order, the assessee herein filed an appeal before the Joint Commissioner (Appeals) or the Commissioner of Income –Tax (Appeals) vide appeal no. NFAC/2014-15/10131987 which have been dismissed by the authority vide its order bearing no. ITBA/NFAC/S/250/2023-24/1060455739(1) dated February 02, 2024.

Separate penalty proceedings were initiated against the assessee vide show cause notice bearing no. **ITBA/PNL/S/271(1)(c)/2021-22/1041958136(1)** dated March 29, 2022 issued u/s. 274 r.w.s. 271(1)(c) of the Act and the same is pending

However as per details available on the website of the Income Tax Department, NIL amount is pending to be paid for the A.Y.

3. M/s. AHL Investment Consultants Private Limited

a. Pending Liability in TDS:

As per details available on the TRACES an aggregate outstanding amount of Rs 64,112.50/- is determined to be paid from Previous years till 2022-23 against M/s. AHL Investment Consultants Private Limited (hereinafter referred to as the “Assessee”) as default on account of short payment and short deduction of TDS and late filing fees u/s 234E Interest u/s 220 and 221 of the Income Tax Act. Although no action in respect of recovery of same has been taken by the department till date, except for issue of communication notices, the department may at any time issue recovery notices in which event the same shall become payable.

b. A.Y. 2016-17:

M/s. AHL Investment Consultants Private Limited (hereinafter referred to as the “Assessee”) had been issued with an order bearing no. ITBA/PNL/F/271(1)(c)/2019- 20/1016440257(1) dated June 21,2019 issued u/s. 271(1)(c) of the Income Tax Act, 1961, raising a demand Rs. 5,13,700 for A.Y. 2016-17.

Aggrieved by the aforementioned order, the assessee herein filed an appeal before the Joint Commissioner (Appeals) or the Commissioner of Income –Tax (Appeals) vide acknowledgement no. 649113311190719 dated July 19,2019 and the same is pending.

However as per details available on the website of the Income Tax Department, an amount of Rs. 5,13,700/- is pending to be paid for the A.Y 2016-17

5) Other Pending Litigation based on Materiality Policy of our Company

NIL

B. LITIGATION FILED BY OUR SUBSIDIARIES AND/ OR GROUP COMPANIES

1) Litigation involving Criminal Laws

NIL

2) Litigation Involving Actions by Statutory/Regulatory Authorities

NIL

3) Disciplinary Actions by Authorities

NIL

4) Litigation involving Tax Liability

Indirect Tax:

NIL

Direct Tax:

NIL

5) Other Pending Litigation based on Materiality Policy of our Company

NIL

DISCIPLINARY ACTION INCLUDING PENALTY IMPOSED BY SEBI OR STOCK EXCHANGES AGAINST THE PROMOTER, DIRECTORS, GROUP COMPANIES AND PROMOTOR GROUP DURING THE LAST 5 FINANCIAL YEARS

There are no disciplinary actions including penalty imposed by SEBI or Stock Exchanges against the Promoters, Directors or Group Companies during the last 5 financial years including outstanding actions except as disclosed above.

Details of Penalties levied till now against the Company:

| Sr. No | Date | Description | Amount (₹ in Rupees) |
|--------|-------------------|--|-------------------------|
| 1. | May 10, 2024 | Failure to report new demat accounts opened to the exchanges within the specified timelines March 2024/INV NON/DN/24-25/599 | 5,900 |
| 2. | May 13, 2024 | Penal charges for Not/Wrong uploading of IML/BOLT location details-charges of location code mismatch/INV NO25270500014529 | 236.00 |
| 3. | May 13, 2024 | Penalty for position violation in banned securities EDX - April 2024/INV NO25270500000760 | 1,36,360.80 |
| 4. | June 01, 2024 | Penalty for Non/Short allocation of client wise collateral EQ- Sept 23 to Feb 24/INV NO-25270500001322 | 22,146.37 |
| 5. | June 01, 2024 | Penalty for Non/Short allocation of client wise collateral CDX- Sept 23 - Feb 24/INV NO-25270500001456 | 22,146.37 |
| 6. | June 01, 2024 | Penalty for Non/short allocation of Client wise collateral EDX- Sept 23 - Feb 24/INV NO-25270500001403 | 22,146.37 |
| 7. | November 29, 2024 | Penalty under Section 15-I of the Securities and Exchange Board of India act, 1992 read with rule 5 of the securities and exchange board of India (procedure for holding inquiry and imposing penalties) rules, 1995 | 10,00,000 |

Action Taken / Orders passed by SEBI / Stock-Exchange against:

M/s. Rikhav Securities Limited (the issuer Company)

| Issuing Authority | Order Number | Brief Matter | Final Order |
|---|---|---|--|
| The Securities and Exchange Board of India, Mumbai, Whole Time Member | WTM/SR/IVD/ID – 2/ 43 /03/2015 Dated March 13, 2015 | <p>SEBI vide an interim Order dated July 11, 2011, <i>inter alia</i>, prohibited Rikhav Securities Ltd., who acted as a sub- syndicate member in the Initial Public Offer (IPO) of the company, m/s. Vaswani Industries Ltd. (VIL), from acting as a syndicate member/ sub syndicate member for any future issues till further directions.</p> <p>The said Order was passed on the basis of the <i>prima facie</i> findings</p> | SEBI, by virtue of Section 19 read with Section 11 and 11B of the SEBI Act and Regulation 11(1) of the PFUTP Regulations, 2003, restrained M/s. Rikhav Securities Ltd. from acting as a syndicate/ sub-syndicate member for a period of 4 years . The period of prohibition already undergone by Rikhav Securities in terms of SEBI Interim Order dated July 11, 2011, has been ordered to be set-off from the period of debarment as directed above. |

| Issuing Authority | Order Number | Brief Matter | Final Order |
|--|---|--|---|
| | | that Rikhav Securities had inflated the bid book to a large extent in the IPO of VIL and thus appeared to have induced the investors in the Retail Individual Investor (RII) category to subscribe to the issue. | Accordingly, the company remained debarred till July 10, 2015 |
| Adjudicating Officer Securities and Exchange Board of India Noticee: 1. Rikhav Securities Limited (PAN-AADCR3067Q) 2. Hitesh Himatlal Lakhani (PAN-AAAPL3243L) 3. Monil Rajendra Shah (PAN-CMFPS8839A) 4. Dharmesh Navalchand Shah (PAN-AADPS3565M) | (ADJUDICATION ORDER NO: Order/AS/VC/2024-25/31028-31031) Dated November 29, 2024 UNDER SECTION 15-I OF THE SECURITIES AND EXCHANGE BOARD OF INDIA ACT, 1992 READ WITH RULE 5 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (PROCEDURE FOR HOLDING INQUIRY AND IMPOSING PENALTIES) RULES, 1995 | Securities and Exchange Board of India (hereinafter referred to as "SEBI") had carried out a comprehensive joint inspection (along with Exchanges) of Rikhav Securities Ltd (hereinafter referred to as "Noticee-1/Rikhav") during October 12, 2022 to October 21, 2022. The period of inspection was from April 01, 2021 to September 30, 2022 (hereinafter referred to as the "IP"). Based on the findings of inspection in the matter, SEBI initiated adjudication proceedings against Rikhav Securities Limited, and its directors Hitesh Himatlal Lakhani ("Noticee-2"), Monil Rajendra Shah ("Noticee-3") and Dharmesh Navalchand Shah ("Noticee-4") [hereinafter collectively referred to as "Noticees"] under Section 15-I of the SEBI Act, 1992 for alleged violation of certain regulatory provisions in day to day working of the Company. Accordingly, SEBI Appointed the Adjudicating Officer ('AO') under Section 19 of SEBI Act, 1992 read with Section 15-I of SEBI Act, 1992 and Rule 3 of SEBI (Procedure for Holding Inquiry and Imposing Penalties), 1995 (hereinafter referred to as "AO Rules") vide communiqué dated March 20, 2024 to adjudicate upon the alleged violations done by the Noticees. | After duly Considering all the facts and circumstances of the case including the submissions of the Noticees and findings, the factors mentioned in 15J of the SEBI Act, 1992, the adjudicating authority imposed a monetary penalty of ₹10,00,000/- (Rupees Ten Lakhs Only) under section 15HB of the SEBI Act, 1992 on Rikhav Securities Ltd (Noticee-1) The Company has paid the penalty vide Payment Request No. 534533 |

Rikhav Commodity Brokers Private Limited (Group Company)

| Issuing Authority | Order Number | Brief Matter | Final Order |
|---|---|---|--|
| Executive Director Securities and Exchange Board of India | QJA/MK/MIRSD/DOP/28904/2023-24 dated August 24, 2023 Further Appeal: Misc. Application No. 1250 of 2023 and Misc. | Investigation into the initial public offer of Birla Pacific Medspa Limited, for the period from July 7, 2011 to July 15, 2011, since there was high volatility on the day of listing | In exercise of powers conferred upon adjudication office, under Section 12(3) and Section 19 of the SEBI Act read with Regulation 27 of the Intermediaries Regulations, the concerned authority Suspended the Certificate of Registration |

| Issuing Authority | Order Number | Brief Matter | Final Order |
|-------------------|--|--------------|--|
| | Application No. 1251 of 2023 and Appeal No. 810 of 2023 | | <p>(bearing No. INZ000082537) of the Noticee i.e., Rikhav Commodity Brokers Private Limited for a period of three (3) months from the date of this Order or till the FIR filed against the Noticee by EOW ceases to be pending or the Noticee is discharged or acquitted by a Court in relation to the FIR, whichever is later.</p> <p>the above Order was passed without prejudice to the criminal complaint filed by SEBI in NSEL matter and/ or any proceedings pending before any authority.</p> <p>As further development, Securities Appellate Tribunal (SAT) vide its order dated October 17, 2023, stayed the effect and operation of its order dated August 24, 2023 in an appeal filed by several accused in the matter.</p> <p>The matter is under consideration with SEBI for framing of a settlement scheme and an extension of Six months has been allowed to SEBI for framing the settlement scheme, by SAT vide its order dated July 12, 2024</p> |

M/s. Parth Investments and Consultants Pvt. Ltd. (Promoter Group Company):

| Issuing Authority | Order Number | Brief Matter | Final Order |
|---|--|--|--|
| The Adjudicating Officer Securities and Exchange Board of India | Order dated December 07, 2006 passed in the matter of scrip of M/s. Sun Infoways Limited | Parth Investments and Consultants Pvt. Ltd (Noticee) was issued with summons dated June 11, 2002 and October 30, 2002 requiring the notice to provide certain information regarding its dealing in shares of m/s. Sun Infoways Limited (SIL). Later a show cause notice A & E/BS/40016/2005 dated May 06, 2005 was issued to the notice. The notice however failed to revert to any of the communications. | The noticee was imposed with a penalty of Rs. 50,000/- |

Mr. Vikram Navalchand Shah (Promoter Group Member of Mr. Rajendra Navalchand Shah and Ms. Vaishali Rajendra Shah):

| Issuing Authority | Order Number | Brief Matter | Final Order |
|-------------------------------------|-----------------------------|--|--|
| The Adjudicating Officer Securities | Adjudication Order Ref No.: | SEBI initiated an investigation into the trading activities of certain | During the course of proceedings, Noticees |

| Issuing Authority | Order Number | Brief Matter | Final Order |
|-----------------------------|----------------------------|---|--|
| and Exchange Board of India | Order/VKV/NK/2020-21/10797 | <p>entities in the illiquid stock options at BSE for the period April 1, 2014 to September 30, 2015 (Investigation period/ IP).</p> <p>The trade log of V N SHAH bearing PAN: AAGFV6444F (“Noticee”) during the aforementioned IP that the Noticee had traded in 13 unique contracts in the Stock options segment of BSE, in which it has allegedly entered into non-genuine trades in ALL 13 contracts wherein it executed a total of 44 trades all of which were allegedly non-genuine trades.</p> <p>Show Cause Notice (SCN) ref no. SEBI/HO/EAD-9/SM/PR/526/26335/2018 dated September 17, 2018 was issued to the Noticee, calling upon it to show cause as to why an inquiry should not be held against it in terms of Rule 4 of the Adjudication Rules and penalty be not imposed under Section 15HA of the SEBI Act.</p> | <p>amongst others, opted to file an Application for Settlement under SEBI (Settlement Proceedings) Regulations, 2018.</p> <p>After receipt of Settlement Application, SEBI has passed settlement order dated January 14, 2021 under Settlement Scheme, inter-alia, in respect of 1018 entities including the Noticee, for settlement of proceedings initiated for defaults specified in the SCN and an amount of Rs. 14,72,500/- was paid as the settlement amount by the Noticee.</p> |

M/s. PJS Securities LLP (Promoter Group Company):

| Issuing Authority | Order Number | Brief Matter | Final Order |
|---|---|--|--|
| Before the Securities and Exchange Board of India (Settlement Order) | SO/AB/EFD2/2022-23/7162 dated March 08, 2023 | <p>As part of the ongoing surveillance, the SEBI noted several instances of trades by a set of entities trading in the options segment of certain stocks listed on the BSE which appeared to be abnormal since they were consistently found to result in significant losses, and were then reversed with the same set of counterparties, either on the same day or the next day.</p> <p>It was further noted that out of 21,652 entities that had executed trades on the BSE Stock Options Segment, a total of 14,720 entities were involved in the generation of artificial volumes by executing non-genuine/reversal trades on the same day, in violation of Regulations 3(a), (b), (c), (d), 4(1) and 4(2)(a) of the SEBI (Prohibition of Fraudulent and Unfair Trade Practices) Regulations, 2003.</p> <p>In view of the same, SEBI initiated adjudication proceedings against these entities.</p> | <p>SEBI decided to introduce a Settlement Scheme referred to as the SEBI Settlement Scheme, 2022 (hereinafter referred to as “Scheme”) in terms of Regulation 26 of the SEBI (Settlement Proceedings) Regulations, 2018 for onetime settlement opportunity.</p> <p>Settlement order dated May 08, 2023 was passed in the matter wherein the notice herein, amongst others, was required to pay a settlement amount of Rs. 1,00,000/-</p> |

Past Inquiries, Inspections or Investigations

There have been no inquiries, inspections or investigations initiated or conducted under the Companies Act, 2013 or any previous company law in the last five years immediately preceding the year of this Prospectus in the case of our Company, Promoter, Directors. Other than as described above, there have been no prosecutions filed (whether pending or not) fines imposed, compounding of offences in the last five years immediately preceding the year of the Prospectus

Outstanding Litigation Against Other Persons and Companies Whose Outcome Could Have an Adverse Effect on Our Company

As on the date of the Prospectus, there is no outstanding litigation against other persons and companies whose outcome could have a material adverse effect on our Company.

Proceedings Initiated Against Our Company for Economic Offences

There are no proceedings initiated against our Company for any economic offences.

Non-Payment of Statutory Dues

As on the date of the Prospectus there have been no (i) instances of non-payment or defaults in payment of statutory dues by our Company, (ii) over dues to companies or financial institutions by our Company, (iii) defaults against companies or financial institutions by our Company, or (iv) contingent liabilities not paid for.

Material Frauds Against Our Company

There have been no material frauds committed against our Company in the five years preceding the year of this Prospectus.

Disclosures Pertaining to Wilful Defaulters

Neither our Company, nor our Promoters, nor Group Companies and nor Directors have been categorized or identified as wilful defaulters by any bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India. There are no violations of securities laws committed by them in the past or are currently pending against any of them.

Disclosures Pertaining to Fraudulent Borrower

Our Company or any of our Promoters or Group Companies or Directors are not declared as 'Fraudulent Borrower' by the lending banks or financial institution or consortium, in terms of RBI master circular dated July 01, 2016.

Material Developments Occurring After Last Balance Sheet Date

Except as disclosed in Chapter titled "*Management's Discussion & Analysis of Financial Conditions & Results of Operations*" beginning on page 201 there have been no material developments that have occurred after the Last Balance Sheet Date.

Outstanding Dues to Creditors

There are no disputes with such entities in relation to payments to be made to our Creditors. The details pertaining to amounts due towards such creditors are available on the website of our Company.

Below are the details of the Creditors where outstanding amount as on September 30, 2024:

(₹ in Lakhs)

| Name | Balance as on 30.09.2024 |
|---|---------------------------------|
| Total Outstanding dues to Micro and Small & Medium Enterprises | NA |
| Total Outstanding dues to Creditors other than Micro and Small & Medium Enterprises | NA |

GOVERNMENT AND OTHER STATUTORY APPROVALS

We have set out below a list of material approvals, consents, licences and permissions from various governmental and regulatory authorities required to be obtained by our Company and our Material Subsidiary, which are considered material and necessary for the purpose of undertaking our business activities and operations (“Material Approvals”). In view of the approvals listed below, our Company and our Material Subsidiary can undertake this Offer and its business activities, as applicable. In addition, certain of Material Approvals of our Company and our Material Subsidiary may have lapsed or expired or may lapse in their normal course and our Company has either already made applications to the appropriate authorities for renewal of such Material Approvals or are in the process of making such renewal applications in accordance with applicable requirements and procedures. We have also disclosed below the material approvals (a) applied for but not received; (b) expired and renewal yet to be applied for; and (c) required but not obtained or applied for. For details of risk associated with not obtaining or delay in obtaining requisite approvals, see “Risk Factors - Our inability to obtain, renew or maintain certain statutory and regulatory permits and approvals required to operate our business may adversely impact our business, results of operation and cash flows. Unless otherwise stated, Material Approvals as set out below, are valid as on date of this Prospectus.

For details in connection with the regulatory and legal framework within which we operate, see “Key Regulations and Policies” beginning on page 156.

I. Incorporation details

Our Company

1. Certificate of Incorporation dated March 21, 1995 from the Registrar of Companies, Maharashtra, RoC - Mumbai, under the Companies Act, 1956 as “Brijmohan Sagarmal Finance Limited” (Company Registration Number.11-86635 of 1995)
2. Fresh Certificate of Incorporation dated January 13, 2006 from the Registrar of Companies, Maharashtra, Mumbai, RoC-Mumbai, under the Companies Act, 1956, consequent to change of name of the Company from “Brijmohan Sagarmal Finance Limited” to “Rikhav Securities Limited” (Corporate Identification Number: U99999MH1995PLC086635)

II. Approvals in relation to the Offer

Corporate Approvals

1. Our Board of Directors has, pursuant to resolutions passed at its meeting held on August 31, 2024 authorized the Offer, subject to the approval by the shareholders of our Company under section 62(1)(c) of the Companies Act, 2013.
2. Our shareholders have, pursuant to a resolution dated September 02, 2024, under Section 62(1)(c) of the Companies Act, 2013, authorized the Offer.
3. Our Board of Directors has, pursuant to a resolution dated September 30, 2024 and January 09, 2025 authorized our Company to take necessary action for filing the Draft Red Herring Prospectus and Red Herring Prospectus respectively with SME Platform of BSE (“BSE SME”).

Approvals from Stock Exchange

1. Our Company has received in- principle listing approval from the BSE SME dated December 23, 2024 for listing of Equity Shares issued pursuant to the Issue.

Other Approvals

1. The Company has entered into a tripartite agreement dated February 05, 2020 with the Central Depository Services (India) Limited (CDSL) and the Registrar and Transfer Agent, who in this case is Link Intime India Private Limited, for the dematerialization of its shares.
2. The Company has entered into an agreement dated December 17, 2024, with the National Securities Depository Limited (NSDL) and the Registrar and Transfer Agent, who in this case is Link Intime India Private Limited, for the dematerialization of its shares.
3. ISIN Registration No. INEOCFH01028

III. Material Approvals in relation to business and operation

Tax Related Approvals:

| Sr. No | Description | Address of Place of Business / Premises | Registration Number | Issuing Authority | Date of Issue | Date of Expiry |
|--------|---|---|---------------------|---|---|----------------------|
| 1. | Permanent Account Number (PAN) | M/s. Rikhav Securities Limited | AADCR3067Q | Income Tax Department | January 13, 2006 | Valid till Cancelled |
| 2. | Tax Deduction Account Number (TAN) | M/s. Rikhav Securities Limited | MUMR20649G | Income Tax Department | October 19, 2006 | Valid till Cancelled |
| 3. | GST Registration Certificate - Maharashtra | M/s. Rikhav Securities Limited, 501/502, O2, Commercial Premises Cooperative Society, Trimurti Marg, Minerva Industrial Estate, Mulund West, Mumbai - 400080, Maharashtra Additional Place: 9 th Floor, Office No. 922-A, P.J. Tower, Dalal Street, Mumbai-400001, Maharashtra, India. | 27AADCR3067 Q1ZS | Goods and Services Tax Department | Effective from July 01, 2017 Latest amended certificate dated September 25, 2023 | Valid till Cancelled |
| 4. | GST Registration Certificate - Gujarat | M/s. Rikhav Securities Limited, Office No 1 First Floor, Plot No 90 Near Geb, Near Post Office First Phase GIDC Vapi, Vapi, Valsad - 396195, Gujarat. | 24AADCR3067 Q1ZY | Goods and Services Tax Department | Effective from January 27, 2022 Latest amended certificate dated February 10, 2022 | Valid till Cancelled |
| 5. | Professions Tax Registration Certificate (P.T.R.C.) | M/s. Rikhav Securities Limited 35/36, Matruchhaya, S.N. Road, Mulund West, Mumbai - 400080 | 27905200690P | Department of Goods and Service, Govt. of Maharashtra | January 09, 2007 | Valid till Cancelled |
| 6. | Professions Tax Enrollment Certificate (P.T.E.C.) | M/s. Rikhav Securities Limited, 35/36, Matruchhaya, S.N. Road, Mulund West, Mumbai - 400080, Maharashtra, India. | 99901604585P | Maharashtra Sales Tax Department Govt. of Maharashtra | September 26, 2007 | Valid till Cancelled |

Registrations related to Labour Laws:

| Sr. No | Description | Address | License Number | Issuing Authority | Date of Issue | Date of Expiry |
|--------|----------------------------------|---------------------------------|-----------------|----------------------|----------------|----------------------|
| 1. | Registration under the Employees | M/S. Rikhav Securities Limited, | THTHA0205039000 | Employees' Provident | April 01, 2007 | Valid till Cancelled |

| Sr. No | Description | Address | License Number | Issuing Authority | Date of Issue | Date of Expiry |
|--------|---|---|---|-------------------------------------|--------------------|----------------------|
| | Provident fund (EPF) | 35/36, Matruchhaya C.H.S, S.N. Road, Mulund West, Mumbai - 400080, Maharashtra, India. | | Fund Organization | | |
| 2. | Registration under The Maharashtra Shops and Establishment Act 1948 | M/s. Rikhav Securities Limited, B, 501/502, O2, Commercial Premises, Plot No.23 and 24 Near Minerva Industrial Estate, Nahur Asha Nagar, Mulund West, Mumbai - 400080, Maharashtra, India. | Registration Number: - 820304410/ T Ward/Commercial II | Maharashtra shop and Establishments | August 31, 2023 | August 30, 2028 |
| 3. | Registration under The Maharashtra Shops and Establishment Act 1948 | M/s. Rikhav Securities Limited, 35/36, Matruchhaya C.H.S, S.N. Road, Mulund West, Mumbai - 400080, Maharashtra, India. | Intimation Registration Number: - 890891160/T Ward/Commercial II | Maharashtra shop and Establishments | September 03, 2024 | Valid till Cancelled |
| 4. | Registration under The Maharashtra Shops and Establishment Act 1948 | M/s. Rikhav Securities Limited, Office No.922-A, P.J. Tower, Dalal Street, Mumbai - 400001, Maharashtra, India. | Intimation Registration Number: -890891488/A Ward/Commercial II | Maharashtra shop and Establishments | September 04, 2024 | Valid till Cancelled |

Business Related Approvals:

| Sr. No. | Description | Address of Premises | Registration Number | Issuing Authority | Date of Issue | Date of Expiry |
|---------|--|--|---|---|--|---|
| 1. | Certificate of Registration as Depository Participant Under (Depository and Participant) Regulations, 1996 | M/s. Rikhav Securities Limited, 35/36, Matruchhaya, S. N. Road Mulund (W) - 400080, Mumbai, Maharashtra, India. | Depository Participant (CDSL) SEBI Registration No. - IN-DP-CDSL-417-2007 | Central Depository Services (India) Limited | July 25, 2012 Effective from August 09, 2012 | Certificate will be valid unless suspended or cancelled |
| 2. | Certificate of Registration as Member under the SEBI Act 1992, for Bombay Stock Exchange Limited | M/s. Rikhav Securities Limited B 35/36 Matruchhaya, S.N. Road, Mulund (W) Mumbai - 400080, Maharashtra, India. | Registration No- INB011280436 | Securities and Exchange Board of India | March 14, 2007 | Certificate will be valid unless suspended or cancelled |
| 3. | Certificate of Registration as Self Clearing Member under the SEBI Act 1992, for Bombay Stock Exchange Limited | M/s. Rikhav Securities Limited B 35/36 Matruchhaya, S.N. Road, Mulund (W) Mumbai - 400080, Maharashtra, India. | Registration No- INF011280436 | Securities and Exchange Board of India | January 14, 2011 | Certificate will be valid unless suspended or cancelled |

| Sr. No. | Description | Address of Premises | Registration Number | Issuing Authority | Date of Issue | Date of Expiry |
|---------|---|---|-------------------------------|--|-------------------|---|
| 4. | Certificate of Registration as Trading Member under the SEBI Act 1992, for Bombay Stock Exchange Limited | M/s. Rikhav Securities Limited B 35/36 Matruchhaya, S.N. Road, Mulund (W) Mumbai – 400080, Maharashtra, India. | Registration No- INF011280436 | Securities and Exchange Board of India | January 14, 2011 | Certificate will be valid unless suspended or cancelled |
| 5. | Certificate of Registration as Trading Member under the SEBI Act 1992, for National Stock Exchange of India | M/s. Rikhav Securities Limited, B 35/36 Matruchhaya, Sarojini Naidu, Road, Mulund (W) Mumbai 400080, Maharashtra, India. | Registration No- INE231280430 | Securities and Exchange Board of India | February 15, 2011 | Certificate will be valid unless suspended or cancelled |
| 6. | Certificate of Registration for Currency Derivative Segment under the SEBI Act 1992, for National Stock Exchange of India | M/s. Rikhav Securities Limited, B 35/36 Matruchhaya, Sarojini Naidu, Road, Mulund (W) Mumbai 400080 | Registration No- INE231280430 | Securities and Exchange Board of India | February 15, 2011 | Certificate will be valid unless suspended or cancelled |
| 7. | Certificate of Registration as Trading Member under the SEBI Act 1992, for National Stock Exchange of India | M/s. Rikhav Securities Limited, B 35/36 Matruchhaya, Sarojini Naidu, Road, Mulund (W) Mumbai 400080 | Registration No- INF231280430 | Securities and Exchange Board of India | June 21, 2007 | Certificate will be valid unless suspended or cancelled |
| 8. | Certificate of Registration as Trading Member under SEBI Act 1992, for MCX Stock Exchange Limited | M/s. Rikhav Securities Limited, B 35/36 Matruchhaya, S. N. Road, Mulund (W) Mumbai – 400080, Maharashtra, India. | Registration No- INE261280430 | Securities and Exchange Board of India | October 06, 2008 | Certificate will be valid unless suspended or cancelled |
| 9. | Certificate of Registration as Trading Member under SEBI Act 1992, for MCX Stock Exchange Limited | M/s. Rikhav Securities Limited, B 35/36 Matruchhaya, S. N. Road, Mulund (W) Mumbai- 400080, Maharashtra, India. | Registration No- INF261280430 | Securities and Exchange Board of India | February 12, 2013 | Certificate will be valid unless suspended or cancelled |
| 10. | Certificate of Registration as (Self Clearing Member) under SEBI Act, 1992 for MCX Stock Exchange Limited | M/s. Rikhav Securities Limited, B 35/36 Matruchhaya, S. N. Road, Mulund (W) Mumbai – 400080, Maharashtra, India. | Registration No- INF261280433 | Securities and Exchange Board of India | February 12, 2013 | Certificate will be valid unless suspended or cancelled |
| 11. | Certificate of Registration as (Multiple Member) under SEBI Act, 1992, for MCX Stock Exchange Limited | M/s. Rikhav Securities Limited, B 35/36 Matruchhaya, S. N. Road, Mulund (W) Mumbai 400080 | Registration No- INB261280433 | Securities and Exchange Board of India | February 12, 2013 | Certificate will be valid unless suspended or cancelled |

| Sr. No. | Description | Address of Premises | Registration Number | Issuing Authority | Date of Issue | Date of Expiry |
|---------|---|---|---|---|--------------------|---|
| 12. | Certificate of Registration as Stock Broker/ Proprietary trading member/ Clearing member for carrying on the activities of buying, selling or dealing in securities/clearing and settlement of trades and for carrying on such other activities as are permitted by stock exchanges/ clearing corporation subject to the conditions specified thereof issued under SEBI (Stock Broker and Sub Broker) Regulations, 1992 | M/s. Rikhav Securities Limited, Office no. – 922 - A, 9 th , Floor, P J Tower, Dalaal Street, Mumbai, Maharashtra 400001 | Registration No- INZ000157737 | Securities and Exchange Board of India | September 29, 2017 | Certificate will be valid unless suspended or cancelled |
| 13. | Certificate of Registration as Market Maker issued under BSE (SME Segment) | M/s. Rikhav Securities Limited, B 2, 3 RD floor, Ashar IT Park, Ambika Nagar, Wagle Industrial Estate, Road no. 16 Z, Thane (W), Thane - 400604, Maharashtra, India. | Registration Number: SMEMM0317408052012 | BSE – Mumbai | May 08, 2012 | Certificate will be valid unless suspended or cancelled |
| 14. | Certificate of Registration (AMFI Registered Mutual Fund Advisor) | M/s. Rikhav Securities Limited, Matruchhaya Bldg., B 35/36 S. N. Road, Mulund (W), Mumbai – 400080, India. | AMFI Registration Number: - ARN-54197 | Association Of Mutual Funds in India | March 16, 2022 | March 15, 2025 |
| 15. | Certificate of Registration under “NISM Series V-A: Mutual Fund Distributors Consulting Professional Education Program” | Obtained by Mr. Monil Rajendra Shah one of the Promoters cum Executive Director of Rikhav Securities Limited | CPE Code No. AAFM/NISMS05A/2018/ 21-Jan-2023/Mumbai | National Institute of Securities Market (established by the Securities and Exchange Board of India) | January 21, 2023 | January 26, 2026 |

Other Approvals

| Sr. No. | Description | Address of Premises | Registration Number | Issuing Authority | Date of issue | Date of Expiry |
|---------|------------------------------------|---------------------------------|-----------------------|-------------------------|------------------|------------------|
| 1. | Legal Entity identifier number LEI | M/s. Rikhav Securities Limited, | 335800KUTB8PCGFF 8U31 | Legal Entity Identifier | October 25, 2019 | October 25, 2025 |

| Sr. No. | Description | Address of Premises | Registration Number | Issuing Authority | Date of issue | Date of Expiry |
|---------|--|--|---------------------|-----------------------|---------------|--|
| | | Office No. 922 - A, 9 th Floor, P.J. Tower, Dalal Street, Mumbai - 400001, Maharashtra, India. | | India Limited | | |
| 2. | Form - B, Fire Prevention and Life Safety Measures | M/s. Rikhav Securities Limited, O2, Commercial Tower, 23/24, Near Minarva Industrial Estate, Asha Nagar, Mulund (W), Mumbai - 400080, Maharashtra, India. | Ref. FS/075/2024 | Firelink Services LLP | July 02, 2024 | Inspected for period January 01, 2024 till June 30, 2024 |


Business Related Software

The details of software are mentioned below:

| Software name | Supplier Company | Usage | Version | Registration Date | Expiry/ Renewal Date |
|-------------------------------------|--|-----------------------|----------------|--------------------|----------------------|
| ATINS | Multitrade Softech Private Limited | Algo Trading Software | 3.0.0. E | September 30, 2020 | Renewed Monthly |
| ODIN Client, ODIN Diet, Mobile Wave | 63 Moons Technologies Private Limited | Trading Software | 10.0.5.0 ED | November 01, 2008 | Renewed Annually |
| GETS | Greeksoft Technologies Private Limited | Algo Trading Software | 5.0e | October 01, 2018 | Renewed Monthly |
| XTS, XTS Web Trader | Symphony Fintech Solutions Private Limited | Trading Software | 2.0.0.1_P160_1 | March 01, 2024 | Renewed Annually |
| TECHEXCEL | Techexcel Software Solutions Private Limited | Backoffice | Ver No.22.06P | November 01, 2008 | Renewed Annually |

Intellectual Property

Trademarks / patents / copyright/registered/objected/abandoned in the name of our company:

| Sr. No | Brand Name/Logo Trademark | Class | Trademark Registration Number | Owner | Date of Validity | Authority | Status |
|--------|---|-------|-------------------------------|---------------------------------|---|------------------------------|------------|
| 1. |  | 36 | 1928014 | M/s. Rikhav Securities Limited, | From February 26, 2020 to February 26, 2030 | Trade Marks Registry, Mumbai | Registered |

Domain:

| Sr. No | Domain Name and ID | Sponsoring Registrar and ID | Registrant Name, ID and Address | Creation Date | Registry Expiry Date |
|--------|--|-----------------------------|---------------------------------|-------------------|----------------------|
| 1. | www.rikhav.net | 699781333_DOMAIN_NET VRSN | GoDaddy.com, LLC IANA ID:146 | December 07, 2006 | December 07, 2033 |

In addition to above licenses and approvals and except as stated in this chapter, it is hereby mentioned that no application has been made for license / approvals required by the Company and no approval is pending in respect of any such application made with any of the authorities except that for change of name and address of the Company pursuant to change of its constitution from Private Limited to Public Limited Company.

IV. Our Material Subsidiary - M/s. RSL IFSC Private Limited

Incorporation details

Originally Incorporation dated June 07, 2017 from the Registrar of Companies, Central Registration Centre, ROC Ahmedabad under the Companies Act, 2013 as “RSL IFSC PRIVATE LIMITED” (Corporate Identification Number. U65929GJ2017PTC097790)

V. Material Approvals in relation to business and operation of our Subsidiary

Tax Related Approvals

| Sr. No | Description | Address of Place of Business / Premises | Registration Number | Issuing Authority | Date of Issue | Date of Expiry |
|--------|--------------------------------------|--|--------------------------------------|-----------------------------------|---------------|----------------------|
| 1. | Permanent Account Number (PAN) | M/s. RSL IFSC Private Limited | AAICR3440G | Income Tax Department | June 07,2017 | Valid till Cancelled |
| 2. | Tax Deduction Account Number (TAN) | M/s. RSL IFSC Private Limited Unit No. 325 Signature, Third Floor, Block 13B Zone - I Gift SEZ, Gandhinagar, Gujarat - 382355, India. | AHMR10958D | Income Tax Department | June 07, 2017 | Valid till Cancelled |
| 3. | GST Registration Certificate Gujarat | M/s. RSL IFSC Private limited Unit No. 325 Signature, Third Floor, Block 13B Zone - I Gift SEZ, Gandhinagar - 382355, Gujarat, India. | Registration Number 24AAICR3440 G1ZL | Goods and Services Tax Department | June 27, 2018 | Valid till Cancelled |

Business Related Approvals

| Sr. No | Description | Address of Place of Business / Premises | Registration Number | Issuing Authority | Date of Issue | Date of Expiry |
|--------|---|--|--|---|-------------------|---|
| 1. | Certificate of Registration as Stock Broker for Operating in GIFT IFSC issued under SEBI (Stock Brokers & Sub – Brokers) Regulations 1992 under SEBI Act 1992 | M/s. RSL IFSC Private limited Unit No. 325 Signature, Third Floor, Block 13B Zone - I Gift SEZ, Gandhinagar - 382355, Gujarat, India. | MCX. SEBI Registration No. – INZ000223038 | Securities and Exchange Board of India | February 18, 2019 | Valid till suspended or cancelled |
| 2. | Letter of Approval for SEZ unit (Gift SEZ) | M/s. RSL IFSC Private limited Unit No 325 Signature, Third Floor, Block 13b, Zone I, Gift Sez, Gandhinagar - 382355, Gujarat, India | Letter of Approval Number: KASEZ/DCO/G IFT - SEZ/II/23/2017-18/820 | Office of Development Commissioner, Kandla Special Economic Zone, Department of Commerce, Government of India | December 13, 2019 | December 12, 2024 Applied for renewal vide application Number:202 40008090 Dated November 28,2024 |

Other Business-Related approvals

| Sr. No | Description | Address of Place of Business / Premises | Registration Number | Issuing Authority | Date of Issue | Date of Expiry |
|--------|-------------|--|-----------------------|---|--------------------|----------------------|
| 1. | LEI | M/s. RSL IFSC Private limited | 894500VIXS3Q EJR4I339 | Legal Entity Identifier India Limited | September 10, 2024 | September 09, 2025 |
| 2. | IEC | M/s. RSL IFSC Private Limited Unit No. 325 Signature, Third Floor, Block - 13B Zone I Gift SEZ, Gandhinagar - 382355, Gandhinagar, Gujarat. | AAICR3440G | Ministry of Commerce and Industry Directorate General of Foreign Trade, Ahmedabad | December 13, 2017 | Valid till Cancelled |

Registrations applied For

| Sr. No | Description | Address of Place of Business / Premises | Application Number | Issuing Authority | Status |
|--------|--|---|---|---|---------------|
| 1. | Registration under Gujarat Shops and Establishment Act, 2019 | M/s. RSL IFSC Private Limited Third Floor, Unit No 325 Signature, Block 13b, Zone I, Gift Sez, Gandhinagar - 382355, Gujarat, India. | Request ID:202400008090 Dated November 28,2024 | Ministry of Commerce & Industry, Department of Commerce, Sez, | Under Process |

SECTION IX - OUR GROUP COMPANIES

In accordance with the SEBI ICDR Regulations and the applicable accounting standards, for the purpose of identification of “group companies”, our Company has considered (i) such companies (other than our Promoters and our Subsidiary) with which there were related party transactions during the period for which Restated Financial Information have been disclosed in this Prospectus, as covered under the applicable accounting standards (i.e., AS 18); and (ii) any other companies which are considered material by our Board.

In respect of point (ii) above, our Board, in its meeting held on August 31, 2024, has considered and adopted a policy of materiality for the identification of companies that shall be considered material and disclosed as a “group company” in this Prospectus. In terms of such materiality policy, if a company (other than our Promoters and our Company’s Subsidiary) (a) is a member of the Promoter Group; and (b) has entered into one or more transactions with our Company during the last completed Financial Year and the most recent stub period included in the Restated Financial Information, which individually or in aggregate in value exceeds 10% of the revenue from operations of the Company as per the Restated Financial Information of the last completed financial year, it shall be considered material and disclosed as a ‘group company’.

Accordingly, (i) all such companies (other than our Promoters and our Subsidiary) with which our Company had related party transactions as covered under the relevant accounting standard (i.e., AS 18), as per Restated Financial Information; and (ii) any other companies which are considered material by our Board, have been considered as Group Companies in terms of the SEBI ICDR Regulations.

Accordingly, based on the parameters outlined above, as on the date of this Prospectus, our Company has the following Group Companies:

1. Virang Enterprises Private Limited
2. AHL Investment Consultants Private Limited
3. Anukriti Reality Private Limited
4. Dweep Enterprises Private Limited
5. Rikhav Insurance Brokers Private Limited
6. Garvita Developers Private Limited (GDPL)

Our Company is providing links to such websites solely to comply with the requirements specified under the SEBI ICDR Regulations. Such financial information/ details of the Group Companies provided on the websites do not constitute a part of this Prospectus. None of our Company, the Book Running Lead Manager or any of the Company’s or the Book Running Lead Manager respective directors, employees, affiliates, associates, advisors, agents or representatives have verified the information available on the websites indicated below. Anyone placing reliance on any other source of information, would be doing so at their own risk.

Details of our top five Group Companies

1. Virang Enterprises Private Limited (VEPL)

Registered Office

The registered office of VEPL is situated at D-11, 303/304, Mahavir Apartment, S.P. Nagar, Mulund West, Mumbai - 400080, Maharashtra, India.

Financial information

In accordance with the SEBI ICDR Regulations, the details of the reserves (excluding revaluation reserves), sales, profit/(loss) after tax, basic earnings per share, diluted earnings per share and net asset value per share derived from the audited standalone financial statements of VEPL for the Financials years ended March 31, 2024, 2023 and 2022 are available on our website at <https://www.rikhav.net/>.

It is clarified that such details available in relation to VEPL on the aforementioned website do not form a part of this Prospectus. Anyone placing reliance on any other source of information would be doing so at their own risk. The link above has been provided solely to comply with the requirements of the SEBI ICDR Regulations.

2. AHL Investment Consultants Private Limited (AICPL)

Registered Office

The registered office of AICPL is situated at Villa 52, North Town Apat, 4 & 5 Stephenson Road, Perambur Barracks, Purasawalkam, Chennai - 600012, Tamil Nadu, India.

Financial information

In accordance with the SEBI ICDR Regulations, the details of the reserves (excluding revaluation reserves), sales, profit/(loss) after tax, basic earnings per share, diluted earnings per share and net asset value per share derived from the audited standalone financial statements of AICPL for the Financials years ended March 31, 2024, 2023 and 2022 are available on our website at <https://www.rikhav.net/>.

It is clarified that such details available in relation to AICPL on the aforementioned website do not form a part of this Prospectus. Anyone placing reliance on any other source of information would be doing so at their own risk. The link above has been provided solely to comply with the requirements of the SEBI ICDR Regulations.

3. Anukriti Reality Private Limited (ARPL)

Registered Office

The registered office of ARPL is situated at D-11, 105/106, Mahavir Apartments, Sarvodaya Nagar, Nahur Road, Mulund (W), Mumbai – 400080, Maharashtra, India.

Financial information

In accordance with the SEBI ICDR Regulations, the details of the reserves (excluding revaluation reserves), sales, profit/(loss) after tax, basic earnings per share, diluted earnings per share and net asset value per share derived from the audited standalone financial statements of ARPL for the Financials years ended March 31, 2024, 2023 and 2022 are available on our website at <https://www.rikhav.net/>.

It is clarified that such details available in relation to ARPL on the aforementioned website do not form a part of this Prospectus. Anyone placing reliance on any other source of information would be doing so at their own risk. The link above has been provided solely to comply with the requirements of the SEBI ICDR Regulations.

4. Dweep Enterprises Private Limited (DEPL)

Registered Office

The registered office of DEPL is situated at D10, 208, Parshwanath Apt, Sarvodaya Nagar, Mulund West, Mumbai - 400080, Maharashtra, India.

Financial information

In accordance with the SEBI ICDR Regulations, the details of the reserves (excluding revaluation reserves), sales, profit/(loss) after tax, basic earnings per share, diluted earnings per share and net asset value per share derived from the audited standalone financial statements of DEPL for the Financials years ended March 31, 2024, 2023 and 2022 are available on our website at <https://www.rikhav.net/>.

It is clarified that such details available in relation to DEPL on the aforementioned website do not form a part of this Prospectus. Anyone placing reliance on any other source of information would be doing so at their own risk. The link above has been provided solely to comply with the requirements of the SEBI ICDR Regulations.

5. Rikhav Insurance Brokers Private Limited (RIBPL)

Registered Office

The registered office of RIBPL 35-36, 4th Floor, Matruchhaya Bldg., S.N. Road, Mulund(W), Mumbai - 400080, Maharashtra, India.

Financial information

In accordance with the SEBI ICDR Regulations, the details of the reserves (excluding revaluation reserves), sales, profit/(loss) after tax, basic earnings per share, diluted earnings per share and net asset value per share derived from the audited standalone financial statements of RIBPL for the Financials years ended March 31, 2024, 2023 and 2022 are available on our website at <https://www.rikhav.net/>.

It is clarified that such details available in relation to RIBPL on the aforementioned website do not form a part of this Prospectus. Anyone placing reliance on any other source of information would be doing so at their own risk. The link above has been provided solely to comply with the requirements of the SEBI ICDR Regulations.

6. Garvita Developers Private Limited (GDPL)

Registered Office

The registered office of GDPL is situated at D 603/604, Mahavir Apartment S.P. Nagar, Mulund (W), Mumbai City 400080, Maharashtra, India.

Financial information

In accordance with the SEBI ICDR Regulations, the details of the reserves (excluding revaluation reserves), sales, profit/(loss) after tax, basic earnings per share, diluted earnings per share and net asset value per share derived from the audited standalone financial statements of GDPL for the Financials years ended March 31, 2024, 2023 and 2022 are available on our website at <https://www.rikhav.net/>.

It is clarified that such details available in relation to GDPL on the aforementioned website do not form a part of this Prospectus. Anyone placing reliance on any other source of information would be doing so at their own risk. The link above has been provided solely to comply with the requirements of the SEBI ICDR Regulations.

Nature and extent of interest of our Group Companies

In the promotion of our Company

None of our Group Companies have any interest in the promotion of our Company.

In the properties acquired by our Company in the past three years before filing this Prospectus or proposed to be acquired by our Company

None of our Group Companies are interested in the properties acquired by our Company in the three years preceding the filing of this Prospectus or proposed to be acquired by our Company.

In transactions for acquisition of land, construction of building and supply of machinery, etc

None of our Group Companies are interested in any transactions for acquisition of land, construction of building or supply of machinery, etc.

Common pursuits among the Group Companies and our Company

There are no common pursuits amongst our Group Companies and our Company.

Related business transactions with our Group Companies and significance on the financial performance of our Company

Except as disclosed in “*Summary of Offer Document – Summary of Related Party Transactions*” and “*Restated Financial Information*” on page 22 and 197, there are no related business transactions with the Group Companies that impact the financial performance of our Company.

Litigation

Our Group Companies are not a party to any pending litigations which will have a material impact on our Company.

Certain other confirmations

None of the securities of our Group Companies are listed on any stock exchange. For further details, please see “*Other Regulatory and Statutory Disclosures*” on page 248. Our Group Companies have not made any public or rights issue of securities in the preceding three years.

SECTION X - OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Offer

The Offer has been authorised by our Board pursuant to a resolution passed at its meeting held on August 31, 2024, and our Shareholders have authorised the offer by passing a Special Resolution at the Annual General Meeting of our company held on September 02, 2024. Further, our Board has taken on record the consents of the Selling Shareholders to participate in the Offer for Sale pursuant to its resolution dated September 11, 2024.

Our Board has approved the Draft Red Herring Prospectus pursuant to its resolution dated September 30, 2024.

Our Board has approved the Red Herring Prospectus for filing with the RoC pursuant to its resolution dated January 09, 2025.

Each of the Selling Shareholders have, severally and not jointly, authorised and confirmed inclusion of their portion of the Offered Shares as part of the Offer for Sale, as set out below:

| Name of the Selling Shareholders | Number of Equity Shares Offered in the Offer for Sale | Date of board resolution/ authorization | Date of consent letter |
|--|---|---|------------------------|
| Mr. Harshil Mahesh Shah & Mr. Harsh Mahesh Shah on behalf of M/s. Ashapura Trading | 3,51,000 | August 31, 2024 | September 04, 2024 |
| Mr. Darshan Vikram Shah, Mr. Dhruvil Vikram Shah on behalf of M/s. Giriraj Trading | 3,51,000 | August 31, 2024 | September 05, 2024 |
| Ms. Daksha Sharad Maniyar | 90,000 | August 31, 2024 | September 03, 2024 |
| Mr. Jayesh Mulchand Maniyar | 90,000 | August 31, 2024 | September 03, 2024 |
| Mr. Mukesh Jayantilal Sanghavi | 90,000 | August 31, 2024 | September 03, 2024 |
| Ms. Virali Girish Maniyar | 90,000 | August 31, 2024 | September 04, 2024 |
| Mr. Yash Jayesh Maniyar | 90,000 | August 31, 2024 | September 05, 2024 |
| Ms. Naity Sharad Maniyar | 90,000 | August 31, 2024 | September 05, 2024 |
| Mr. Sharad Mulchand Maniyar | 90,000 | August 31, 2024 | September 03, 2024 |
| Ms. Bharti Mukesh Sanghavi | 90,000 | August 31, 2024 | September 05, 2024 |
| Ms. Nirmalaben Fatechand Sanghavi | 90,000 | August 31, 2024 | September 03, 2024 |
| Mr. Bhaven Vinod Pandya | 90,000 | August 31, 2024 | September 04, 2024 |
| Mr. Ketanbhai Arvindray Shah | 90,000 | August 31, 2024 | September 03, 2024 |
| Mr. Kishore Paramdas Vora | 90,000 | August 31, 2024 | September 05, 2024 |
| Mr. Nisarg Pradip Shah | 80,000 | August 31, 2024 | September 04, 2024 |
| Ms. Nita Chandrakant Lakhani | 80,000 | August 31, 2024 | September 03, 2024 |
| Ms. Aneri Manish Lakhani | 58,000 | August 31, 2024 | September 04, 2024 |

The Company has obtained approval from BSE vide letter dated December 23, 2024 to use the name of BSE in this Offer Document for listing of equity shares on the BSE SME.

Each of the Selling Shareholders, severally and not jointly, confirms that their respective portion of the Offered Shares are eligible to be offered for sale in the Offer in accordance with Regulation 8 and Regulation 8A of the SEBI ICDR Regulations, to the extent applicable to them, as on the date of this Prospectus.

Prohibition by SEBI, RBI or other governmental authorities

Our Company, Promoters, each of the Selling Shareholders, Directors, members of our Promoter Group, the persons in control of our Promoters or our Company, as applicable, are not prohibited from accessing the capital market or debarred from buying, selling or dealing in securities under any order or direction passed by SEBI or any securities market regulator in any other jurisdiction or any other authority/court.

Our Directors and Promoters are not directors or promoters of any other company which has been debarred from accessing the capital markets by SEBI.

Our Company, Promoters and Directors have not been declared as Wilful Defaulters or Fraudulent Borrowers 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 or Directors have not been declared as Fugitive Economic Offenders.

All the Equity Shares are fully paid up and there are no partly paid-up Equity Shares as on the date of filing of this Prospectus.

Compliance with the Companies (Significant Beneficial Owners) Rules, 2018

Our Company, Promoters, each of the Selling Shareholders and members of our Promoter Group, are in compliance with the Companies (Significant Beneficial Owners) Rules, 2018, as amended, to the extent applicable to each of them as on the date of this Prospectus.

Directors associated with the securities market

None of our Directors are associated with the securities market in any manner including securities market related business. There are no outstanding action(s) initiated by SEBI against the Directors of our Company in the five years preceding the date of this Prospectus.

Eligibility for the Offer

We are an unlisted company and are eligible for the Initial Public Offer in accordance with Regulation 229 (2) of the SEBI ICDR Regulations which states the following:

This Offer is being made in terms of Regulation 229(2) of Chapter IX of the SEBI ICDR Regulations, as amended from time to time, whereby, an offeror whose post Offer face value capital exceed ₹ 10 crores but does not exceed ₹ 25 crores rupees, shall offer shares to the public and propose to list the same on the Small and Medium Enterprise Exchange (in this case being the BSE SME)

Further, as per Regulation 229 (3) of the SEBI ICDR Regulations, our Company satisfies track record and/or other eligibility conditions of BSE SME on which the specified securities are proposed to be listed.

- Our Company was originally incorporated on March 21, 1995, under the Companies Act, 1956 with the Registrar of Companies, Mumbai bearing registration number as 086635 and CIN as U99999MH1995PLC086635.
- As on the date of this Prospectus, our Company has a total paid-up capital (face value) of ₹ 1,498.20 Lakhs comprising 2,99,64,000 Equity Shares of ₹ 5/- each and the Post Offer paid-up Capital (face value) will be ₹ 1,914.60 Lakhs comprising 3,82,92,000 Equity Shares which shall be below ₹ 25.00 crores.
- Our Company confirms that it has track record of more than 3 years as on the date of filing of Prospectus.
- Our Company confirms that it has operating profits (earnings before interest, depreciation and tax) from operations for at least 2 out of 3 latest financial years preceding the date of filing of Prospectus:

(₹. in Lakhs)

| Particulars | September 30, 2024 | March 31, 2024 | March 31, 2023 | March 31, 2022 |
|---|--------------------|-----------------|-----------------|-----------------|
| Net Profit before Tax | 6,292.01 | 5,236.66 | 2,462.17 | 2,212.32 |
| Add: Finance Cost | 276.79 | 245.82 | 332.14 | 336.54 |
| Add: Depreciation and Amortisation Expenses | 32.99 | 60.48 | 48.87 | 31.99 |
| Less: Other Income | (330.02) | (718.09) | (505.67) | (748.40) |
| EBITDA | 6,271.77 | 4,824.88 | 2,337.52 | 1,832.45 |

- The Group's net worth for 3 preceding financial years preceding the application date is given below and it has Net worth of at least ₹ 1.00 crore for 2 preceding full financial years preceding the date of filing of Prospectus:

(₹. in Lakhs)

| Particulars | September 30, 2024 | March 31, 2024 | March 31, 2023 | March 31, 2022 |
|---|--------------------|------------------|-----------------|-----------------|
| Paid-up Share Capital | 1,498.20 | 1,498.20 | 1,498.20 | 499.40 |
| Reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account | 17,346.86 | 12,309.54 | 7,998.01 | 7,086.54 |
| Net worth | 18,845.06 | 13,807.74 | 9,496.21 | 7,585.94 |

Hence, in all the 3 financial years preceding the date of this Prospectus and its net-worth is positive.

- f) The Leverage ratio (Total Debts to Equity) of the Company as on September 30, 2024 was **0.14:1** which is less than the limit of 3:1. The working is given below:

(₹. in Lakhs)

| Particulars | September 30, 2024 |
|---|--------------------|
| Long Term Borrowings | 15.90 |
| Short Term Borrowings | 2,582.16 |
| Total Debt (A) | 2,598.06 |
| Paid-up Share Capital | 1,498.20 |
| Reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account | 17,346.86 |
| Net worth (B) | 18,845.06 |
| Debt-Equity Ratio (A / B) | 0.14 |

- g) We confirm that our Company is in compliant with all of the following conditions mentioned in the Notice no. 20200115-29 dated January 15, 2020 issued by BSE regarding revised eligibility criteria for an entity registered as Stock Broker with SEBI intending to list on BSE SME platform:

- i) The Company has net worth for 3 preceding financial years preceding the application date is given below and it has Net worth of at least ₹ 500 Lakhs for any 2 out of 3 preceding financial years:

(₹. in Lakhs)

| Particulars | September 30, 2024 | March 31, 2024 | March 31, 2023 | March 31, 2022 |
|---|--------------------|------------------|-----------------|-----------------|
| Paid-up Share Capital | 1,498.20 | 1,498.20 | 1,498.20 | 499.40 |
| Reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account | 17,346.86 | 12,309.54 | 7,998.01 | 7,086.54 |
| Net worth | 18,845.06 | 13,807.74 | 9,496.21 | 7,585.94 |

- ii) The Company has net profit before tax for 3 preceding financial years preceding the application date is given below and it has profit before tax of at least ₹ 500 Lakhs for any 2 out of 3 preceding financial years:

(₹. in Lakhs)

| Particulars | September 30, 2024 | March 31, 2024 | March 31, 2023 | March 31, 2022 |
|-----------------------|--------------------|----------------|----------------|----------------|
| Net Profit before Tax | 6,292.01 | 5,236.66 | 2,462.17 | 2,212.32 |

- iii) Based on the Restated Consolidated Financial Statements as on September 30, 2024 the Company's Net Tangible Assets for the Financial year ending September 30, 2024 was more than ₹ 300 Lakhs and the working is given below:

(₹. in Lakhs)

| Particulars | September 30, 2024 |
|----------------------------|--------------------|
| Net Assets | 18,845.06 |
| Less: Intangible Assets | (19.48) |
| Net Tangible Assets | 18,825.58 |

- iv) As on the date of the Prospectus, the Company has a total paid-up capital (face value) of ₹ 1,498.20 Lakhs comprising 2,99,64,000 Equity Shares of ₹ 5/- each and the Post Issue paid-up Capital (face value) is above ₹ 300 Lakhs.

- h) No regulatory action of suspension of trading against the promoter(s) or companies promoted by the promoters by any stock Exchange having nationwide trading terminals.
- i) The Promoter(s) or directors are not promoter(s) or directors (other than independent directors) of compulsory delisted companies by the Exchange and the applicability of consequences of compulsory delisting is attracted or companies that are suspended from trading on account of non-compliance.
- j) Our directors are not disqualified/ debarred by any of the Regulatory Authority.
- k) There are no pending defaults in respect of payment of interest and/or principal to the debenture/bond/fixed deposit holders by the applicant company, promoters/ promoting company(ies), Subsidiary Companies.
- l) We have disclosed all material regulatory or disciplinary action by a stock exchange or regulatory authority in the past one year in respect of promoter/promoting company(ies), group companies, companies promoted by the promoter/promoting company(ies) of our Company in the Prospectus.
- m) There are no defaults in respect of payment of interest and/or principal to the debenture/bond/fixed deposit holders, banks, FIs by our company, promoter/promoting company(ies), group companies, companies promoted by the promoter/promoting company(ies) during the past three years except as mentioned in the Prospectus.
- n) We have disclosed the details of our company, promoter/promoting company(ies), group companies, companies promoted by the promoter/promoting company(ies) litigation record, the nature of litigation, and status of litigation. For details, please refer the chapter "*Outstanding Litigation and Material Developments*" on page 223.
- o) We have disclosed all details of the track record of the directors, the status of criminal cases filed or nature of the investigation being undertaken with regard to alleged commission of any offence by any of its directors and its effect on the business of the company, where all or any of the directors of our company have or has been charge-sheeted with serious crimes like murder, rape, forgery, economic offences etc. For details, refer the chapter "*Outstanding Litigation and Material Developments*" on page 223.
- p) Other Requirements:
- Our Company has a website: <https://www.rikhav.net/>;
 - The Equity Shares of our Company held by our Promoters are in dematerialised form;
 - Our Company shall mandatorily facilitate trading in Demat securities for which we have entered into an agreement with the Central Depository Services Limited (CDSL) dated February 05, 2020 and National Securities Depository Limited dated December 17, 2024 for establishing connectivity;
 - There has been no change in the promoter of our Company in the preceding one year from date of filing application to BSE for listing on SME segment;
 - The composition of the board our company is in compliance with the requirements of Companies Act, 2013 at the time of in-principle approval;
 - The Net worth of our company as mentioned above is computed as per the definition given in SEBI (ICDR) Regulations;
 - The Company has not been referred to NCLT under IBC;
 - There is no winding up petition against our company, which has been admitted by the court;

Our Company confirms that it will ensure compliance with the conditions specified in Regulation 230 (1) and Regulation 230 (2) of the SEBI ICDR Regulations, to the extent applicable.

Further, our Company confirms that it is eligible to make the Issue in terms of Regulation 228 of the SEBI ICDR Regulations, to the extent applicable. Our Company is in compliance with the following conditions specified in Regulation 228 of the SEBI ICDR Regulations:

- (a) Neither our Company nor our Promoters, members of our Promoter Group or our Directors are debarred from accessing the capital markets by the SEBI.
- (b) None of our Promoters or Directors are promoter or director of companies which are debarred from accessing the capital markets by the SEBI.
- (c) Neither our Company nor our Promoters or Directors is a wilful defaulter or fraudulent borrower.
- (d) None of our Promoters or Directors is a fugitive economic offender in accordance with the Fugitive Economic Offenders Act, 2018.

Further, in accordance with Regulation 268 (1) of the SEBI ICDR Regulations, our Company shall ensure that the number of Allottees under the Issue shall be not less than 50, failing which, the entire application money will be refunded forthwith, in accordance with the SEBI ICDR Regulations and applicable law.

Disclaimer Clause of SEBI

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF OFFER DOCUMENT TO SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE OFFER IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE OFFER DOCUMENT. THE BOOK RUNNING LEAD MANAGER HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE OFFER DOCUMENT ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE REGULATIONS. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING INVESTMENT IN THE PROPOSED OFFER.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE OFFEROR IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS OFFER DOCUMENT, THE BOOK RUNNING LEAD MANAGER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE OFFEROR DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BOOK RUNNING LEAD MANAGER, SMART HORIZON CAPITAL ADVISORS PRIVATE LIMITED HAVE FURNISHED TO SEBI, A DUE DILIGENCE CERTIFICATE DATED JANUARY 09, 2025 IN THE FORMAT PRESCRIBED UNDER SCHEDULE V(A) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018.

THE FILING OF THIS OFFER DOCUMENT DOES NOT, HOWEVER, ABSOLVE THE ISSUER FROM ANY LIABILITIES UNDER THE COMPANIES ACT, 2013 OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY AND OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED OFFER. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP, AT ANY POINT OF TIME, WITH THE BOOK RUNNING LEAD MANAGER ANY IRREGULARITIES OR LAPSES IN THIS OFFER DOCUMENT.

All applicable legal requirements pertaining to this Offer will be complied with at the time of filing of the Red Herring Prospectus and the Prospectus, as applicable, with the RoC in terms of the Companies Act.

Disclaimer from our Company, the Directors, the Selling Shareholders, the Book Running Lead Manager

Our Company, the Directors, the Selling Shareholders and the Book Running Lead Manager accept no responsibility for statements made in relation to the Company or the Offer other than those confirmed by itself or its Offered Shares in this Red Herring Prospectus or in the advertisements or any other material issued by or at our Company's instance and anyone placing reliance on any other source of information, including our Company's website, <https://www.rikhav.net/>, or the respective websites of the members of our Promoter, Promoter Group or our Subsidiary, or any of the Group Companies, or the Selling Shareholders would be doing so at his or her own risk.

Each of the Selling Shareholders, severally and not jointly, is providing information in this Prospectus only in relation to themselves as a selling shareholder and their respective portion of the Offered Shares, and each of the Selling Shareholders, including their directors, partners, affiliates, associates and officers, accepts and/or undertakes no responsibility for any statements made or undertakings provided, including without limitation, any statement made by or in relation to our

Company or its business, other than those specifically undertaken or confirmed by it as a selling shareholder and its respective portion of the Offered Shares in this Prospectus.

The Book Running Lead Manager accept no responsibility, save to the limited extent as provided in the Offer Agreement and the Underwriting Agreement to be entered into between the Underwriter and our Company and Market Maker Agreement entered into among Market Maker and our Company.

All information shall be made available by our Company, each of the Selling Shareholders (to the extent that the information pertains to themselves and their respective portions of the Offered Shares) and the Book Running Lead Manager to the public and investors at large and no selective or additional information would be made available for a section of the investors in any manner whatsoever, including at road show presentations, in research or sales reports, at the Bidding Centres or elsewhere.

Bidders will be required to confirm and will be deemed to have represented to our Company, the Selling Shareholders, Underwriters and their respective directors, partners, officers, agents, affiliates, and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares and will not issue, allot, sell, pledge, or transfer the Equity Shares to any person who is not eligible under any applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares. Our Company, the Selling Shareholders, Underwriters and their respective directors, partners, officers, agents, affiliates, and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire the Equity Shares.

The Book Running Lead Manager and their respective associates and affiliates in their capacity as principals or agents, may engage in transactions with, and perform services for, our Company, the Selling Shareholders and their respective group companies, affiliates or associates or third parties in the ordinary course of business and have engaged, or may in the future engage, in commercial banking and investment banking transactions with or become customers to our Company, the Selling Shareholders and their respective group companies, affiliates or associates or third parties, for which they have received, and may in the future receive, compensation.

Disclaimer in respect of Jurisdiction

This offer is being made in India to persons resident in India including Indian nationals resident in India (who are not minors, except through their legal guardian), Hindu Undivided Families (HUFs), companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in shares, Mutual Funds, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), Trusts registered under the Societies Registration Act, 1860, as amended from time to time, or any other trust law and who are authorised under their constitution to hold and invest in shares, permitted insurance companies and pension funds and to non-residents including NRIs and FIIs. This Prospectus does not, however, constitute an offer to sell or an invitation to subscribe to Equity Shares issued hereby in any other jurisdiction to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession the Prospectus comes is required to inform himself or herself about, and to observe, any such restrictions. Any dispute arising out of this offer will be subject to the jurisdiction of appropriate court(s) in Mumbai only.

No action has been or will be taken to permit a public offering in any jurisdiction where action would be required for that purpose. Accordingly, the Equity Shares represented thereby may not be offered or sold, directly or indirectly, and the Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of the Prospectus nor any sale hereunder shall, under any circumstances, create any implication that there has been any change in the affairs of our Company or the Selling Shareholder since the date hereof or that the information contained herein is correct as of any time subsequent to this date.

No person outside India is eligible to Bid for Equity Shares in the Offer unless that person has received the preliminary offering memorandum for the Offer, which contains the selling restrictions for the Offer outside India.

Eligibility and Transfer Restrictions

The Equity Shares offered in the Offer 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 accordingly, the Equity Shares are being offered and sold (i) within the United States solely to persons who are reasonably believed to be “qualified institutional buyers” (as defined in Rule 144A under the U.S. Securities Act) in transactions exempt from the registration requirements of the U.S. Securities Act, and (ii) outside the United States in “offshore transactions” as defined in and in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers and sales occur.

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.

Bidders are advised to ensure that any Bid from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law. Further, each Bidder where required must agree in the Allotment Advice that such Bidder will not sell or transfer any Equity Shares or any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act.

Restrictions on Transfers

Each purchaser that is acquiring the Equity Shares offered pursuant to this Offer outside the United States, by its acceptance of this Prospectus and of the Equity Shares offered pursuant to this Offer, will be deemed to have acknowledged, represented to and agreed with the Company that it has received a copy of this Prospectus and such other information as it deems necessary to make an informed investment decision and that:

- a) the purchaser acknowledges that the Equity Shares offered pursuant to this Offer have not been and will not be registered under the U.S. Securities Act or with any securities' regulatory authority of any state of the United States and accordingly may not be offered, sold, resold, pledged or transferred within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act;
- b) the purchaser is not subscribing to, or purchasing, the Equity Shares with a view to, or for the offer or sale in connection with, any distribution thereof (within the meaning of the U.S. Securities Act) that would be in violation of the securities laws of the United States or any state thereof;
- c) the purchaser is purchasing the Equity Shares offered pursuant to this Offer in an "offshore transaction" meeting the requirements of Regulation S under the U.S. Securities Act;
- d) the purchaser and the person, if any, for whose account or benefit the purchaser is acquiring the Equity Shares offered pursuant to this Offer, was located outside the United States at the time (i) the offer for such Equity Shares was made to it and (ii) when the buy order for such Equity Shares was originated and continues to be located outside the United States and has not purchased such Equity Shares for the account or benefit of any person in the United States or entered into any arrangement for the transfer of such Equity Shares or any economic interest therein to any person in the United States;
- e) the purchaser is not an affiliate of the Company or a person acting on behalf of an affiliate;
- f) the purchaser agrees that neither the purchaser, nor any of its affiliates, nor any person acting on behalf of the purchaser or any of its affiliates, will make any "directed selling efforts" as defined in Regulation S under the U.S. Securities Act in the United States with respect to the Equity Shares;
- g) the purchaser agrees, upon a proposed transfer of the Equity Shares, to notify any purchaser of such Equity Shares or the executing broker, as applicable, of any transfer restrictions that are applicable to the Equity Shares being sold;
- h) the purchaser understands and acknowledges that the company will not recognize any offer, sale, pledge or other transfer of such Equity Shares made other than in compliance with the above stated restrictions; and
- i) the purchaser acknowledges that the Company, the members of the Syndicate, their respective affiliates and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements and agrees that, if any of such acknowledgements, representations and agreements deemed to have been made by virtue of its purchase of such Equity Shares are no longer accurate, it will promptly notify the Company and if it is acquiring any of such Equity Shares as a fiduciary or agent for one or more accounts, it represents that it has sole investment discretion with respect to each such account and that it has full power to make the foregoing acknowledgements, representations and agreements on behalf of such account.

Disclaimer Clause of the BSE

As required, a copy of the Prospectus shall be submitted to the BSE SME. The Disclaimer Clause as intimated by the BSE SME to us, post scrutiny of the Prospectus, shall be included in the Prospectus and Prospectus prior to the filing with RoC.

“BSE Limited (“BSE”) has vide its letter dated December 23, 2024, given permission to “RIKHAV SECURITIES LIMITED” to use its name in the Offer Document as the Stock Exchange on whose Small and Medium Enterprises Platform (“SME platform”) the Company's securities are proposed to be listed. BSE has scrutinized this offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to the Company. BSE does not in any manner:

- i. warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; or
- ii. warrant that this Company's securities will be listed on completion of Initial Public Offering or will continue to be listed on BSE; or
- iii. take any responsibility for the financial or other soundness of this Company, its promoters, its management or any scheme or project of this Company.
- iv. warrant, certify or endorse the validity, correctness or reasonableness of the price at which the equity shares are offered by the Company and investors are informed to take the decision to invest in the equity shares of the Company only after making their own independent enquiries, investigation and analysis. The price at which the equity shares are offered by the Company is determined by the Company in consultation with the Merchant Banker (s) to the issue and the Exchange has no role to play in the same and it should not for any reason be deemed or construed that the contents of this offer document have been cleared or approved by BSE. Every person who desires to apply for or otherwise acquire any securities of this Company may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against BSE whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription/acquisition whether by reason of anything stated or omitted to be stated herein or for any other reason whatsoever.
- v. BSE does not in any manner be liable for any direct, indirect, consequential or other losses or damages including loss of profits incurred by any investor or any third party that may arise from any reliance on this offer document or for the reliability, accuracy, completeness, truthfulness or timeliness thereof.
- vi. The Company has chosen the SME platform on its own initiative and at its own risk, and is responsible for complying with all local laws, rules, regulations, and other statutory or regulatory requirements stipulated by BSE/other regulatory authority. Any use of the SME platform and the related services are subject to Indian laws and Courts exclusively situated in Mumbai”.

Listing

The Equity Shares Offered through the Prospectus are proposed to be listed on the SME Platform of BSE. Application have been made to the SME Platform of BSE for obtaining permission for listing of the Equity Shares being offered and sold in the Offer on its BSE SME Platform after the allotment in the Offer. BSE is the Designated Stock Exchange, with which the Basis of Allotment will be finalized for the Offer.

Our company has obtained In-principle approval from BSE vide letter dated December 23, 2024 to use name of BSE in the Prospectus for listing of equity shares on BSE SME.

If the permission to deal in and for an official quotation of the Equity Shares is not granted by the Stock Exchanges, our Company shall forthwith repay, without interest, all monies received from the applicants in pursuance of the Prospectus in accordance with applicable law. Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading of Equity Shares at the Stock Exchanges are taken within three Working Days from the Bid/ Offer Closing Date or such other time period as may be prescribed by SEBI. If our Company does not Allot Equity Shares pursuant to the Offer within such timeline as prescribed by SEBI, it shall repay without interest all monies received from Bidders, failing which interest shall be due to be paid to the Bidders at a rate of 15% per annum for the delayed period or such other rate as may be prescribed by SEBI.

Consents

Consents in writing of each of the Selling Shareholders, our Directors, our Company Secretary and Compliance Officer, legal advisor to the offer, the Book Running Lead Manager, the Bankers to our Company, Statutory Auditors, Peer Review Auditors and the Registrar to the Offer to act in their respective capacities, have been obtained and consents in writing of the Syndicate Members, Share Escrow Agent, Bankers to the Offer (Escrow Collection Bank, Public Offer Account Bank, Sponsor Bank and Refund Bank) to act in their respective capacities, will be obtained, and will be filed along with a copy of the Prospectus with the RoC as required under the Companies Act and such consents shall not be withdrawn up to the time of delivery of the Red Herring Prospectus and the Prospectus for filing with the RoC.

Experts to the Offer

Our Company has received written consent from the Peer Reviewed Auditors namely, M/s. Mundra & Co., Chartered Accountants, to include their name in respect of the reports on the Restated Consolidated Financial Information dated January 01, 2025 and the Statement of Special Tax Benefits dated September 23, 2024 issued by them and included in this Prospectus, as required under section 26(1)(a)(v) of the Companies Act, 2013 in this Prospectus and as “Expert” as defined under section 2 (38) of the Companies Act, 2013 and such consent has not been withdrawn as on the date of this Prospectus. However, the term “expert” shall not be construed to mean an “expert” as defined under the U.S. Securities Act.

Particulars regarding public or rights issues by our Company during the last five years and performance vis-à-vis objects

Our Company has not made any public issue (as defined under the SEBI ICDR Regulations) during the five years preceding the date of this Prospectus. Further, except as disclosed in “*Capital Structure*” on page 73, our Company has not made any rights issue during the five years preceding the date of this Prospectus.

Performance vis-à-vis objects – Public/ rights issue of the listed subsidiaries/listed Promoters of our Company

Our Company does not have any listed Subsidiaries.

Commission, Brokerage and Selling Commission paid on previous issues of the Equity Shares

Since this is the initial public offer of Equity Shares, no sum has been paid or is payable as commission or brokerage for subscribing to or procuring or agreeing to procure subscription for any of the Equity Shares in the five years preceding the date of this Prospectus.

Capital issue during the previous three years by our company

Other than as disclosed in Chapter titled “*Capital Structure*” on page 73, our Company has not undertaken any capital issue in the last three years preceding the date of this Prospectus.

Capital issue during the previous three years by listed group companies, subsidiaries or associates of our Company

Our Subsidiary and Our Group Company is not listed on any Stock Exchanges. For further details, see “*Our Subsidiary*”, and “*Our Group Companies*” on page 171 and 244.

Our Company does not have any associates.

Observations by regulatory authorities

Except as disclosed in “*Risk Factors - We are subject to regulations and periodic inspections by regulatory authorities in India. Non-compliance with regulations and observations made during their inspections could expose us to penalties, suspension and restrictions as well as cancellation of our license.*” on page 30 and elsewhere in this Prospectus, there are no findings or observations pursuant to any inspections by SEBI, RBI, or any other regulatory authority in India which are material and are required to be disclosed, or the non-disclosure of which may have a bearing on the investment decision of prospective investors in the Offer.

Price information of the past issues handled by the Book Running Lead Manager

1) Price information of past issues handled by Smart Horizon Capital Advisors Private Limited (during the current Financials year and two Fiscals preceding the current financial year):

| Sr. No. | Issuer name | Issue size (₹ Crores) | Issue price (Rs.) | Listing Date | Opening price on Listing Date (in Rs.) | +/- % change in closing price, [+/- % change in closing benchmark] - 30 th calendar days from listing | +/- % change in closing price, [+/- % change in closing benchmark] - 90 th calendar days from listing | +/- % change in closing price, [+/- % change in closing benchmark] - 180 th calendar days from listing |
|--|-------------|-----------------------|-------------------|--------------|--|--|--|---|
| MAINBOARD IPO ISSUES – Not Applicable* | | | | | | | | |

| Sr. No. | Issuer name | Issue size (₹ Crores) | Issue price (Rs.) | Listing Date | Opening price on Listing Date (in Rs.) | +/- % change in closing price, [+/- % change in closing benchmark] - 30 th calendar days from listing | +/- % change in closing price, [+/- % change in closing benchmark] - 90 th calendar days from listing | +/- % change in closing price, [+/- % change in closing benchmark] - 180 th calendar days from listing |
|---------|-------------|-----------------------|-------------------|--------------|--|--|--|---|
|---------|-------------|-----------------------|-------------------|--------------|--|--|--|---|

SME IPO ISSUES – Not Applicable

**Since this is the First Issue by Smart Horizon Capital Advisors Private Limited, as the Book Running Lead Manager, price information of the past issues handled by the Book Running Lead Manager is not available.*

2) Summary statement of price information of past issues handled by Smart Horizon Capital Advisors Private Limited (during current financial year and two financial years preceding the current financial year):

| Financial Year | Total no. of IPOs | Total funds raised (₹ Crores) | Nos. of IPOs trading at discount on as on 30th calendar days from listing date | | | Nos. of IPOs trading at premium on as on 30th calendar days from listing date | | | Nos. of IPOs trading at discount as on 180th calendar days from listing date | | | Nos. of IPOs trading at premium as on 180th calendar days from listing date | | |
|----------------|-------------------|-------------------------------|--|-------------------|---------------|---|-----------------|---------------|--|-----------------|---------------|---|-----------------|---------------|
| | | | Over 50% | Between 25% - 50% | Less than 25% | Over 50% | Between 25%-50% | Less than 25% | Over 50% | Between 25%-50% | Less than 25% | Over 50% | Between 25%-50% | Less than 25% |
| Not Applicable | | | | | | | | | | | | | | |

Track record of past issues handled by Book Running Lead Manager

For details regarding the track record of the Book Running Lead Manager, as specified in circular bearing number CIR/MIRSD/1/2012 dated January 10, 2012 issued by SEBI, please see the websites of the Book Running Lead Manager, as provided in the table below:

<https://shcapl.com/>

Stock market data of equity shares

This being an initial public offer of the Equity Shares of our Company, the Equity Shares are not listed on any stock exchange as on the date of this Prospectus, and accordingly, no stock market data is available for the Equity Shares.

Redressal and disposal of investor grievances by our Company

The Registrar Agreement provides for the retention of records with the Registrar to the Offer for a period of at least eight years from the date of listing and commencement of trading of the Equity Shares on the Stock Exchanges or any such period as prescribed under the applicable laws, to enable the Bidders to approach the Registrar to the Offer for redressal of their grievances.

All Offer related grievances, other than of Anchor Investors may be addressed to the Registrar to the Offer with a copy to the relevant Designated Intermediary with whom the Bid cum Application Form was submitted, giving full details such as name of the sole or First Bidder, Bid cum Application Form number, Bidder's DP ID, Client ID, PAN, address of Bidder, number of Equity Shares applied for, ASBA Account number in which the amount equivalent to the Bid Amount was blocked or the UPI ID (for UPI Bidders who make the payment of Bid Amount), date of Bid cum Application Form and the name and address of the relevant Designated Intermediary where the Bid was submitted. Further, the Bidder shall enclose the Acknowledgment Slip or the application number from the Designated Intermediary in addition to the documents or information mentioned hereinabove. All grievances relating to Bids submitted through Registered Brokers may be addressed to the Stock Exchanges with a copy to the Registrar to the Offer.

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

Bid cum Application Form and the name and address of the Book Running Lead Manager where the Bid cum Application Form was submitted by the Anchor Investor.

In case of any delay in unblocking of amounts in the ASBA Accounts exceeding two Working Days from the Bid / Offer 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 / Offer 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.

In terms of SEBI circular SEBI/HO/CFD/DIL2/CIR/P/ /2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, the SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 the SEBI master circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023 and subject to applicable law, any ASBA Bidder whose Bid has not been considered for Allotment, due to failure on the part of any SCSB, shall have the option to seek redressal of the same by the concerned SCSB within three months of the date of listing of the Equity Shares. SCSBs are required to resolve these complaints within 15 days, failing which the concerned SCSB would have to pay interest at the rate of 15% per annum for any delay beyond this period of 15 days. Further, the investors shall be compensated by the SCSBs in accordance with SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 as modified by SEBI circular SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 in the events of delayed unblock for cancelled/withdrawn/deleted applications, blocking of multiple amounts for the same UPI application, blocking of more amount than the application amount, delayed unblocking of amounts for non-allotted/partially-allotted applications, for the stipulated period and such compensation to investors shall be computed from T+3 day. In an event there is a delay in redressal of the investor grievance in relation to unblocking of amounts, the SCSBs and the Book Running Lead Manager shall compensate the investors at the rate higher of ₹100 or 15% per annum of the application amount for the period of such delay.

Further, in terms of SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, the payment of processing fees to the SCSBs shall be undertaken pursuant to an application made by the SCSBs to the BRLM, and such application shall be made only after (i) unblocking of application amounts for each application received by the SCSB has been fully completed, and (ii) applicable compensation relating to investor complaints has been paid by the SCSB.

Separately, pursuant to the SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, following compensation mechanism has become applicable for investor grievances in relation to Bids made through the UPI Mechanism for public issues opening on or after May 1, 2021, for which the relevant SCSBs shall be liable to compensate the investor:

| Scenario | Compensation amount | Compensation period |
|--|--|---|
| Delayed unblock for cancelled / withdrawn / deleted applications | ₹100 per day or 15% per annum of the Bid Amount, whichever is higher | From the date on which the request for cancellation / withdrawal / deletion is placed on the bidding platform of the Stock Exchange till the date of actual unblock |
| Blocking of multiple amounts for the same Bid made through the UPI Mechanism | Instantly revoke the blocked funds other than the original application amount And ₹100 per day or 15% per annum of the total cumulative blocked amount except the original Bid Amount, whichever is higher | From the date on which multiple amounts were blocked till the date of actual unblock |
| Blocking more amount than the Bid Amount | Instantly revoke the difference amount, i.e., the blocked amount less the Bid Amount And ₹100 per day or 15% per annum of the difference amount, whichever is higher | From the date on which the funds to the excess of the Bid Amount were blocked till the date of actual unblock |
| Delayed unblock for non – Allotted / partially Allotted applications | ₹100 per day or 15% per annum of the Bid Amount, whichever is higher | From the Working Day subsequent to the finalisation of the Basis of Allotment till the date of actual unblock |

Further, in the event there are any delays in resolving the investor grievance beyond the date of receipt of the complaint from the investor, for each day delayed, the Book Running Lead Manager shall be liable to compensate the investor at the rate of ₹100 per day or 15% per annum of the Bid Amount, whichever is higher. The compensation shall be payable for the period ranging from the day on which the investor grievance is received till the date of actual unblock.

Our Company, the Selling Shareholders, the BRLM and the Registrar to the Offer accept no responsibility for errors, omissions, commission or any acts of SCSBs including any defaults in complying with its obligations under applicable SEBI ICDR Regulations. In terms of SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/22, dated February 15, 2018, any ASBA Bidder whose Bid has not been considered for Allotment, due to failure on the part of any SCSB, shall have the option to seek redressal of the same by the concerned SCSB within three months of the date of listing of the Equity Shares. SCSBs are required to resolve these complaints within 15 days, failing which the concerned SCSB would have to pay interest at the rate of 15% per annum for any delay beyond this period of 15 days.

For helpline details of the Book Running Lead Manager pursuant to the SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, see “*General Information – Book Running Lead Manager*” on page 63.

Disposal of Investor Grievances by our Company

Our Company has obtained authentication on the SCORES in terms of the SEBI circular no. SEBI/HO/OIAE/IGRD/CIR/P/2023/156 dated September 20, 2023 in relation to redressal of investor grievances through SCORES.

Our Company estimates that the average time required by our Company or the Registrar to the Offer or the relevant Designated Intermediary, for the redressal of routine investor grievances shall be 10 Working Days from the date of receipt of the complaint, provided however, in relation to complaints pertaining to blocking/unblocking of funds, investor complaints shall be resolved on the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, our Company will seek to redress these complaints within 30 days of receipt of complaint or upon receipt of satisfactory documents.

Each of the Selling Shareholders, severally and not jointly, has authorized the Company Secretary and the Compliance Officer of our Company, Ms. Sona Jain, Company Secretary of our Company, as the Compliance Officer for the Offer. For details, “*General Information – Company Secretary and Compliance Officer*” on page 63, to deal with, on its behalf, any investor grievances received in the Offer in relation to such Selling Shareholders or its respective portion of the Offered Shares. However, no investor complaint in relation to our Company is pending as on the date of this Prospectus. Furthermore, our Company does not have any listed group companies or subsidiaries.

Our Company has constituted a Stakeholders Relationship Committee comprising Mr. Manish Lalitkumar Jain (Chairman), Mr. Tarang Madanjit Mehta, Mr. Rajendra N Shahas its members which is responsible for redressal of grievances of security holders of our Company. For further details on the Stakeholders Relationship Committee, see “*Our Management – Committees of the Board – Stakeholders Relationship Committee*” on page 174.

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

Our Company has not applied for or received any exemption from the SEBI from complying with any provisions of securities laws, as on the date of this Prospectus.

Other confirmations

No person connected with the Offer shall offer any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise to any person for making an application in the initial public offer, except for fees or commission for services rendered in relation to the

SECTION XI – OFFER INFORMATION

TERMS OF THE OFFER

The Equity Shares being offered, Allotted and transferred pursuant to the Offer shall be subject to the provisions of the Companies Act, the SEBI ICDR Regulations, SCRA, SCRR, the MoA, AoA, SEBI Listing Regulations, the terms of the Red Herring Prospectus, the Prospectus, the Abridged Prospectus, Bid cum Application Form, the Revision Form, the CAN/Allotment Advice and other terms and conditions as may be incorporated in other documents/certificates that may be executed in respect of the Offer. The Equity Shares shall also be subject to applicable laws, guidelines, rules, notifications and regulations relating to the issue of capital, offer for sale, and listing and trading of securities issued from time to time by SEBI, the Government of India, the Stock Exchanges, the RBI, RoC and/or other authorities, as in force on the date of the Offer and to the extent applicable or such other conditions as may be prescribed by the SEBI, the RBI, the Government of India, the Stock Exchanges, the RoC and/or any other governmental, statutory or regulatory authorities while granting its approval for the Offer, to the extent and for such time as these continue to be applicable.

The Offer

The Offer comprises a Fresh Issue by our Company and an Offer for Sale by the Selling Shareholders. The fees and expenses relating to the Offer shall be borne by each of our Company and the Selling Shareholders in the manner agreed to among our Company and the Selling Shareholders and in accordance with applicable law. The Selling Shareholders shall reimburse our Company for any expenses paid in relation to the Offer by the Company on behalf of the Selling Shareholders. For details in relation to the sharing of Offer expenses amongst our Company and the Selling Shareholder, see “*Objects of the Offer*” on page 94.

Ranking of Equity Shares

The Allottees upon Allotment of Equity Shares under the Offer will be entitled to dividend and other corporate benefits, if any, declared by our Company after the date of Allotment. The Equity Shares being offered and allotted shall be subject to the provisions of the Companies Act 2013, our Memorandum of Associations and Articles of Association shall rank pari passu in all respects with the existing Equity Shares including in respect of the rights to receive dividends and other corporate benefits, if any, declared by us after the date of Allotment. For further details, please see the section titled “*Main Provisions of the Articles of Association*” beginning on page 296 of this Prospectus.

Mode of Payment of Dividend

Our Company shall pay dividends, if declared, to the Shareholders in accordance with the provisions of the Companies Act, the Memorandum and Articles of Association and provisions of the SEBI Listing Regulations and any other guidelines or directions which may be issued by the Government in this regard. Dividends, if any, declared by our Company after the date of Allotment (pursuant to the transfer of Equity Shares from the Offer for Sale), will be payable to the Bidders who have been allotted or transferred Equity Shares pursuant to the Offer, for the entire year, in accordance with applicable laws. For further details, in relation to dividends, see “*Dividend Policy*” and “*Main Provisions of the Articles of Association*” beginning on page 196 and 296, respectively of this Prospectus.

Face Value, Offer Price, Floor Price and Price Band

The face value of each Equity Share is ₹ 5/- and the Offer Price is ₹86/- per Equity Share. The Floor Price is ₹82/- per Equity Share and at the Cap Price is ₹86/- per Equity Share, being the Price Band. The Anchor Investor offer Price is ₹86/- per Equity Share.

The Offer Price, Price Band and the minimum Bid Lot size for the Offer will be decided by our Company and the Selling Shareholders in consultation with the BRLM, and advertised in all editions of Financial Express, an English national daily newspaper and all editions of Jansatta, a Hindi national daily newspaper and all editions of Pratahkal, a Marathi daily newspaper (Marathi being the regional language of Maharashtra, where our Registered Office is located), each with wide circulation, at least two Working Days prior to the Bid/ Offer Opening Date and shall be made available to the Stock Exchanges for the purpose of uploading the same on their 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 respective websites of the Stock Exchanges. The Offer Price shall be determined by our Company and the Selling Shareholder in consultation with the Book Running Lead Manager, after the Bid/ Offer Closing Date on the basis of assessment of market demand for the Equity Shares offered through the Book Building Process.

At any given point of time, there shall be only one denomination of Equity Shares, unless otherwise permitted by law.

Compliance With Disclosure and Accounting Norms

Our Company shall comply with all disclosure and accounting norms as specified by SEBI from time to time.

Rights of the Equity Shareholders

Subject to applicable laws, rules, regulations and guidelines and our Articles of Association, our Shareholders shall have the following rights:

1. Right to receive dividends, if declared;
2. Right to attend general meetings and exercise voting rights, unless prohibited by law;
3. Right to vote on a poll either in person or by proxy and e-voting, in accordance with the provisions of the Companies Act;
4. Right to receive offers for rights shares and be allotted bonus shares, if announced;
5. Right to receive surplus on liquidation, subject to any statutory and preferential claim being satisfied;
6. Right of free transferability of the Equity Shares, subject to applicable laws including any RBI rules and regulations; and
7. Such other rights, as may be available to a shareholder of a listed public company under the Companies Act, the SEBI LODR Regulations, and our Memorandum of Association and Articles of Association.

For a detailed description of the main provisions of the Articles of Association of our Company relating to voting rights, dividend, forfeiture and lien, transfer, transmission and/or consolidation or splitting, see “*Main Provisions of the Articles of Association*” beginning on page 296 of this Prospectus.

Allotment Only in Dematerialised Form

Pursuant to Section 29 of the Companies Act and the SEBI ICDR Regulations, the Equity Shares shall be Allotted only in dematerialised form. As per the SEBI ICDR Regulations, the trading of the Equity Shares shall only be in dematerialised form. In this context, two agreements have been signed amongst our Company, the respective Depositories and the Registrar to the Issue:

- ❖ Tripartite agreement dated February 5, 2020, amongst our Company, CDSL and Link Intime India Private Limited.
- ❖ Tripartite agreement dated December 17, 2024 between our Company, NSDL and Link Intime India Private Limited.

For details in relation to the Basis of Allotment, see “*Offer Procedure*” on page 273.

Minimum Application Value, Market Lot and Trading Lot

In accordance with Regulation 267 (2) of the SEBI ICDR Regulations, our Company shall ensure that the minimum application size shall not be less than ₹ 1,00,000/- (Rupees One Lakh) per application.

The trading of our Equity Shares on the Stock Exchanges shall only be in dematerialised form, consequent to which, the tradable lot is one Equity Share. Allotment of Equity Shares will be only in electronic form in multiples of 1,600 Equity Shares, subject to a minimum Allotment of 1,600 Equity Shares. For the method of Basis of Allotment, see “*Offer Procedure*” on page 273.

Further, in accordance with SEBI ICDR Regulations the minimum application size in terms of number of specified securities shall not be less than ₹1.00 Lakh per application.

Minimum Number of Allottees

Further in accordance with the Regulation 268(1) of SEBI (ICDR) Regulations, the minimum number of allottees in this Offer shall be 50 shareholders. In case the minimum number of prospective allottees is less than 50, no allotment will be made pursuant to this Issue and all the monies blocked by SCSBs shall be unblocked within two (2) working days of closure of Issue.

Joint Holders

Subject to the provisions contained in our Articles of Association, where two or more persons are registered as the holders of the Equity Shares, they shall be entitled to hold the same as joint tenants with benefits of survivorship.

Jurisdiction

The courts of Mumbai, Maharashtra, India will have exclusive jurisdiction in relation to this Offer.

Nomination Facility to the Investor

In accordance with Section 72 of the Companies Act, 2013, read with Rule 19 of the Companies (Share Capital and Debentures) Rules, 2014, as amended, the sole or First Bidder, along with other joint Bidders, may nominate any one person in whom, in the event of the death of the sole Bidder or in case of joint Bidders, the death of all the Bidders, as the case may be, the Equity Shares Allotted, if any, shall vest to the exclusion of all other persons, unless the nomination is varied or cancelled in the prescribed manner. A person, being a nominee, entitled to the Equity Shares by reason of death of the original holder(s), shall be entitled to the same advantages to which such person would be entitled if such person 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 the Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale, transfer or alienation of Equity Share(s) by the person nominating. A nomination may be cancelled or varied by nominating any other person in place of the present nominee by the holder of the Equity Shares who has made the nomination by giving a notice of such cancellation or variation to our Company in the prescribed form. A buyer will be entitled to make a fresh nomination in the manner prescribed. A fresh nomination can be made only on the prescribed form, which is available on request at our Registered and Corporate Office or with the registrar and transfer agents of our Company.

Further, any person who becomes a nominee by virtue of Section 72 of the Companies Act, 2013 as mentioned above, shall, upon the production of such evidence as may be required by our Board, elect either:

1. to register himself or herself as the holder of the Equity Shares; or
2. to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, our 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 days, our Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the Allotment of Equity Shares in the offer will be made only in dematerialised mode there is no need to make a separate nomination with our Company. Nominations registered with respective Depository Participant of the Bidder would prevail. If the Bidder wants to change their nomination, they are requested to inform their respective Depository Participant.

Our Company shall comply with such disclosure and accounting norms as may be specified by SEBI from time to time.

Option to Receive Equity Shares in Dematerialized Form

Allotment of Equity Shares to successful Bidders will only be in the dematerialized form. Bidders will not have the option of Allotment of the Equity Shares in physical form. The Equity Shares on Allotment will be traded only in the dematerialized segment of the Stock Exchange.

Withdrawal of the Offer

Our Company in consultation with the Book Running Lead Manager, reserve the right not to proceed with the entire or portion of the Offer for any reason at any time after the Bid / Offer Opening Date but before the Allotment. In such an event, our Company would issue a public notice in the same newspapers, in which the pre-offer advertisements were published, within one day of the Bid / Offer Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the offer. Further, the Stock Exchange shall be informed promptly in this regard by our Company. The Book Running Lead Manager, through the Registrar to the Offer, shall notify the SCSBs and the Sponsor Banks, in case of UPI Bidders, to unblock the bank accounts of the ASBA Bidders within one Working Day from the date of receipt of such notification. If our Company in consultation with the Book Running Lead Manager withdraws the Offer after the Bid / Offer Closing Date and thereafter determines that it will proceed with a public offering of the Equity Shares, our Company shall file a fresh Prospectus with BSE SME.

Notwithstanding the foregoing, this Offer is also subject to obtaining the final listing and trading approvals of the BSE Limited, which our Company shall apply for after Allotment and within three Working Days or such other period as may be prescribed, and the final RoC approval of the Prospectus after it is filed with the RoC. If Allotment is not made within the prescribed time period under applicable law, the entire subscription amount received will be refunded/unblocked within the time prescribed under applicable law.

Bid/Offer Program

An indicative timetable in respect of the Offer is set out below:

| Event | Indicative Date |
|---|------------------------------------|
| Bid/Offer Opens on | January 15, 2025 ⁽¹⁾ |
| Bid/Offer Closes on | January 17, 2025 ⁽²⁾⁽³⁾ |
| Finalization of Basis of Allotment with the Designated Stock Exchange | On or before January 20, 2025 |
| Initiation of Refunds / unblocking of funds from ASBA Account* | On or before January 21, 2025 |
| Credit of Equity Shares to demat account of the Allottees | On or before January 21, 2025 |
| Commencement of trading of the Equity Shares on the Stock Exchange | On or before January 22, 2025 |

- Our Company may, in consultation with the BRLM, consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bid/Offer Period shall be one Working Day prior to the Bid/Offer Opening Date in accordance with the SEBI ICDR Regulations.*
- Our Company may, in consultation with the BRLM, consider closing the Bid/Offer Period for QIBs one Working Day prior to the Bid/Offer Closing Date in accordance with the SEBI ICDR Regulations.*
- UPI mandate end time and date shall be at 5:00 p.m. IST on the Bid/ Offer Closing Date.*

** 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/Offer 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/Offer Closing Date by the intermediary responsible for causing such delay in unblocking. The BRLM 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 SCSBs, to the extent applicable. The processing fees for applications made by UPI Bidders using the UPI Mechanism may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation 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, 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 other than the Bid/Offer Closing Date, is indicative and does not constitute any obligation or liability on our Company, the Selling Shareholder or the BRLM.

Whilst our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchanges are taken within three Working Days from the Bid/ Offer Closing Date or such other time as prescribed by SEBI, the timetable may be subject to change due to various factors, such as extension of the Bid/Offer 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 Exchanges. The commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchanges and in accordance with the applicable laws. The Selling Shareholders confirms that they shall extend reasonable co-operation in relation to the Offered Shares required by our Company and the BRLM for the completion of the necessary formalities for listing and commencement of trading of the Equity Shares at the Stock Exchanges within three Working Days from the Bid/Offer Closing Date or such other time as may be prescribed by SEBI. Submission of Bids (other than Bids from Anchor Investors)

SEBI vide circular SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 has reduced the post issue timeline for initial public offerings. The revised timeline of T+3 days has been made applicable in two phases, i.e., voluntary for all public issues opening on or after September 1, 2023 and mandatory on or after December 1, 2023. Accordingly, the Offer will be made under UPI Phase III on mandatory T+3 days listing basis, subject to the timing of the Offer and any circulars, clarification or notification issued by the SEBI from time to time, including with respect to SEBI circular SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023.

In terms of the UPI Circulars, in relation to the Offer, the BRLM will be required to submit reports of compliance with timelines and activities prescribed by SEBI in connection with the Allotment and listing procedure within three Working Days from the Bid/Offer Closing Date or such other time as prescribed by SEBI, identifying non-adherence to timelines and processes and an analysis of entities responsible for the delay and the reasons associated with it.

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/Offer Closing Date, the Bidder shall be compensated for the entire duration of delay exceeding two Working Days from the Bid/Offer Closing Date by the intermediary responsible for causing such delay in unblocking, in the manner specified in the UPI Circulars, to the extent applicable, which for the avoidance of doubt, shall be deemed to be incorporated herein. The BRLM shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking.

Any circulars or notifications from SEBI after the date of this Prospectus may result in changes to the listing timelines. Further, the offer procedure is subject to change basis any revised SEBI circulars to this effect.

Submission of Bids (other than Bids from Anchor Investors):

| Bid/ Offer Period (except the Bid/ Offer Closing Date) | |
|---|---|
| Submission and Revision in Bids | Only between 10.00 a.m. and 5.00 p.m. Indian Standard Time (“IST”) |
| Bid/Offer Closing Date* | |
| Submission of Electronic Applications (Online ASBA through 3-in-1 accounts) - For RIIs, other than QIBs and NIIs | Only between 10.00 a.m. and up to 5.00 p.m. IST |
| Submission of Electronic Applications (Bank ASBA through Online channels like Internet Banking, Mobile Banking and Syndicate UPI ASBA applications) | Only between 10.00 a.m. and up to 4.00 p.m. IST |
| Submission of Electronic Applications (Syndicate Non-Retail, Non-Individual Applications) | Only between 10.00 a.m. and up to 3.00 p.m. IST |
| Submission of Physical Applications (Bank ASBA) | Only between 10.00 a.m. and up to 1.00 p.m. IST |
| Submission of Physical Applications (Syndicate Non-Retail, Non-Individual Applications) | Only between 10.00 a.m. and up to 12.00 p.m. IST |
| Modification/ Revision/cancellation of Bids | |
| Upward Revision of Bids by QIBs and Non-Institutional Bidders categories [#] | Only between 10.00 a.m. and up to 5.00 p.m. IST on Bid/Offer Closing Date |
| Upward or downward Revision of Bids or cancellation of Bids by RIBs | Only between 10.00 a.m. and up to 5.00 p.m. IST |

* UPI mandate and time and date shall be at 5:00 p.m. on Bid/Offer Closing Date

[#] QIBs and Non-Institutional Bidders can neither revise their bids downwards nor cancel/withdraw their bids.

On the Bid/Offer 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 RIBs.

On Bid / Offer Closing Date, extension of time may be granted by the Stock Exchange only for uploading Bids received by Retail Individual Investors, after taking into account the total number of Bids received and as reported by the BRLM to the Stock Exchange.

The Registrar to the Offer 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/Offer Opening Date until the Bid/ Offer 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 Registrar to the Offer on a daily basis.

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/Offer Closing Date, Bidders are advised to submit their Bids one day prior to the Bid/Offer Closing Date, and in any case, no later than 1:00 pm IST on the Bid/Offer Closing Date. Any time mentioned in this Prospectus is IST. Bidders are cautioned that, in the event a large number of Bids are received on the Bid/Offer Closing Date, 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 Offer. Bids will be accepted only during Monday to Friday (excluding any public holiday). None of our Company, the Selling Shareholders or any member of the Syndicate is liable for any failure in uploading the Bids due to faults in any software or hardware system or blocking of application amount by SCSBs on receipt of instructions from the Sponsor Bank due to any errors, omissions, or otherwise non-compliance by various parties involved in, or any other fault, malfunctioning or breakdown in the UPI Mechanism.

In case of any discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical Bid cum Application Form, for a particular Bidder, the details as per the Bid file received from the Stock Exchange shall be taken as the final data for the purpose of Allotment.

Investors may please note that as per letter no. List/SMD/SM/2006 dated July 3, 2006 issued by BSE, respectively, Bids and any revision in Bids shall not be accepted on Saturdays, Sundays and public holidays as declared by the Stock Exchanges. Bids by ASBA Bidders shall be uploaded by the relevant Designated Intermediary in the electronic system to be provided by the Stock Exchange.

Our Company, in consultation with the BRLM reserve the right to revise the Price Band during the Bid/Offer Period, in accordance with the SEBI ICDR Regulations. 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 but the Floor Price shall not be less than the Face Value of the Equity Shares. In all circumstances, the Cap Price shall be at least 105% of the Floor Price and less than or equal to 120% of the Floor Price.

In case of any revision to the Price Band, the Bid/Offer Period will be extended by at least three additional Working Days following such revision of the Price Band, subject to the Bid/Offer Period not exceeding 10 Working Days. In cases of force majeure, banking strike or similar circumstances, our Company, for reasons to be recorded in writing, extend the Bid/Offer Period for a minimum of one Working Day, subject to the Bid/ Offer Period not exceeding 10 Working Days. Any revision in the Price Band, and the revised Bid/ Offer 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 at the terminals of the Syndicate Members and by intimation to Self-Certified Syndicate Banks (“SCSBs”), other Designated Intermediaries and the Sponsor Bank(s), as applicable. In case of a revision of the Price Band, the Bid lot shall remain the same.

Minimum Subscription

This offer is not restricted to any minimum subscription level. This offer is 100% underwritten per Regulation 260(1) of SEBI ICDR Regulations.

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 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 offer through the offer Document including devolvement of Underwriters, our Company shall forthwith refund the entire subscription amount received in accordance with applicable law including the SEBI master circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023. If there is a delay beyond Two days after our Company becomes liable to pay the amount, our Company and our Directors, who are officers in default, shall pay interest at the rate of 15% per annum. In the event of an under-subscription in the Offer, Equity Shares offered pursuant to the Fresh Issue shall be allocated in the Offer prior to the Equity Shares offered pursuant to the Offer for Sale.

However, in case of under-subscription in the Offer, after meeting the minimum subscription requirement of 100% of the Fresh Issue, the balance subscription in the Offer will be met in the following order of priority: (i) through the sale of

Offered Shares being offered by the Selling Shareholders in the Offer for Sale in a proportional manner; and (ii) through the issuance of balance part of the Fresh Issue.

The Selling Shareholders shall reimburse, severally and not jointly, and only to the extent of the Equity Shares offered by the Selling Shareholders in the Offer, any expenses and interest incurred by our Company on behalf of the Selling Shareholders for any delays in making refunds as required under the Companies Act and any other applicable law, provided that the Selling Shareholders shall not be responsible or liable for payment of such expenses or interest, unless such delay is solely and directly attributable to an act or omission of the Selling Shareholders in relation to its portion of the Offered Shares.

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 application law of such jurisdiction.

Arrangements For Disposal of Odd Lots

The trading of the Equity Shares will happen in the minimum contract size of 1,600 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 SME platform of BSE Limited.

Restrictions, if Any on Transfer and Transmission of Equity Shares

Except for the lock-in of the pre-offer capital of our Company, lock-in of the Promoters' minimum contribution and the Anchor Investor lock-in as provided in "*Capital Structure*" beginning on page 73 of this Prospectus and except as provided in our 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, see "*Main Provisions of the Articles of Association*" beginning on page 296 of this Prospectus.

New Financial Instruments

As on the date of this Prospectus, there are no outstanding warrants, new financial instruments or any rights, which would entitle the shareholders of our Company, including our Promoters, to acquire or receive any Equity Shares after the Issue. Further, our Company is not issuing any new financial instruments through this Offer.

Allotment of Securities in Dematerialised 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.

Application By Eligible NRIS, FPIS Or VCFS Registered with SEBI

It is to be understood that there is no reservation for Eligible NRIs or FPIs / FIIs registered with SEBI or VCFs or Eligible QFIs. Such Eligible NRIs, Eligible QFIs, FPIs registered with SEBI will be treated on the same basis with other categories for the purpose of allocation.

NRIs, FPIs / FIIs and foreign venture capital investors registered with SEBI are permitted to purchase shares of an Indian company in a public issue without the prior approval of the RBI, so long as the price of the Equity Shares to be issued is not less than the price at which the Equity Shares are issued to residents. The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the FIPB or the RBI, provided that (i) the activities of the investee company are under the automatic route under the foreign direct investment ("FDI") Policy and the non-resident shareholding is within the sectoral limits under the FDI policy; and (ii) the pricing is in accordance with the guidelines prescribed by the SEBI / RBI.

The current provisions of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, provides a general permission for the NRIs, FPIs and foreign venture capital investors registered with SEBI to invest in shares of Indian companies by way of subscription in an IPO. However, such investments would be subject to other investment restrictions under the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, RBI and / or SEBI regulations as may be applicable to such investors.

The Allotment of the Equity Shares to Non-Residents shall be subject to the conditions, if any, as may be prescribed by the Government of India / RBI while granting such approvals.

As Per the Extent Guidelines of The Government of India, OCBS Cannot Participate in this Offer

The current provisions of the Foreign Exchange Management (Transfer or offer 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 offer 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.

Migration to Main Board

As per BSE guidelines: As per BSE Circular dated November 24, 2023, our Company may migrate its securities from SME Platform of BSE Limited to main board platform of the BSE Limited.

Paid up capital and market capitalization:

- Paid-up capital of more than 10 Crores and Market Capitalisation should be minimum ₹ 25 Crores
- (Market Capitalisation will be the product of the price (average of the weekly high and low of the closing price of the related shares quoted on the stock exchange during 3 (Three) months prior to the date of the application) and the post issue number of equity shares.)

Promoter holding:

- Promoter(s) shall be holding at least 20% of equity share capital of the company at the time of making application

Financial Parameters:

- The applicant company should have positive operating profit (earnings before interest, depreciation and tax) from operations for at least any 2 out of 3 financial years and has positive Profit after tax (PAT) in the immediate preceding Financial Year of making the migration application to Exchange.
- The applicant company should have a Net worth of at least ₹ 15 crores for 2 preceding full financial years.

Track record of the company in terms of listing/ regulatory actions, etc:

- The applicant company is listed on SME Exchange/ Platform having nationwide terminals for at least 3 years.

Regulatory action:

- No material regulatory action in the past 3 years like suspension of trading against the applicant company, promoters/promoter group by any stock Exchange having nationwide trading terminals.
- No Debarment of company, promoters/promoter group, subsidiary company by SEBI.
- No Disqualification/Debarment of directors of the company by any regulatory authority.
- The applicant company has not received any winding up petition admitted by a NCLT.

Public Shareholder:

- The applicant company shall have a minimum of 250 public shareholders as per the latest shareholding pattern

Other parameters like No. of shareholders, utilization of funds:

- No proceedings have been admitted under the Insolvency and Bankruptcy Code against the applicant company and Promoting companies.

- No pending Defaults in respect of payment of interest and/or principal to the debenture/bond/fixed deposit holders by the applicant, promoters/promoter group /promoting company(ies), Subsidiary Companies.
- The applicant company shall obtain a certificate from a credit rating agency registered with SEBI with respect to utilization of funds as per the stated objective pursuant to IPO and/or further funds raised by the company, if any post listing on SME platform.
- The applicant company has no pending investor complaints.
- Cooling off period of 2 months from the date the security has come out of trade-to-trade category or any other surveillance action.

As per ICDR guidelines

As per the provisions of the Chapter IX of the SEBI ICDR Regulations, our Company may migrate to the main board of BSE from the SME Platform of BSE on a later date subject to the following:

1. If the paid-up capital of the Company is likely to increase above ₹ 25 crores by virtue of any further offer of capital by way of rights, preferential offer, bonus offer etc. (which has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoter in favor of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal and for which the Company has obtained in- principal approval from the main board), we shall have to apply to BSE for listing our shares on its Main Board subject to the fulfilment of the eligibility criteria for listing of specified securities laid down by the Main Board; or
2. If the paid-up capital of the Company is more than ₹ 10 crores but below ₹ 25 crores, we may still apply for migration to the main board if the same has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoter shareholders in favor of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal.

Market Making

The shares offered through this issue is proposed to be listed on the SME Platform of BSE, wherein the Book Running Lead Manager to this Issue shall ensure compulsory Market Making through the registered Market Makers of the BSE SME for a minimum period of three (3) years from the date of listing of shares on BSE SME. For further details of the market making arrangement please refer the section titled “*General Information*” beginning on page 60 of this Prospectus.

The above information is given for the benefit of the Applicants. The Applicants are advised to make their own enquiries about the limits applicable to them. Our Company and the Book Running Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated hereinabove. Our Company and the Book Running Lead Manager are not liable to inform the investors of any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of this Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares Applied for do not exceed the applicable limits under laws or regulations.

OFFER STRUCTURE

The Offer is of 1,03,28,000 Equity Shares for cash at a price of ₹86/- per Equity Share (including a share premium of ₹81/- per Equity Share) aggregating ₹8,882.08 Lakhs comprising a Fresh Issue of 83,28,000 Equity Shares aggregating ₹7,162.08 Lakhs and an Offer for Sale of 20,00,000 Equity Shares aggregating ₹1,720.00 Lakhs by the Selling Shareholders.

The Offer comprises a reservation of 5,24,800 Equity Shares of face value of ₹5/- each for subscription by the designated Market Maker (“**the Market Maker Reservation Portion**”) and Net Offer to Public 98,03,200 Equity Shares of face value of ₹5/- each (“**the Net Offer**”). The Offer and the Net Offer will constitute 26.97% and 25.60%, respectively of the post Offer paid-up equity share capital of the Company. The Offer is being made through the Book Building Process.

The Offer is being made through the Book Building Process.

| Particulars | Market Maker Reservation Portion | QIBs ⁽¹⁾ | Non - Institutional Investors/Bidders | Retail Individual Investors/Bidders |
|---|----------------------------------|--|---|---|
| Number of Equity Shares available for allocation or allotment ^{*(2)} | 5,24,800 Equity Shares | 48,75,200 Equity Shares of face value of ₹5/- each | 14,80,000 Equity Shares of face value of ₹5/- each available for allocation or offer less allocation to QIB Bidders and Retail Individual Investors | 34,48,000 Equity Shares of face value of ₹5/- each available for allocation or offer less allocation to QIB Bidders and Non - Institutional Investors |
| Percentage of Offer Size available for Allocation or allotment | 5.08% of the Offer Size | Not more than 50% of the Offer size shall be allocated to QIB Bidders. However, 5% of the Net QIB Portion will be available for allocation proportionately to Mutual Funds only. Mutual Funds participating in the Mutual Fund Portion will also be eligible for allocation in the remaining balance Net QIB Portion. The unsubscribed portion in the Mutual Fund Portion will be added to the Net QIB Portion | Not less than 15% of the Offer, or the Offer less allocation to QIB Bidders and Retail Individual Investors was available for allocation | Not less than 35% of the Offer, or the Offer less allocation to QIB Bidders and Non - Institutional Investors |
| Basis of Allotment | Firm allotment | Proportionate as follows (excluding the Anchor Investor Portion): (a) 99,200 Equity Shares of face value of ₹5/- each shall be available for allocation on a proportionate basis to Mutual Funds only; and (b) 48,75,200 Equity Shares of face value of ₹5/- each shall be available for allocation on a proportionate basis to all QIBs, including Mutual Funds receiving allocation as per (a) above | Proportionate basis subject to minimum allotment of 1,600 Equity Shares and further allotment in multiples of 1,600 Equity Shares. For details, see “Offer Procedure” beginning on page 273 of this Prospectus. | Proportionate basis subject to minimum allotment of 1,600 Equity Shares. For details, see “Offer Procedure” beginning on page 273 of this Prospectus. |

| Particulars | Market Maker Reservation Portion | QIBs ⁽¹⁾ | Non - Institutional Investors/Bidders | Retail Individual Investors/Bidders |
|--------------------------------|--|--|---|--|
| | | (c) 60% of the QIP portion (of 29,20,000 Equity Shares of face value of ₹10 each) may be allocated on a discretionary basis to Anchor Investors of which one third shall be available for allocation to Mutual Funds only, subject to valid Bid received from Mutual Funds at or above the Anchor Investor Allocation Price. | | |
| Mode of Bid | Only through ASBA Process | ASBA only except for Anchor Investors | Only through ASBA Process | Through ASBA Process, Through Banks or by using UPI ID for payment |
| Mode of allotment [^] | Compulsorily in dematerialized form | | | |
| Minimum Bid Size | 5,24,800 Equity Shares | 1,600 Equity Shares of face value of ₹5/- each and in multiples of 1,600 Equity Shares of face value of ₹5/ each that the Bid Amount exceeds ₹200,000 and in multiples of 1,600 Equity Shares thereafter. | Such number of Equity Shares in multiples of 1,600 Equity Shares of face value of ₹5/- each such that the Bid Amount exceeds ₹200,000 | 1,600 Equity Shares |
| Maximum Bid Size | 5,24,800 Equity Shares | Such number of Equity Shares in multiples of 1,600 Equity Shares of face value of ₹5/- each not exceeding the size of the Offer (excluding the Anchor Portion), subject to applicable limits under applicable law. | Such number of Equity Shares in multiples of 1,600 Equity Shares of face value of ₹5/- each not exceeding the size of the Offer (excluding the QIB Portion), subject to limits prescribed under applicable law. | Such number of Equity Shares in multiples of 1,600 Equity Shares so that the Bid Amount does not exceed ₹2.00 Lakhs |
| Bid Lot | 1,600 Equity Shares of face value of ₹5/- each and in multiples of 1,600 Equity Shares of face value of ₹5/- each thereafter | | | |
| Trading Lot | 1,600 Equity Shares, However the Market Maker may accept odd lots if any in the market as required under the SEBI ICDR Regulations | 1,600 Equity Shares and in multiples thereof | 1,600 Equity Shares and in multiples thereof | 1,600 Equity Shares and in multiples thereof |
| Who can apply? (3)(4)(5) | Market Maker | Public financial institutions as specified in Section 2(72) of the Companies Act 2013, scheduled commercial banks, multilateral and bilateral development financial institutions, mutual | Resident Indian individuals, Eligible NRIs, HUFs (in the name of Karta), companies, corporate bodies, scientific institutions, societies, | Resident Indian individuals, HUFs (in the name of Karta) and Eligible NRIs applying for Equity Shares such that the Bid amount |

| Particulars | Market Maker Reservation Portion | QIBs ⁽¹⁾ | Non - Institutional Investors/Bidders | Retail Individual Investors/Bidders |
|------------------|---|---|---|--------------------------------------|
| | | funds registered with SEBI, FPIs other than individuals, corporate bodies and family offices, VCFs, AIFs, FVCIs, registered with SEBI, state industrial development corporation, insurance company registered with IRDAI, provident fund with minimum corpus of ₹2500 lakhs , pension fund with minimum corpus of ₹2500 lakhs, National Investment Fund set up by the Government of India, insurance funds set up and managed by army, navy or air force of the Union of India, insurance funds set up and managed by the Department of Posts, India and Systemically Important NBFCs, in accordance with applicable laws including FEMA Rules. | family offices, trusts, FPIs who are individuals, corporate bodies and family offices | does not exceed ₹2.00 Lakhs in value |
| Terms of Payment | <p>In case of all other Bidders: Full Bid Amount shall be blocked by the SCSBs in the bank account of the ASBA Bidder (other than Anchor Investors) or by the Sponsor Bank through the UPI Mechanism, that is specified in the ASBA Form at the time of submission of the ASBA Form.</p> <p>In case of Anchor Investors: Full Bid Amount shall be payable by the Anchor Investors at the time of submission of their Bids⁽⁶⁾</p> | | | |

[^]SEBI through its circular (SEBI/HO/CFD/DIL2/CIR/P/2022/45) dated April 5, 2022, has prescribed that all individual investors applying in initial public offerings opening on or after May 1, 2022, where the application amount is up to ₹500,000, shall use UPI. Individual investors Bidding under the Non-Institutional Portion Bidding for more than ₹200,000 and up to ₹500,000, using the UPI Mechanism, shall provide their UPI ID in the Bid-cum-Application Form for Bidding through Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs, or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers. Further SEBI vide its circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, has mandated that ASBA applications in public issues shall be processed only after the application monies are blocked in the bank accounts of the investors. Accordingly, Stock Exchanges shall, for all categories of investors viz. QIBs, NIIs and RIIs and also for all modes through which the applications are processed, accept the ASBA applications in their electronic book building platform only with a mandatory confirmation on the application monies blocked.

- ⁽¹⁾ Our Company and Selling Shareholders in consultation with the Book Running Lead Manager, may allocate up to 60% of the QIB Portion to Anchor Investors at the Anchor Investor Offer Price, on a discretionary basis, subject to there being (i) a maximum of two Anchor Investors, where allocation in the Anchor Investor Portion is up to ₹200.00 Lakhs, (ii) minimum of two and maximum of fifteen Anchor Investors, where the allocation under the Anchor Investor Portion is more than ₹200.00 Lakhs but up to ₹2,500.00 Lakhs under the Anchor Investor Portion, subject to a minimum Allotment of ₹100.00 Lakhs per Anchor Investor, and (iii) in case of allocation above ₹2,500.00 Lakhs under the Anchor Investor Portion, a minimum of five such investors and a maximum of fifteen Anchor Investors for allocation up to ₹2,500.00 Lakhs, and an additional ten Anchor Investors for every additional ₹2,500.00 Lakhs or part thereof will be permitted, subject to minimum allotment of ₹100.00 Lakhs per Anchor Investor. An Anchor Investor will make a minimum Bid of such number of Equity Shares, that the Bid Amount is at least ₹200.00 Lakhs. One-third of the Anchor Investor Portion will be reserved for domestic Mutual Funds, subject to valid Bids being received at or above the price at which allocation is made to Anchor Investors.

- (2) *This Offer is being made in accordance with Rule 19(2)(b) of the SCRR and Regulation 253 (1) of the SEBI ICDR Regulations wherein not more than 50% of the Offer was made available for allocation on a proportionate basis to QIBs. Such number of Equity Shares representing 5% of the Net QIB Portion was made available for allocation on a proportionate basis to Mutual Funds only. The remainder of the Net QIB Portion was made available for allocation on a proportionate basis to QIBs, including Mutual Funds, subject to valid Bids being received from them at or above the Offer Price. Further, not less than 15% of the Offer was made available for allocation to Non-Institutional Investors, subject to valid Bids being received at or above the Offer Price and not less than 35% of the Offer was made available for allocation to RII in accordance with the SEBI ICDR Regulations, subject to valid Bids being received from them at or above the Offer Price.*
- (3) *In the event that a Bid is submitted in joint names, the relevant Bidders should ensure that the depository account is also held in the same joint names and the names are in the same sequence in which they appear in the Bid cum Application Form. 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. The signature of only such First Bidder would be required in the Bid cum Application Form and such First Bidder would be deemed to have signed on behalf of the joint holders. Our Company reserves the right to reject, in its absolute discretion, all or any multiple Bids in any or all categories.*
- (4) *Full Bid Amount was payable by the Anchor Investors at the time of submission of the Anchor Investor Application Forms provided that any difference between the Anchor Investor Allocation Price and the Anchor Investor Offer Price shall be payable by the Anchor Investor pay-in date as indicated in the Confirmation of Allotment Note.*
- (5) *Bids by FPIs with certain structures as described under “Offer Procedure – Bids by FPIs” beginning on page 273 and having the same PAN were collated and identified as a single Bid in the Bidding process. The Equity Shares Allocated and Allotted to such successful Bidders (with the same PAN) have been proportionately distributed.*
- (6) *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.*

Subject to valid Bids being received at or above the Offer Price, under-subscription, if any, in the Non-Institutional Portion or the Retail Portion would be allowed to be met with spill-over from other categories or a combination of categories at the discretion of our Company and the Selling Shareholders in consultation with the BRLMs and the Designated Stock Exchange, on a proportionate basis. 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. For further details, see “*Terms of the Offer*” on page 260.

Bidders will be required to confirm and will be deemed to have represented to our Company, the Selling Shareholders, the Underwriters, their respective directors, officers, agents, affiliates and representatives that they are eligible under applicable law, rules, regulations, guidelines and approvals to acquire the Equity Shares.

In case of any revision in the Price Band, the Bid/ Offer Period shall be extended for at least three additional Working Days after such revision of the Price Band, subject to the total Bid/ Offer Period not exceeding 10 Working Days. Any revision in the Price Band, and the revised Bid/ Offer Period, if applicable, shall be widely disseminated by notification to the Stock Exchanges by issuing a public announcement and also by indicating the change on the websites of the BRLM and at the terminals of the members of the Syndicate.

In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical Bid cum Application Form for a particular Bidder, the details as per the Bid file received from the Stock Exchanges may be taken as the final data for the purpose of Allotment

OFFER 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 Exchanges and the BRLM. Please refer to the relevant provisions of the General Information Document which are applicable to the Offer, including in relation to the process for Bids by UPI Bidders. 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 Offer; (ii) maximum and minimum Bid size; (iii) price discovery and allocation; (iv) payment instructions for ASBA Bidders/Applicants; (v) issuance of CAN and Allotment in the Offer; (vi) general instructions (limited to instructions for completing the Bid cum Application Form); (vii) submission of Bid cum Application Form; (viii) other instructions (limited to joint bids in cases of individual, multiple bids and instances when an application would be rejected on technical grounds); (ix) applicable provisions of the Companies Act, 2013 relating to punishment for fictitious applications; (x) mode of making refunds; (xi) Designated Date; (xii) disposal of applications; and (xiii) interest in case of delay in Allotment or refund.

SEBI through the UPI Circulars 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. UPI has been introduced in a phased manner as a payment mechanism in addition to ASBA for applications by UPI Bidders through intermediaries from January 1, 2019. The UPI Mechanism for UPI Bidders applying through Designated Intermediaries, in phase I, was effective along with the prior process and existing timeline of T+6 days (**UPI Phase I**).

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/DCR2/CIR/P/2019/133 dated November 8, 2019 extended the timeline for implementation of UPI Phase II till March 31, 2020. However, given the prevailing uncertainty due to the COVID-19 pandemic, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, had decided to continue with the UPI Phase II till further notice. The final reduced timeline of T+3 days for the UPI Mechanism for applications by UPI Bidders ("**UPI Phase III**"), and modalities of the implementation of UPI Phase III was notified by SEBI vide its circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 and made effective 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. The Offer will be undertaken pursuant to the processes and procedures under UPI Phase III on mandatory basis, subject to any circulars, clarification or notification issued by the SEBI from time to time.

Further, pursuant to SEBI master circular bearing reference no. SEBI/HO/MIRSD/POD-1/P/CIR/2023/70 dated May 17, 2023 ("**SEBI RTA Master Circular**") and SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, SEBI has introduced certain additional measures for streamlining the process of initial public offers and redressing investor grievances. The SEBI RTA Master Circular consolidated the aforementioned circulars (excluding SEBI circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023) and rescinded these circulars to the extent relevant for RTAs.

Furthermore, 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 size are up to ₹5,00,000 shall use the UPI Mechanism and provide their UPI ID in the Bid-cum-Application Form for bidding through Syndicate, sub syndicate members, Registered Brokers, RTAs or CDPs, or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers. 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).

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/Offer Closing Date, in accordance with the SEBI master circular no. SEBI/HO/CFD/PoD2/P/CIR/2023/00094 dated June 21, 2023, the Bidder shall be compensated at a uniform rate of ₹100 per day for the entire duration of delay exceeding two Working Days from the Bid/Offer Closing Date by the

intermediary responsible for causing such delay in unblocking. The Book Running Lead Manager shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. Further, SEBI vide the SEBI master circular no. SEBI/HO/CFD/PoD2/P/CIR/2023/00094 dated June 21, 2023, has reduced the timelines for refund of Application money to four days.

Further, our Company, the Selling Shareholders and the BRLM 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 Equity Shares that can be held by them under applicable law or as specified in the Prospectus and the Prospectus.

The BRLM shall be the nodal entity for any issues arising out of public issuance process.

Our Company, the Selling Shareholders and the Syndicate are not liable for any adverse occurrences consequent to the implementation of the UPI Mechanism for application in this Offer.

Pursuant to circular no. NSDL/CIR/II/28/2023 dated August 8, 2023 issued by NSDL and circular no. CDSL/OPS/RTA/POLCY/2023/161 dated August 8, 2023 issued by CDSL, our Company may request the Depositories to suspend/ freeze the ISIN in depository system till listing/ trading effective date. Pursuant to the aforementioned circulars, our Company may request the Depositories to suspend/ freeze the ISIN in depository system from or around the date of the Prospectus till the listing and commencement of trading of our Equity Shares. The shareholders who intend to transfer the pre-Offer shares may request our Company and/ or the Registrar for facilitating transfer of shares under suspended/ frozen ISIN by submitting requisite documents to our Company and/ or the Registrar. Our Company and/ or the Registrar would then send the requisite documents along with applicable stamp duty and corporate action charges to the respective depository to execute the transfer of shares under suspended ISIN through corporate action. The transfer request shall be accepted by the Depositories from our Company till one day prior to Bid/ Offer Opening Date.

Book Building Procedure

The Offer is being made in terms of Rule 19(2)(b) of the SCRR, read with Regulation 252 of the SEBI ICDR Regulations. The Offer is being made through the Book Building Process, in compliance with Regulation 253 (1) of the SEBI ICDR Regulations, wherein not more than 50% of the Net Offer shall be available for allocation on a proportionate basis to QIBs, provided that our Company in consultation with the BRLM, may allocate up to 60% of the QIB Portion to Anchor Investors and the basis of such allocation will be on a discretionary basis by our Company in consultation with the BRLM, of which one-third shall be reserved for the domestic Mutual Funds, subject to valid Bids being received from the domestic Mutual Funds at or above Anchor Investor Allocation Price in accordance with the SEBI ICDR Regulations. In the event of undersubscription or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the QIB Portion (other than the Anchor Investor Portion). Further, 5% of the Net QIB Portion (excluding the Anchor Investor Portion) shall be available for allocation on a proportionate basis only to Mutual Funds, subject to valid Bids being received at or above the Offer Price, and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIBs (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Offer Price. However, if the aggregate demand from Mutual Funds is less than 5% of the Net QIB Portion, the balance Equity Shares available for allocation in the Mutual Fund Portion will be added to the remaining QIB Portion for proportionate allocation to QIBs. Further, not less than 15% of the Net Offer shall be available for allocation to Non-Institutional Bidders and not less than 35% of the Net Offer shall be available for allocation to Retail Individual Bidders, in accordance with the SEBI ICDR Regulations, subject to valid Bids being received from them at or above the Issue Price.

Subject to valid Bids being received at or above the Offer Price, under-subscription, if any, in any category, except in the QIB Portion, would be allowed to be met with spill over from any other category or combination of categories of Bidders at the discretion of our Company, in consultation with the BRLM, and the Designated Stock Exchange and subject to applicable laws. 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. Further, in the event of an under-subscription in the Employee Reservation Portion, such unsubscribed portion may be Allotted on a proportionate basis to Eligible Employees Bidding in the Employee Reservation Portion, for a value in excess of ₹ 200,000, subject to the total Allotment to an Eligible Employee not exceeding ₹ 500,000. The unsubscribed portion, if any, in the Employee Reservation Portion shall be added to the Net Offer.

Bidders must ensure that their PAN is linked with Aadhaar and are in compliance with CBDT notification dated February 13, 2020 and press release dated June 25, 2021 and September 17, 2021.

The Equity Shares, on Allotment, shall be traded only in the dematerialized segment of the Stock Exchanges.

Bidders 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, UPI ID (in case of UPI Bidders Bidding in the Employee Reservation Portion using the UPI Mechanism) and PAN, 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 the Equity Shares rematerialised subsequent to Allotment of the Equity Shares in the Offer, subject to applicable laws.

Phased Implementation of Unified Payments Interface

SEBI has issued the UPI Circulars in relation to streamlining the process of public Offer of, inter alia, equity shares. Pursuant to the SEBI circular bearing number. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018, SEBI circular bearing number. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, SEBI circular bearing number. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, SEBI circular bearing number. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, SEBI circular bearing number. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020 ("Previous UPI Circulars") and the UPI Circulars; the UPI Mechanism has been introduced in a phased manner as a payment mechanism (in addition to mechanism of blocking funds in the account maintained with SCSBs under ASBA) for applications by RIBs through Designated Intermediaries with the objective to reduce the time duration from public Offer closure to listing from six Working Days to up to three Working Days. Considering the time required for making necessary changes to the systems and to ensure complete and smooth transition to the UPI payment mechanism, the UPI Circulars have introduced the UPI Mechanism in three phases in the following manner:

Phase I: This phase was applicable from January 1, 2019 until March 31, 2019 or floating of five main board public issues, whichever was later. Subsequently, the timeline for implementation of Phase I was extended till June 30, 2019. Under this phase, an RIB had the option to submit the ASBA Form with any of the Designated Intermediary and use his/ her UPI ID for the purpose of blocking of funds. The time duration from public offer closure to listing continued to be six Working Days. For further details, refer to the General Information Document available on the website of the Stock Exchange and the Book Running Lead Manager.

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 vide its circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019 has decided to extend the timeline for implementation of UPI Phase II until March 31, 2020. Subsequently, 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 until further notice. Under this phase, submission of the ASBA Form by RIBs through Designated Intermediaries (other than SCSBs) to SCSBs for blocking of funds has been discontinued and replaced by the UPI Mechanism. However, the time duration from public offer closure to listing continues to be six Working Days during this phase.

Phase III: This phase has become applicable on a voluntary basis for all issues opening on or after September 1, 2023 and on a mandatory basis for all issues opening on or after December 1, 2023, vide SEBI circular bearing number SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 ("**T+3 Notification**"). In this phase, the time duration from public offer closure to listing has been reduced from six Working Days to three Working Days. The Offer 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.

The offer is being made under Phase III of the UPI:

Pursuant to the UPI Circulars, 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 Circulars include, appointment of a nodal officer by the SCSB and submission of their details to SEBI, the requirement for SCSBs to send SMS alerts for the blocking and unblocking of UPI mandates, the requirement for the Registrar to submit details of cancelled, withdrawn or deleted applications, and the requirement for the bank accounts of unsuccessful Bidders to be unblocked no later than one day from the date on which the Basis of Allotment is finalised. Failure to unblock the accounts within the timeline would result in the SCSBs being penalised under the relevant securities law. Additionally, if there is any delay in the redressal of investors' complaints, the relevant SCSB as well as the post-Offer BRLMs will be required to compensate the concerned investor.

All SCSBs offering facility of making application in public issues shall also provide facility to make application using UPI.

Our 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 UPI Bidders using the UPI.

The processing fees for applications made by UPI Bidders using the UPI Mechanism may be released to the SCSBs only after such banks provide a written confirmation, in compliance with the SEBI RTA Master Circular in a format as prescribed by SEBI, from time to time, and such payment of processing fees to the SCSBs shall be made in compliance with circulars prescribed by SEBI and applicable law. The Issue will be made under UPI Phase III of the UPI Circulars.

For further details, refer to the General Information Document available on the websites of the Stock Exchange and the Book Running Lead Manager.

Electronic Registration of Bids

- a) The Designated Intermediary may register the Bids using the on-line facilities of the Stock Exchange. The Designated Intermediaries can also set up facilities for off-line electronic registration of Bids, subject to the condition that they may subsequently upload the off-line data file into the on-line facilities for Book Building on a regular basis before the closure of the Offer.
- b) On the Bid/Offer Closing Date, the Designated Intermediaries may upload the Bids till such time as may be permitted by the Stock Exchange and as disclosed in the Prospectus.
- c) Only Bids that are uploaded on the Stock Exchanges Platform are considered for allocation/Allotment. The Designated Intermediaries are given till 5:00 pm on the Bid/Offer Closing Date to modify select fields uploaded in the Stock Exchange Platform during the Bid Period after which the Stock Exchange(s) send the bid information to the Registrar to the Offer for further processing.

Bid Cum Application Form

Copies of the Bid cum Application Form (other than for Anchor Investors) and the abridged prospectus will be available with the Designated Intermediaries at the relevant Bidding Centres, and at our Registered Office. An electronic copy of the Bid cum Application Form will also be available for download on the websites of BSE (www.bseindia.com) at least one day prior to the Bid/ Offer Opening Date.

Copies of the Anchor Investor Application Form will be available at the offices of the BRLM.

All Bidders (other than Anchor Investors) shall mandatorily participate in the Offer only through the ASBA process. Anchor Investors are not permitted to participate in the Offer through the ASBA process. The UPI Bidders can additionally Bid through the UPI Mechanism.

ASBA Bidders (i.e., those not using the UPI Mechanism) must provide bank account details and authorisation 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. The ASBA Bidders shall ensure that they have sufficient balance in their bank accounts to be blocked through ASBA for their respective Bid as the application made by a Bidder shall only be processed after the Bid amount is blocked in the ASBA account of the Bidder pursuant to SEBI circular number SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022.

All ASBA Bidders are required to provide either, (i) bank account details and authorizations to block funds in the ASBA Form; or (ii) the UPI ID (in case of UPI Bidders), as applicable, in the relevant space provided in the ASBA Form and the ASBA Forms that did not contain such details will be rejected. Applications made by the UPI Bidders using third party bank account or using third party linked bank account UPI ID are liable to be rejected.

The UPI Bidders Bidding 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 Forms that do not contain the UPI ID 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. UPI Bidders 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. Further, ASBA Bidders shall ensure that the Bids are submitted at the Bidding Centres only on ASBA Forms bearing the stamp of a Designated Intermediary (except in case of Electronic ASBA Forms) and ASBA Forms not bearing such specified stamp may be liable for rejection. RIBs authorising 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(s), as applicable at the time of submitting the Bid. In order to ensure timely information to investors, SCSBs are required to send SMS alerts to investors intimating them about Bid Amounts blocked/ unblocked.

Since the Offer is made under Phase III (on a mandatory basis), ASBA Bidders may submit the ASBA Form in the manner below:

- (i) RIBs (other than the RIBs using UPI Mechanism) may submit their ASBA Forms with SCSBs (physically or online, as applicable), or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.
- (ii) UPI Bidders using the UPI Mechanism, may submit their ASBA Forms with the Syndicate, Sub-Syndicate members, Registered Brokers, RTAs or CDPs, or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.
- (iii) QIBs and NIBs not using the UPI Mechanism may submit their ASBA Forms with SCSBs, Syndicate, Sub-Syndicate members, Registered Brokers, RTAs or CDPs.
- (iv) ASBA Bidders are also required to ensure that the ASBA Account has sufficient credit balance as an amount equivalent to the full Bid Amount which can be blocked by the SCSB or the Sponsor Bank(s), as applicable, at the time of submitting the Bid. In order to ensure timely information to investors, SCSBs are required to send SMS alerts to investors intimating them about Bid Amounts blocked / unblocked.

For all IPOs opening on or after September 1, 2022, as specified in SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, all the ASBA applications in public issues shall be processed only after the application monies are blocked in the investor's bank accounts. Stock Exchanges shall accept the ASBA applications in their electronic book building platform only with a mandatory confirmation on the application monies blocked. The circular is applicable for all categories of investors viz. Retail, QIB and NIB and also for all modes through which the applications are processed.

UPI Bidders bidding through UPI Mechanism must provide the UPI ID in the relevant space provided in the Bid cum Application Form.

Anchor Investors are not permitted to participate in the Offer through the ASBA process. For Anchor Investors, the Anchor Investor Application Form is available with the BRLM.

The prescribed colour of the Bid cum Application Form for the various categories is as follows:

| Category | Colour of Bid cum Application form* |
|--|-------------------------------------|
| Resident Indians, including QIBs, Non-institutional Investors and Retail Individual Bidders, each resident in India and Eligible NRIs applying on a non-repatriation basis. | White |
| Non-Residents including Eligible NRIs, their sub-accounts (other than sub-accounts which are foreign corporates or foreign individuals under the QIB Portion), FPIs or FVCIs registered multilateral and bilateral development financial institutions applying on a repatriation basis | Blue |
| Anchor Investors** | White |

* Excluding electronic Bid cum Application Form.

** Bid cum Application Forms for Anchor Investors will be made available at the office of the Book Running Lead Manager. Electronic Bid cum Application forms will also be available for download on the website of and BSE (www.bseindia.com).

The Designated Intermediaries (other than SCSBs) shall submit/deliver the Bid cum Application Form to the respective SCSB, where the Bidder has a bank account and shall not submit it to any non-SCSB bank or any escrow bank. Further, SCSBs shall upload the relevant Bid details (including UPI ID in case of ASBA Forms under the UPI Mechanism) in the electronic bidding system of the Stock Exchanges. Stock Exchanges shall validate the electronic bids with the records of the CDP for DP ID/Client ID and PAN, on a real time basis and bring inconsistencies to the notice of the relevant Designated Intermediaries, for rectification and re-submission within the time specified by Stock Exchanges. Stock Exchanges shall allow modification of either DP ID/Client ID or PAN ID, bank code and location code in the Bid details already uploaded up to 5.00 p.m. on Bid/ Offer Closing Date.

In case of ASBA Forms, the relevant Designated Intermediaries shall upload the relevant Bid details in the electronic bidding system of the Stock Exchanges. Designated Intermediaries (other than SCSBs) shall submit/deliver the ASBA Forms (except Bid cum Application Forms submitted by UPI Bidders Bidding using the UPI Mechanism) to the respective SCSB, where the Bidder has a bank account and shall not submit it to any non-SCSB bank or any Escrow Collection Bank(s). For UPI Bidders using the UPI Mechanism, the Stock Exchanges shall share the Bid details (including UPI ID) with the Sponsor Bank(s) on a continuous basis through API integration to enable the Sponsor Bank(s) to initiate a UPI Mandate Request to such Retail Individual Bidders for blocking of funds. The Sponsor Bank(s) shall initiate request for

blocking of funds through NPCI to UPI Bidders, who shall accept the UPI Mandate Request for blocking of funds on their respective mobile applications associated with UPI ID linked bank account. The NPCI shall maintain an audit trail for every Bid entered in the Stock Exchanges bidding platform, and the liability to compensate UPI Bidders (Bidding through UPI Mechanism) in case of failed transactions shall be with the concerned entity (i.e., the Sponsor Bank(s), NPCI or the issuer bank) at whose end the lifecycle of the transaction has come to a halt. The NPCI shall share the audit trail of all disputed transactions/ investor complaints to the Sponsor Bank(s) and the issuer bank. The Sponsor Bank(s) and the Bankers to the Offer shall provide the audit trail to the BRLMs for analysing the same and fixing liability. For ensuring timely information to investors, SCSBs shall send SMS alerts as specified in SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and the 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.

For all pending UPI Mandate Requests, the Sponsor Bank shall initiate requests for blocking of funds in the ASBA Accounts of relevant Bidders with a confirmation cut-off time of 5:00 pm on the Bid/Issue Closing Date (“Cut- Off Time”). Accordingly, UPI Bidders should accept UPI Mandate Requests for blocking of funds prior to the Cut-Off Time and all pending UPI Mandate Requests at the Cut-Off Time shall lapse.

The Sponsor Bank(s) will undertake a reconciliation of Bid responses received from Stock Exchanges and sent to NPCI and will also ensure that all the responses received from NPCI are sent to the Stock Exchanges platform with detailed error code and description, if any. Further, the Sponsor Bank(s) will undertake reconciliation of all Bid requests and responses throughout their lifecycle on daily basis and share reports with the BRLMs in the format and within the timelines as specified under the UPI Circulars. Sponsor Bank(s) and issuer banks shall download UPI settlement files and raw data files from the NPCI portal after every settlement cycle and do a three way reconciliation with Banks UPI switch data, CBS data and UPI raw data. NPCI is to coordinate with issuer banks and Sponsor Bank(s) on a continuous basis.

The Sponsor Bank(s) shall host a web portal for intermediaries (closed user group) from the date of Bid / Offer Opening Date till the date of listing of the Equity Shares with details of statistics of mandate blocks / unblocks, performance of apps and UPI handles, down-time / network latency (if any) across intermediaries and any such processes having an impact / bearing on the Offer Bidding process.

Who Can Apply?

In addition to the category of Applicants set forth in the General Information Document, the following persons are also eligible to invest in the Equity Shares under all applicable laws, regulations and guidelines:

1. 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);
2. Hindu Undivided Families or HUFs, in the individual name of the Karta. The Applicant should specify that the application is being made in the name of the HUF in the Application Form as follows: —Name of Sole or First applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta. Applications by HUFs would be considered at par with those from individuals;
3. 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;
4. Mutual Funds registered with SEBI;
5. 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;
6. 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);
7. FIIs and sub-accounts of FIIs registered with SEBI, other than a sub-account which is a foreign corporate or a foreign individual under the QIB Portion;
8. Limited Liability Partnerships (LLPs) registered in India and authorized to invest in equity shares;

9. Sub-accounts of FIIs registered with SEBI, which are foreign corporate or foreign individuals only under the non-Institutional investor's category;
10. Venture Capital Funds and Alternative Investment Fund (I) registered with SEBI; State Industrial Development Corporations;
11. Foreign Venture Capital Investors registered with the SEBI;
12. 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;
13. Scientific and/or Industrial Research Organizations authorized to invest in equity shares;
14. Insurance Companies registered with Insurance Regulatory and Development Authority, India;
15. Provident Funds with minimum corpus of Rs. 25 Crores and who are authorized under their constitution to hold and invest in equity shares;
16. Pension Funds with minimum corpus of Rs. 25 Crores and who are authorized under their constitution to hold and invest in equity shares;
17. 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;
18. Insurance funds set up and managed by army, navy or air force of the Union of India;
19. Multilateral and bilateral development financial institution;
20. Eligible QFIs;
21. Insurance funds set up and managed by army, navy or air force of the Union of India;
22. Insurance funds set up and managed by the Department of Posts, India;
23. Any other person eligible to apply in this Issue, under the laws, rules, regulations, guidelines and policies applicable to them.
24. Applications not to be made by:
 - (a) Minors (except through their Guardians)
 - (b) Partnership firms or their nominations
 - (c) Foreign Nationals (except NRIs)
 - (d) Overseas Corporate Bodies

Participation by Promoters, Promoter Group, The Book Running Lead Manager, The Syndicate Members and Persons Related to Promoters/Promoter Group/The Book Running Lead Manager

The Book Running Lead Manager and the Syndicate Members shall not be allowed to purchase Equity Shares in this Offer in any manner, except towards fulfilling their underwriting obligations. However, the associates and affiliates of the Book Running Lead Manager and the Syndicate Members may Bid for Equity Shares in the Offer, either in the QIB Portion or in the Non-Institutional Portion as may be applicable to such Bidders, where the allocation is on a proportionate basis or in any other manner as introduced under applicable laws, and such subscription may be on their own account or on behalf of their clients. All categories of investors, including associates or affiliates of the Book Running Lead Manager and Syndicate Members, shall be treated equally for the purpose of allocation to be made on a proportionate basis.

Except as stated below, neither the Book Running Lead Manager nor any associate of the Book Running Lead Manager can apply in the Offer under the Anchor Investor Portion:

- (i) mutual funds sponsored by entities which are associate of the Book Running Lead Manager;

- (ii) insurance companies promoted by entities which are associate of the Book Running Lead Manager;
- (iii) AIFs sponsored by the entities which are associate of the Book Running Lead Manager; or
- (iv) FPIs other than individuals, corporate bodies and family offices sponsored by the entities which are associate of the Book Running Lead Manager.

Further, an Anchor Investor shall be deemed to be an “associate of the Book Running Lead Manager” if: (i) either of them controls, directly or indirectly through its subsidiary or holding company, not less than 15% of the voting rights in the other; or (ii) either of them, directly or indirectly, by itself or in combination with other persons, exercises control over the other; or (iii) there is a common director, excluding nominee director, amongst the Anchor Investors and the BRLM.

Further, the Promoter and members of the Promoter Group shall not participate by applying for Equity Shares in the Offer, except in accordance with the applicable law. Furthermore, persons related to the Promoter and the Promoter Group shall not apply in the Offer under the Anchor Investor Portion. It is clarified that a qualified institutional buyer who has rights under a shareholders’ agreement or voting agreement entered into with any of the Promoter or members of the Promoter Group of our Company, veto rights or a right to appoint any nominee director on our Board, shall be deemed to be a person related to the Promoter or Promoter Group of our Company.

Bids by Mutual Funds

With respect to Bids by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged with the Bid cum Application Form. Failing this, the Company in consultation with BRLMs reserves 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, subject to applicable law.

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 such Bid has been made.

No Mutual Fund scheme shall invest more than 10% of its NAV in equity shares or equity-related instruments of any single company, provided that the limit of 10% shall not be applicable for investments in case of index funds or sector or industry specific schemes. No Mutual Fund under all its schemes should own more than 10% of any company’s paid-up share capital carrying voting rights.

Bids by Eligible Non-Resident Indians

Eligible NRIs Bidding on non-repatriation basis are advised to use the Bid cum Application Form for residents (White in colour). Eligible NRIs Bidding on a repatriation basis are advised to use the Bid cum Application Form meant for Non-Residents (Blue in colour).

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 authorise their respective SCSB to block their NRE accounts, or Foreign Currency Non-Resident (“FCNR”) Accounts, and eligible NRI Bidders Bidding on a non-repatriation basis by using Resident Forms should authorise their respective SCSB to block their NRO accounts for the full Bid Amount, at the time of the submission of the Bid cum Application Form. Eligible NRIs applying on a non-repatriation basis in the Offer through the UPI Mechanism are advised to enquire with their relevant bank, whether their account is UPI linked, prior to submitting a Bid cum Application Form.

In accordance with the FEMA Rules, the total holding by any individual NRI, on a repatriation basis, shall not exceed 5% of the total paid-up equity capital on a fully diluted basis or shall not exceed 5% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all NRIs and OCIs put together shall not exceed 10% of the total paid-up equity capital on a fully diluted basis or shall not exceed 10% of the paid-up value of each series of debentures or preference shares or share warrant. Provided that the aggregate ceiling of 10% may be raised to 24% if a special resolution to that effect is passed by the members of the Indian company in a general meeting.

NRIs will be permitted to apply in the Offer through Channel I or Channel II (as specified in the UPI Circulars). Further, subject to applicable law, NRIs may use Channel IV (as specified in the UPI Circulars) to apply in the Offer, provided the UPI facility is enabled for their NRE/ NRO accounts.

Participation of Eligible NRIs in the Offer shall be subject to the FEMA Rules. Only Bids accompanied by payment in Indian rupees or fully converted foreign exchange will be considered for Allotment.

For details of restrictions on investment by NRIs, see “*Restrictions on Foreign Ownership of Indian Securities*” beginning on page 295 of this Prospectus.

Bids by HUFs

Hindu Undivided Families or HUFs, 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 may be considered at par with Bids from individuals.

Bids By FPIs

In terms of applicable FEMA Rules and the SEBI FPI Regulations, investments by FPIs in the Equity Shares is subject to certain limits, i.e., the individual holding of an FPI (including its investor group (which means multiple entities registered as foreign portfolio investors and directly or indirectly, having common ownership of more than 50% or common control)) shall be below 10% of our post- offer Equity Share capital on a fully diluted basis. In case the total holding of an FPI or investor group increases beyond 10% of the total paid-up Equity Share capital of our Company, on a fully diluted basis, the total investment made by the FPI or investor group will be re-classified as FDI subject to the conditions as specified by SEBI and the RBI in this regard and our Company and the investor will be required to comply with applicable reporting requirements. Further, the total holdings of all FPIs put together, with effect from April 1, 2020, can be up to the sectoral cap applicable to the sector in which our Company operates (i.e., up to 100%). In terms of the FEMA Rules, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs shall be included.

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 offer are advised to use the Bid cum Application Form for Non-Residents (Blue in colour).

To ensure compliance with the above requirement, SEBI, pursuant to its circular dated July 13, 2018, has directed that at the time of finalisation of the Basis of Allotment, the Registrar shall (i) use the PAN issued by the Income Tax Department of India for checking compliance for a single FPI; and (ii) obtain validation from Depositories for the FPIs who have invested in the Offer to ensure there is no breach of the investment limit, within the timelines for issue procedure, as prescribed by SEBI 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 is permitted to issue, subscribe to, or otherwise deal in offshore derivative instruments, directly or indirectly, only if it complies with the following conditions:

- (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;
- (iv) such other conditions as may be specified by SEBI from time to time.

An FPI issuing offshore derivative instruments is also required to ensure that any transfer of offshore derivative instruments issued by or on its behalf, is carried out subject to inter alia the following conditions:

- (a) such offshore derivative instruments are transferred only to persons in accordance with Regulation 22(1) of the SEBI FPI Regulations; and
- (b) prior consent of the FPI is obtained for such transfer, except when the persons to whom the offshore derivative instruments are to be transferred to are pre-approved by the FPI.

Bids by following FPIs, submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs shall not be treated as multiple Bids:

- FPIs which utilise the multi-investment manager structure;
- Offshore derivative instruments which have obtained separate FPI registration for ODI and proprietary derivative investments;
- Sub funds or separate class of investors with segregated portfolio who obtain separate FPI registration;
- FPI registrations granted at investment strategy level / sub fund level where a collective investment scheme or fund has multiple investment strategies / sub-funds with identifiable differences and managed by a single investment manager.
- Multiple branches in different jurisdictions of foreign bank registered as FPIs;
- Government and Government related investors registered as Category 1 FPIs; and
- Entities registered as collective investment scheme having multiple share classes.

The Bids belonging to any of the above mentioned seven structures and having same PAN may be collated and identified as a single Bid in the Bidding process. The Equity Shares allotted in the Bid may be proportionately distributed to the applicant FPIs (with same PAN).

In order to ensure valid Bids, FPIs making multiple Bids using the same PAN, and with different beneficiary account numbers, Client IDs and DP IDs, are required to provide a confirmation along with each of their Bid cum Application Forms that the relevant FPIs making multiple Bids utilize any of the above-mentioned structures and indicate the name of their respective investment managers in such confirmation. In the absence of such compliance from the relevant FPIs with the operational guidelines for FPIs and designated Collecting Depository Participants issued to facilitate implementation of SEBI FPI Regulations, such multiple Bids shall be rejected.

Participation of FPIs in the Offer shall be subject to the FEMA Rules.

There is no reservation for Eligible NRI Bidders, AIFs and FPIs. All Bidders will be treated on the same basis with other categories for the purpose of allocation.

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, AIFs, Mutual Funds, insurance companies, insurance funds set up by the army, navy or air force 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 ₹2,500.00 lakhs and pension funds with a minimum corpus of ₹2,500.00 lakhs (in each case, subject to applicable law and in accordance with their respective constitutional documents), 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, as applicable must be lodged along with the Bid cum Application Form. Failing this, our Company reserve the right to accept or reject any Bid in whole or in part, in either case, without assigning any reasons thereof.

Our Company and the Selling Shareholders in consultation with the Book Running Lead Manager in their absolute discretion, reserve the right to relax the above condition of simultaneous lodging of the power of attorney along with the Bid cum Application Form.

Bids by Sebi Registered VCFS, AIFS and FVCIS

The SEBI FVCI Regulations, inter alia, prescribe the investment restrictions on VCFs and FVCIs registered with SEBI. Further, the SEBI AIF Regulations prescribe, amongst others, the investment restrictions on AIFs. Accordingly, the holding in any company by any individual VCF or FVCI registered with SEBI should not exceed 25% of the corpus of the VCF or FVCI. Further, subject to FEMA Rules, VCFs and FVCIs can invest only up to 33.33% of their investible funds in various prescribed instruments, including in public offerings.

Category I AIFs and Category II AIFs cannot invest more than 25% of the investible funds in one investee company. A category III AIF cannot invest more than 10% of the investible funds in one investee company. A VCF registered as a Category I AIF, as defined in the SEBI AIF Regulations, cannot invest more than one-third of its investible funds by way of subscription to an initial public offering of a venture capital undertaking. Pursuant to the repeal of the SEBI VCF

Regulations, the VCFs which have not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the SEBI VCF Regulations until the existing fund or scheme managed by the fund is wound up and such fund shall not launch any new scheme after the notification of the SEBI AIF Regulations. Our Company, the Book Running Lead Manager will not be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.

Participation of VCFs, AIFs or FVCIs in the offer shall be subject to the FEMA Rules.

All non-resident investors should note that refunds (in case of Anchor Investors), dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and commission.

Our Company, the Selling Shareholders or the BRLMs 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 and the Selling Shareholders in consultation with the Book Running Lead Manager, 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 the RBI, certified copies of (i) the certificate of registration issued by the 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 and the Selling Shareholders in consultation with the Book Running Lead Manager, reserve the right to reject any Bid without assigning any reason thereof, subject to applicable law.

The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, 1949, as amended, (**the "Banking Regulation Act"**), and the Master Directions - Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, as amended, is 10% of the paid-up share capital of the investee company, not being its subsidiary engaged in non-financial services, or 10% of the bank's own paid-up share capital and reserves, whichever is lower. Further, the aggregate investment by a banking company in subsidiaries and other entities engaged in financial services company cannot exceed 20% of the investee company's paid-up share capital and reserves. However, a banking company would be permitted to invest in excess of 10% but not exceeding 30% of the paid-up share capital of such investee company if (i) the investee company is engaged in non-financial activities permitted for banks in terms of Section 6(1) of the Banking Regulation Act, or (ii) the additional acquisition is through restructuring of debt/corporate debt restructuring/strategic debt restructuring, or to protect the bank's interest on loans/investments made to a company. The bank is required to submit a time-bound action plan for disposal of such shares within a specified period to the RBI. A banking company would require a prior approval of the RBI to make (i) investment in excess of 30% of the paid-up share capital of the investee company, (ii) investment in a subsidiary and a financial services company that is not a subsidiary (with certain exceptions prescribed), and (iii) investment in a non-financial services company in excess of 10% of such investee company's paid-up share capital as stated in 5(a)(v)(c)(i) of the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, as amended.

Bids BY SCSBs

SCSBs participating in the offer are required to comply with the terms of the circulars bearing numbers CIR/CFD/DIL/12/2012 and CIR/CFD/DIL/1/2013 dated September 13, 2012 and January 2, 2013, respectively, issued by SEBI. Such SCSBs are required to ensure that for making applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for such applications.

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, the Company in consultation with BRLMs, reserves the right to reject any Bid without assigning any reason thereof. The exposure norms for insurers are prescribed under Regulation 9 of the Insurance Regulatory and Development Authority of India (Investment) Regulations, 2016 (**"IRDA Investment Regulations"**), and are based on investments in the equity shares of a company, the entire group of the investee company and the industry sector in which the investee company operates. Bidders are advised to refer to the

IRDA Investment Regulations for specific investment limits applicable to them and 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 with minimum corpus of ₹2,500.00 lakhs, subject to applicable law, 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 and Selling Shareholders in consultation with the Book Running Lead Manager, reserve the right to reject any Bid, without assigning any reason thereof.

Bids by Systemically Important Non-Banking Financial Companies

In case of Bids made by Systemically Important Non-Banking Financial Companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, (ii) certified copy of its last audited financial statements, (iii) a net worth certificate from its statutory auditor, and (iv) such other approval as may be required by the Systemically Important Non-Banking Financial Companies, are required to be attached to the Bid cum Application Form. Failing this, our Company and Selling Shareholders in consultation with the Book Running Lead Manager, reserves the right to reject any Bid without assigning any reason thereof, subject to applicable law. Systemically Important NBFCs participating in the offer shall comply with all applicable regulations, guidelines and circulars issued by RBI from time to time.

Bids by Anchor Investors

In accordance with the SEBI ICDR Regulations, in addition to details and conditions mentioned in this section, the key terms for participation by Anchor Investors are provided below.

- 1) Anchor Investor Application Forms will be made available for the Anchor Investors Portion at the offices of the Book Running Lead Manager.
- 2) The Bid must be for a minimum of such number of Equity Shares so that the Bid Amount is at least ₹200.00 lakhs. A Bid cannot be submitted for over 60% of the QIB Portion. In case of a Mutual Fund, separate Bids by individual schemes of a Mutual Fund will be aggregated to determine the minimum application size of ₹200.00 lakhs.
- 3) One-third of the Anchor Investor Portion will be reserved for allocation to domestic Mutual Funds.
- 4) Bidding for Anchor Investors will open one Working Day before the Bid/ offer Opening Date and be completed on the same day.
- 5) Our Company and the Selling Shareholders in consultation with the Book Running Lead Manager, will finalize allocation to the Anchor Investors on a discretionary basis, provided that the minimum and maximum number of Allottees in the Anchor Investor Portion will be, as mentioned below:
 - where allocation in the Anchor Investor Portion is up to 200.00 Lakhs, maximum of 2 (two) Anchor Investors.
 - where the allocation under the Anchor Investor Portion is more than ₹200.00 Lakhs but up to ₹2,500.00 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 ₹2,500.00 Lakhs:(i) minimum of 5 (five) and maximum of 15 (fifteen) Anchor Investors for allocation up to ₹2,500.00 Lakhs; and (ii) an additional 10 Anchor Investors for every additional allocation of ₹2,500.00 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 Bidding Date. The number of Equity Shares allocated to Anchor Investors and the price at which the allocation is made will be made available in the public domain by the Book Running Lead Manager before the Bid/ offer 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 offer Price is greater than the Anchor Investor Allocation Price, the additional amount being the difference between the offer Price and the Anchor Investor Allocation Price will be payable by the Anchor Investors within

Anchor Investor Pay-in Date specified in the CAN. If the Offer 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) The Equity Shares Allotted in the Anchor Investor Portion will be locked in, in accordance with the SEBI ICDR Regulations. 50% of the Equity Shares Allotted to Anchor Investors in the Anchor Investor Portion shall be locked in for a period of 90 days from the date of Allotment, while the remaining 50% of the Equity Shares Allotted to Anchor Investors in the Anchor Investor Portion shall be locked in for a period of 30 days from the date of Allotment.
- 10) Neither the (a) Book Running Lead Manager or any associate of the Book Running Lead Manager (other than mutual funds sponsored by entities which are associate of the Book Running Lead Manager or insurance companies promoted by entities which are associate of the Book Running Lead Manager or Alternate Investment Funds (AIFs) sponsored by the entities which are associates of the Book Running Lead Manager or FPIs, other than individuals, corporate bodies and family offices, sponsored by the entities which are associate of the Book Running Lead Manager) nor (b) the Promoters, Promoter Group or any person related to the Promoters or members of the Promoter Group shall apply under the Anchor Investors category.

For more information, please read the General Information Document.

The above information is given for the benefit of the Bidders. Our Company, the Selling Shareholders and the Book Running Lead Managers are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of the Prospectus, when filed. Bidders are advised to make their independent investigations and ensure that any single Bid from them does not exceed the applicable investment limits or maximum number of the Equity Shares that can be held by them under applicable laws or regulation and as specified in the Prospectus, when filed. In accordance with RBI regulations, OCBs cannot participate in the Offer.

Information for Bidders

The relevant Designated Intermediary will enter a maximum of three Bids at different price levels opted in the Bid cum Application Form and such options are not considered as multiple Bids. It is the Bidder's responsibility to obtain the acknowledgment slip from the relevant Designated Intermediary. The registration of the Bid by the Designated Intermediary does not guarantee that the Equity Shares shall be allocated/Allotted. Such Acknowledgement Slip will be non-negotiable and by itself will not create any obligation of any kind. When a Bidder revises his or her Bid, he /she shall surrender the earlier Acknowledgement Slip and may request for a revised acknowledgment slip from the relevant Designated Intermediary as proof of his or her having revised the previous Bid.

In relation to electronic registration of Bids, the permission given by the Stock Exchanges to use their network and software of the electronic bidding system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company, the Selling Shareholders 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 compliance with the statutory and other requirements, nor does it take any responsibility for the financial or other soundness of our Company, the management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Prospectus or the Prospectus; nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges.

Pre-Offer Advertisement

Subject to Section 30 of the Companies Act, our Company, after filing the Red Herring Prospectus with the RoC, published a pre- offer advertisement, in the form prescribed under the SEBI ICDR Regulations, all editions of Financial Express (a widely circulated English national daily newspaper), all and editions of Jansatta (a widely circulated Hindi national daily newspaper) and all editions of the Pratahkal, a Marathi daily newspaper (Marathi being the regional language of Maharashtra, each with wide circulation.

In the pre- offer advertisement, we shall state the Bid/ Offer Opening Date and the Bid/ Offer Closing Date. This advertisement, subject to the provisions of Section 30 of the Companies Act, shall be in the format prescribed in Part A of Schedule X of the SEBI ICDR Regulations.

Signing of Underwriting Agreement and filing of Prospectus with the RoC

Our Company and the Selling Shareholders intend to enter into an Underwriting Agreement with the Underwriters on or after the determination of the Offer Price. After signing the Underwriting Agreement, the Company will file the Prospectus with the RoC. The Prospectus would have details of the Offer Price, Anchor Investor Offer Price, Offer size and underwriting arrangements and would be complete in all material respects.

General Instructions

Please note that QIBs and Non-Institutional Bidders are not permitted to withdraw their Bid(s) or lower the size of their Bid(s) (in terms of quantity of Equity Shares or the Bid Amount) at any stage. RIBs can revise their Bid(s) during the Bid Period and withdraw or lower the size of their Bid(s) until Bid/Offer Closing Date. Anchor Investors are not allowed to withdraw their Bids after the Anchor Investor Bid Period.

Do's:

1. Check if you are eligible to apply as per the terms of the Prospectus and under applicable law, rules, regulations, guidelines and approvals;
2. Ensure that your PAN is linked with Aadhaar and you are in compliance with Central Board of Direct Taxes notification dated February 13, 2020 and press release dated June 25, 2021, September 17, 2021, March 30, 2022 and March 28, 2023.
3. All Bidders (other than Anchor Investors) should submit their Bids through the ASBA process only;
4. Ensure that you have Bid within the Price Band;
5. Read all the instructions carefully and complete the Bid cum Application Form in the prescribed form;
6. Ensure that you (other than the Anchor Investors) have mentioned the correct details of ASBA Account (i.e. bank account number or UPI ID, as applicable) in the Bid cum Application Form if you are not a UPI Bidder in the Bid cum Application Form and if you are a UPI Bidder ensure that you have mentioned the correct UPI ID (with maximum length of 45 characters including the handle), in the Bid cum Application Form;
7. Ensure that your Bid cum Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the relevant Bidding Centre (except in case of electronic Bids) within the prescribed time. Bidders (other than Anchor Investors) shall submit the Bid cum Application Form in the manner set out in the General Information Document;
8. UPI Bidders Bidding in the Offer shall ensure that they use only their own ASBA Account or only their own bank account linked UPI ID to make an application in the Offer and not ASBA Account or bank account linked UPI ID of any third party
9. UPI Bidders not using the UPI Mechanism, should submit their Bid cum Application Form directly with SCSBs and/or the designated branches of SCSBs;
10. Ensure that you mandatorily have funds equal to the Bid Amount in the ASBA Account maintained with the SCSB before submitting the ASBA Form to the relevant Designated Intermediaries;
11. Ensure that the signature of the first Bidder in case of joint Bids, is included in the Bid cum Application Forms. If the first Bidder is not the ASBA Account holder, ensure that the Bid cum Application Form is also signed by the ASBA Account holder;
12. Ensure that the names given in the Bid cum Application Form is/are exactly the same as the names in which the beneficiary account is held with the Depository Participant. In case of joint Bids, the Bid cum Application Form should contain the name of only the first Bidder whose name should also appear as the first holder of the beneficiary account held in joint names;
13. Ensure that you request for and receive a stamped acknowledgement in the form of a counterfoil or acknowledgment specifying the application number as a proof of having accepted the Bid cum Application Form for all your Bid options from the concerned Designated Intermediary;
14. Ensure that you submit the revised Bids to the same Designated Intermediary, through whom the original Bid was placed and obtain a revised acknowledgment.
15. Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of the circular no. MRD/DoP/Cir-20/2008 dated June 30, 2008 issued by SEBI, may be exempt from specifying their PAN for transacting in the securities market, (ii) Bids by persons resident in the state of Sikkim, who, in terms of the circular dated July 20, 2006 issued by SEBI, may be exempted from specifying their PAN for transacting in the

securities market, and (iii) persons/entities exempt from holding a PAN under applicable law, 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 beneficial 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;

16. Ensure that thumb impressions and signatures other than in the languages specified in the Eighth Schedule to the Constitution of India are attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal;
17. Ensure that the category and the investor status is indicated in the Bid cum Application Form to ensure proper upload of your Bid in the electronic Bidding system of the Stock Exchanges;
18. Ensure that in case of Bids under power of attorney or by limited companies, corporates, trust, etc., relevant documents including a copy of the power of attorney, if applicable, are submitted;
19. Ensure that Bids submitted by any person outside India is in compliance with applicable foreign and Indian laws;
20. However, Bids received from FPIs bearing the same PAN shall not be treated as multiple Bids in the event such FPIs utilise the MIM Structure and such Bids have been made with different beneficiary account numbers, Client IDs and DP IDs.
21. 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;
22. Since the Allotment will be in dematerialised form only, ensure that the depository account is active, the correct DP ID, Client ID, UPI ID (for UPI Bidders Bidding through UPI mechanism) and the PAN are mentioned in their Bid cum Application Form and that the name of the Bidder, the DP ID, Client ID, UPI ID (for UPI Bidders Bidding through UPI mechanism) and the PAN entered into the online IPO system of the Stock Exchanges by the relevant Designated Intermediary, as applicable, matches with the name, DP ID, Client ID, UPI ID (for UPI Bidders Bidding through UPI mechanism) and PAN available in the Depository database;
23. In case of QIBs and NIIs, ensure that while Bidding through a Designated Intermediary, the ASBA Form 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);
24. Ensure that you have correctly signed the authorisation / undertaking box in the Bid cum Application Form, or have otherwise provided an authorisation to the SCSB or the Sponsor Banks, 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 at the time of submission of the Bid. In case of UPI Bidders submitting their Bids and participating in the Offer through the UPI Mechanism, ensure that you authorise the UPI Mandate Request, including in case of any revision of Bids, raised by the Sponsor Banks for blocking of funds equivalent to Bid Amount and subsequent debit of funds in case of Allotment;
25. Ensure that the Demographic Details are updated, true and correct in all respects;
26. The ASBA Bidders shall use only their own bank account or only their own bank account linked UPI ID for the purposes of making Application in the Issue, which is UPI 2.0 certified by NPCI;
27. Bidders (except UPI Bidders) should instruct their respective banks to release the funds blocked in the ASBA account under the ASBA process. In case of RIBs, once the Sponsor Banks issues the Mandate Request, the RIBs would be required to proceed to authorize the blocking of funds by confirming or accepting the UPI Mandate Request to authorize the blocking of funds equivalent to application amount and subsequent debit of funds in case of Allotment, in a timely manner;
28. Bidding through UPI Mechanism 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, a UPI Bidder Bidding through UPI Mechanism shall be deemed to have verified the attachment containing the application details of the RIB Bidding through UPI Mechanism in the UPI Mandate Request and have agreed to block the entire Bid Amount and authorized the Sponsor Banks offer a request to block the Bid Amount specified in the Bid cum Application Form in his/her ASBA Account;

29. UPI Bidders should mention valid UPI ID of only the Bidder (in case of single account) and of the first Bidder (in case of joint account) in the Bid cum Application Form;
30. UPI Bidders who have revised their Bids subsequent to making the initial Bid should also approve the revised UPI Mandate Request generated by the Sponsor Banks to authorize blocking of funds equivalent to the revised Bid Amount and subsequent debit of funds in case of Allotment in a timely manner;
31. Bids by Eligible NRIs for a Bid Amount of less than ₹2.00 lakhs would be considered under the Retail Category for the purposes of allocation and Bids for a Bid Amount exceeding ₹2.00 lakhs would be considered under the Non-Institutional Category for allocation in the Issue;
32. UPI Bidders using UPI Mechanism through the SCSBs and mobile applications shall ensure that the name of the bank appears in the list of SCSBs which are live on UPI, as displayed on the SEBI website. RIBs shall ensure that the name of the app and the UPI handle which is used for making the application appears in Annexure 'A' to the SEBI circular no. SEBI/HO/CFD/DIL2/COR/P/2019/85 dated July 26, 2019; and
33. Ensure that you have accepted the UPI Mandate Request received from the Sponsor Banks prior to 12:00 p.m. of the Working Day immediately after the Bid/ Offer Closing Date.
34. The ASBA bidders shall ensure that bids above ₹5.00 lakhs, are uploaded only by the SCSBs.

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 Lot;
2. Do not submit a Bid using UPI ID, if you are not a UPI Bidder;
3. Do not Bid for a Bid Amount exceeding ₹2.00 lakhs (for Bids by RIBs) and ₹5.00 lakhs for Bids by Eligible Employees Bidding in the Employee Reservation Portion;
4. Do not Bid on another Bid cum Application Form and the Anchor Investor Application Form, as the case may be, after you have submitted a Bid to any of the Designated Intermediary;
5. Do not Bid/ revise the Bid amount to less than the Floor Price or higher than the Cap Price;
6. Do not pay the Bid Amount in cheques, demand drafts or by cash, money order, postal order or by stock invest;
7. Do not send Bid cum Application Forms by post; instead submit the same to the Designated Intermediary only;
8. Do not Bid at Cut-off Price (for Bids by QIBs and Non-Institutional Bidders);
9. Do not instruct your respective banks to release the funds blocked in the ASBA Account under the ASBA process;
10. Do not submit the Bid for an amount more than funds available in your ASBA account;
11. 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 Bidder;
12. 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;

13. 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);
14. Do not fill up the Bid cum Application Form such that the Equity Shares Bid for exceeds the Offer size and / or investment limit or maximum number of the Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations or under the terms of the Prospectus;
15. Do not Bid for Equity Shares more than specified by respective Stock Exchanges for each category;
16. In case of ASBA Bidders (other than UPI Bidders using UPI mechanism), do not submit more than one Bid cum Application Form per ASBA Account;
17. Do not make the Bid cum Application Form using third party bank account or using third party linked bank account UPI ID;
18. Anchor Investors should not bid through the ASBA process;
19. Do not submit the Bid cum Application Form to any non-SCSB bank or our Company;
20. Do not Bid on another Bid cum Application Form and the Anchor Investor Application Form, as the case may be, after you have submitted a Bid to any of the Designated Intermediaries;
21. Do not submit the GIR number instead of the PAN;
22. Anchor Investors should submit Anchor Investor Application Form only to the Book Running Lead Manager;
23. Do not Bid on a Bid cum Application Form that does not have the stamp of a Designated Intermediary;
24. If you are a QIB, do not submit your Bid after 3 p.m. on the QIB Bid/ Offer Closing Date;
25. 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. Retail Individual Bidders or Eligible Employees Bidding in the Employee Reservation Portion can revise or withdraw their Bids on or before the Bid/ Offer Closing Date;
26. Do not submit Bids to a Designated Intermediary at a location other than at the relevant Bidding Centres. If you are a UPI Bidder and are using UPI mechanism, do not submit the ASBA Form directly with SCSBs;
27. Do not submit the ASBA Forms to any Designated Intermediary that is not authorised to collect the relevant ASBA Forms or to our Company;
28. Do not submit incorrect details of the DP ID, Client ID, PAN and UPI ID details if you are a UPI Bidder. Further, do not provide details for a beneficiary account which is suspended or for which details cannot be verified to the Registrar to the Issue;
29. Do not submit the Bid without ensuring that funds equivalent to the entire Bid Amount are available for blocking in the relevant ASBA account;
30. Do not link the UPI ID with a bank account maintained with a bank that is not UPI 2.0 certified by the NPCI in case of Bids submitted by UPI Bidders using the UPI Mechanism;
31. Do not Bid if you are an OCB;
32. UPI Bidders using the incorrect UPI handle or using a bank account of an SCSB or a bank which is not mentioned in the list provided in the SEBI website is liable to be rejected; and
33. Do not submit more than one Bid cum Application Form for each UPI ID in case of UPI Bidders.
34. In case of ASBA Bidders (other than 3 in 1 Bids) Syndicate Members shall ensure that they do not upload any bids above ₹5.00 lakhs;

For helpline details of the Book Running Lead Manager pursuant to the SEBI circular bearing reference number 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, see “*General Information – Book Running Lead Managers*” on page 63.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

Grounds for Technical Rejection

In addition to the grounds for rejection of Bids on technical grounds as provided in the GID, 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 UPI Bidders 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 UPI Bidders 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 Banks);
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. ASBA Form by the RIBs by using third party bank accounts or using third party linked bank account UPI IDs;
10. 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;
11. GIR number furnished instead of PAN;
12. Bids by RIBs with Bid Amount of a value of more than ₹2.00 lakhs;
13. Bids by persons who are not eligible to acquire Equity Shares in terms of all applicable laws, rules, regulations, guidelines and approvals;
14. Bids accompanied by stock invest, money order, postal order or cash; and
15. Bids uploaded by QIBs after 4.00 pm on the QIB Bid/ Offer Closing Date and by Non-Institutional Bidders uploaded after 4.00 p.m. on the Bid/ Offer Closing Date, and Bids by RIBs uploaded after 5.00 p.m. on the Bid/ Offer Closing Date, unless extended by the Stock Exchanges. On the Bid/ Offer Closing Date, extension of time may be granted by the Stock Exchanges only for uploading Bids received from Retail Individual Bidders, after taking into account the total number of Bids received up to closure of timings for acceptance of Bid-cum-Application Forms as stated herein and as informed to the Stock Exchanges.

Further, in case of any pre-offer or post offer related issues regarding share certificates/demat credit/refund orders/unblocking etc., investors shall reach out to the Company Secretary and Compliance officer. For details of the Company Secretary and Compliance officer, see “*General Information*” beginning on page 60 of this Prospectus.

In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding three Working Days from the Bid/ Offer Closing Date, the Bidder shall be compensated at a uniform rate of ₹100 per day for the entire duration of delay exceeding three Working Days from the Bid/ Offer Closing Date by the intermediary responsible for causing such delay in unblocking. The Book Running Lead Manager shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. Further, Bidders 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 as amended pursuant to SEBI circular

SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, the SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 in case of delays in resolving investor grievances in relation to blocking/unblocking of funds.

For details of grounds for technical rejections of a Bid cum Application Form, please see the General Information Document.

Names of Entities Responsible for finalising the Basis of Allotment in a Fair and Proper Manner

The authorised employees of the Stock Exchange, along with the Book Running Lead Manager 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.

Issuance of a Confirmation Note (“CAN”) and Allotment in the Offers

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

Offer 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 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 Offer price of ₹86/- 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.

Method of Allotment as may be prescribed by Sebi from time to time

Our Company will not make any allotment in excess of the Equity Shares offered through this Offer document.

The allotment of Equity Shares to bidders other than to the RIBs, NIIs and Anchor Investors shall be on a proportionate basis within the respective investor categories and the number of securities allotted shall be rounded off to the nearest integer, subject to minimum allotment being equal to the minimum application size as determined and disclosed.

The allotment of Equity Shares to each Retail Individual Bidders shall not be less than the minimum bid lot, subject to the availability of shares in Retail Individual Bidders Portion and the remaining available shares, if any, shall be allotted on a proportionate basis. Further, not less than 15% of the Net offer shall be available for allocation to Non-Institutional Bidders in accordance with the SEBI ICDR Regulations. Further, the allocation to each Non-Institutional Investor shall not be less than Minimum NIB Application Size, subject to availability of Equity Shares in the Non-Institutional Portion and the remaining available Equity Shares, if any, shall be allocated on a proportionate basis.

Payment into Anchor Investor Escrow Accounts

Our Company and the selling shareholders in consultation with the Book Running Lead Manager will decide the list of Anchor Investors to whom the CAN will be sent, pursuant to which, the details of the Equity Shares allocated to them in their respective names will be notified to such Anchor Investors. For Anchor Investors, the payment instruments for payment into the Anchor Investor Escrow Account should be drawn in favor of:

- (a) In case of resident Anchor Investors: ***“Rikhav Securities Ltd IPO - Anchor Investor - R”***
- (b) In case of Non-Resident Anchor Investors: ***“Rikhav Securities Ltd IPO - Anchor Investor - NR”***

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 Offer to facilitate collections of Bid amounts from Anchor Investors.

Allotment Advertisement

Our Company, the BRLM and the Registrar shall publish an allotment advertisement before commencement of trading, disclosing the date of commencement of trading in all editions of Financial Express (a widely circulated English national daily newspaper), all and editions of Jansatta (a widely circulated Hindi national daily newspaper) and all editions of the Pratahkal, a Marathi daily newspaper (Marathi being the regional language of Maharashtra, where our Registered Office is located).

The information set out above is given for the benefit of the Bidders. Our Company, 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 Prospectus. Bidders are advised to make their independent investigations and ensure that the number of Equity Shares Bid for do not exceed the prescribed limits under applicable laws or regulations.

Depository Arrangements

The Allotment of the Equity Shares in the Offer shall be only in a dematerialised form, (*i.e.*, not in the form of physical certificates but be fungible and be represented by the statement issued through the electronic mode). In this context, tripartite agreements had been signed amongst our Company, the respective Depositories and the Registrar to the Offer:

- ❖ Tripartite agreement dated February 5, 2020, amongst our Company, CDSL and Link Intime India Private Limited.
- ❖ Tripartite agreement dated December 17, 2024 between our Company, NSDL and Link Intime India Private Limited.

Impersonation

Attention of the bidders is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, which is reproduced below:

“Any person who:

- a) *makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or*
- b) *makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or*
- c) *otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name,*

shall be liable for action under Section 447.”

The liability prescribed under Section 447 of the Companies Act, for fraud involving an amount of at least ₹10.00 lakhs or 1% 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 ₹10.00 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 ₹50.00 lakhs 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 Offer 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 the Stock Exchanges where the Equity Shares are proposed to be listed shall be taken within three Working Days of the Bid/ Offer Closing Date or such other period as may be prescribed;
- if Allotment is not made within the prescribed time period under applicable law, the entire subscription amount received will be refunded/unblocked within the time prescribed under applicable law. If there is delay beyond the prescribed time, our Company shall pay interest prescribed under the Companies Act, the SEBI ICDR Regulations and applicable law for the delayed period;
- the funds required for making refunds (to the extent applicable) as per the mode(s) disclosed shall be made available to the Registrar to the Offer by our Company;
- where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the unsuccessful Bidder within three Working Days from the Bid/ Offer Closing Date or such other 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;
- Promoters’ contribution, if any, shall be brought in advance before the Bid/ Offer Opening Date and the balance, if any, shall be brought in on a pro rata basis before calls are made on the Allottees;
- that if our Company does not proceed with the Offer after the Bid/ Offer Closing Date but prior to Allotment, the reason thereof shall be given as a public notice within two days of the Bid/ Offer Closing Date. The public notice shall be issued in the same newspapers where the pre-Offer advertisements were published. The Stock Exchanges shall be informed promptly;

Undertakings by the Selling Shareholders

Each Selling Shareholders severally and not jointly, in respect of itself as a Selling Shareholders and its portion of the Equity Shares offered by it in the Offer, undertakes the following in respect of itself and its respective portion of the Offered Shares:

- its Offered Shares are eligible for being offered in the Offer for Sale in terms of Regulation 8 of the SEBI ICDR Regulations;

- it shall provide reasonable cooperation to our Company in relation to the Offered Shares, (a) for the completion of the necessary formalities for listing and commencement of trading at the Stock Exchanges, and/ or (b) refund orders (if applicable);
- that it shall provide such reasonable assistance to our Company and the BRLMs in redressal of such investor grievances that pertain to the respective portion of the Offered Shares;
- it shall deposit its portion of Offered Shares in an escrow demat account in accordance with the Share Escrow Agreement;
- it is the legal and beneficial owner of the Offered Shares that such Offered Shares shall be transferred in the Offer, free from liens, charges and encumbrances; and
- it shall not have recourse to the proceeds of the Offer, which shall be held in escrow in its favour, until the final approval for listing and trading of the Equity Shares from the Stock Exchanges where listing is sought has been received.

Utilisation of Offer Proceeds

Our Board certifies that:

- Our Company and the Selling Shareholders, severally and not jointly, specifically confirm that all monies received out of the Offer 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.
- 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 Net Proceeds remains unutilized, under an appropriate separate 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 of our Company indicating the form in which such unutilized monies have been invested.

RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and FEMA. While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Under the Industrial Policy, unless specifically restricted, foreign investment is freely permitted in all sectors of the Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. The RBI and the concerned ministries/departments are responsible for granting approval for foreign investment. The Government has from time to time made policy pronouncements on foreign direct investment (“FDI”) through press notes and press releases. The DPIIT, issued the Consolidated FDI Policy Circular of 2020 (“FDI Policy”), which, with effect from October 15, 2020, subsumes and supersedes all press notes, press releases, clarifications, circulars issued by the DPIIT, which were in force as on October 15, 2020. The FDI Policy will be valid until the DPIIT issues an updated circular.

The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the RBI, provided that: (i) the activities of the investee Company are under the automatic route under the foreign direct investment policy and transfer does not attract the provisions of the SEBI 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.

On October 17, 2019, Ministry of Finance, Department of Economic Affairs, had notified the FEMA Rules, which had replaced the Foreign Exchange Management (Transfer and Issue of Security by a Person Resident outside India) Regulations 2017. Foreign investment in this Issue shall be on the basis of the FEMA Rules. 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, 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. Pursuant to the Foreign Exchange Management (Non-debt Instruments) (Fourth Amendment) Rules, 2020 issued on December 8, 2020, a multilateral bank or fund, of which India is a member, shall not be treated as an entity of a particular country nor shall any country be treated as the beneficial owner of the investments of such bank or fund in India.

As per the FDI policy, FDI in companies engaged in the wholesale trading sector, which is the sector in which our Company operates, is permitted up to 100% of the paid-up share capital of such Company under the automatic route.

As per the existing policy of the Government of India, OCBs cannot participate in this Issue. For further details, see “*Offer Procedure*” on page 273 of this Prospectus. Each Investor 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 Investor shall intimate our Company and the Registrar in writing about such approval along with a copy thereof within the Issue/ Period.

The Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the “U.S. Securities Act”), or the securities laws of any state of the United States and may not be offered or sold within the United States, except pursuant to exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, the Equity Shares are being offered and sold only outside the United States in offshore transactions in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers and sale occur.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction. 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 Issue 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 Investors. Our Company and the BRLM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Prospectus. Investors are advised to make their independent investigations, seek independent legal advice about its ability to participate in the Issue and ensure that the number of Equity Shares Issue for do not exceed the applicable limits.

SECTION XII – MAIN PROVISIONS OF THE ARTICLES OF ASSOCIATION

THE COMPANIES ACT, 2013

COMPANY LIMITED BY SHARES (Incorporated under the Companies Act, 1956)

ARTICLES OF ASSOCIATION*

OF

RIKHAV SECURITIES LIMITED

1. CONSTITUTION OF THE COMPANY

a. Table “F” not to apply but company to be governed by these Articles

No regulations contained in Table “F” of Schedule I to the Companies Act, 2013 (“**Table F**”) as are applicable to a public company limited by shares, shall apply to the Company except: (a) so far as they are not inconsistent with any of the provisions contained in these articles or modifications thereof; or (b) to the extent that there is no specific provision in these articles. In case of any conflict between the provisions of these articles and table F, the provisions of these articles shall prevail.

b. Applicability of Stock Exchange Regulations

Notwithstanding anything contained herein in these Articles, any inconsistency as to clause or time stipulated therein with the regulations and conditions of listing agreement of applicable stock exchanges, where the shares/securities of the Company are listed, shall stand modified so as to be consistent with the regulations and conditions of the listing agreement as amended from time to time.

Where any regulations and conditions as modified from time to time of any recognized stock exchange/s, which are required to be stipulated and included in the articles of association of a company at the time of listing of shares / securities or thereafter, these Articles shall stand to have been modified or amended so as to include such regulation and condition without further requirement of alteration of the Articles of Association of the Company.

DEFINITIONS AND INTERPRETATION

In the interpretation of these Articles the following expressions shall have the following meanings, unless repugnant to the subject or context:

THE ACT

“The Act” means the Companies Act, 2013 and the rules and regulations prescribed thereunder, as now enacted or as amended from time to time and shall include any statutory modification or re-enactment thereof for the time being in force.

ARTICLES

The “Articles” or “Articles of Association” means these articles of association of the Company or as altered from time to time.

BOARD OR BOARD OF DIRECTORS

“Board” or “Board of Directors” means the board of directors of the Company, as constituted from time to time.

CHAIRMAN/ CHAIRPERSON

“The Chairman/ Chairperson” means the Chairman/ Chairperson of the Board of Directors

THE COMPANY OR THIS COMPANY

“The Company” or “This Company” means **RIKHAV SECURITIES LIMITED**

RULES

Rules means the applicable rules for the time being in force as prescribed under relevant sections of the Act.

LAW

“Law/Laws” shall mean all applicable provisions of all (i) constitutions, treaties, statutes, laws (including the common law), codes, rules, regulations, circulars, ordinances or orders of any governmental authority and SEBI, (ii) governmental approvals, (iii) orders, decisions, injunctions, judgments, awards and decrees of or agreements with any governmental Authority, (iv) rules or guidelines for compliance, of any stock exchanges, (v) international treaties, conventions and protocols, and (vi) Indian GAAP or Ind-AS or any other generally accepted accounting principles.

MONTH

“Month” means a calendar month.

PERSONS

“Person” or “person” shall mean any natural person, limited or unlimited liability company, body corporate or corporation, limited liability partnership, partnership (whether limited or unlimited), proprietorship, voluntary association, joint venture, unincorporated organization Hindu undivided family, trust, union, association, government or any agency or political subdivision thereof or any other entity, whether incorporated or not, that whether acting in an individual, fiduciary or other capacity may be treated as a person under applicable law.

GENDER

Words importing one gender also include the other gender(s).

SINGULAR NUMBER

Words importing the singular number include, where the context admits or requires, the plural number, and vice versa.

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.

SEBI

“SEBI” shall mean the Securities and Exchange Board of India, constituted under the Securities and Exchange Board of India Act, 1992.

SEBI LISTING REGULATIONS

“Sebi Listing Regulations” shall mean the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, any statutory amendment thereto and any listing agreement entered into by the Company with the Stock Exchanges.

SECURITY OR SECURITIES

“Security” OR “Securities” shall mean any Share (including Equity Shares), scrips, stocks, bonds, debentures, warrants or options whether or not, directly or indirectly convertible into, or exercisable or exchangeable into or for Equity Shares, and any other marketable securities.

SHARE OR SHARES

“Share” or “shares” shall mean any share issued in the Share Capital of the Company, including Equity Shares and preference shares.

SHAREHOLDER OR SHAREHOLDERS OR MEMBER

“Shareholder” or “Shareholders” or “member” shall mean any shareholder of the Company, from time to time.

SHAREHOLDERS’ MEETING

“Shareholders’ Meeting” shall mean any meeting of the Shareholders of the Company, including Annual General Meetings as well as Extraordinary General Meetings, convened from time to time in accordance with the Act, applicable Laws and the provisions of these Articles.

STOCK EXCHANGES

“Stock Exchanges” shall mean Bombay Stock Exchange Limited, the National Stock Exchange of India Limited and any other stock exchange in India where the Securities are listed.

EXPRESSION IN THE ACT TO BEAR THE SAME MEANING IN ARTICLES

Unless the context otherwise requires, words and expressions contained in these Articles shall bear the same meaning as in the Act. In these Articles, all capitalized items not defined herein below shall have the meanings assigned to them in the other parts of these Articles when defined.

Words and expressions occurring, but not defined, in these Articles and defined in the Act, SCRA, SEBI Act or regulations/notifications/circulars issued by SEBI (from time to time) shall have the same meanings respectively assigned to them thereunder or in any statutory.

2. PUBLIC COMPANY

The company is a public company as defined in Section 2(71) of the Act.

3. #CAPITAL, SHARES AND CERTIFICATES

The Authorized Share Capital of the Company is as stated in the **Clause 5th** of the Memorandum of Association with the rights, privileges and conditions attached thereto as provided in law for the time being in force with powers to the Company to issue share capital as provided under Section 43 of the Act and Applicable Law and divide share capital for the time being of the Company into several classes / kinds (being those specified in the Act) and to attach thereto respectively such preferential, qualified, differential or special rights, privileges or conditions as may be determined by or in accordance with the law or the Articles of Association of the Company for the time being in force and to vary, modify or abrogate any such rights, privileges or conditions in such manner as may for the time being be permitted by the law for the time being in force or provided by the Articles of Association of the Company.

Subject to the provision of the Act and Rules Applicable Law and these articles, the Board may issue and allot shares, in such proportion and in the capital of the Company in consideration of payment for any property or assets of any kind whatsoever sold or transferred, goods or machinery supplied or for services rendered to the Company in the conduct of its business or as sweat equity or ESOP or any other scheme and any shares which may be so allotted may be issued as fully paid up or partly paid up otherwise than cash and if so issued shall be deemed to be fully paid or partly paid up shares as the case may be or otherwise dispose of the same or any of them to such person in such proportion and on such terms and conditions and either at a premium or at par and at such time as they may from time to time think fit.

a. Increase of Capital by the Company

The Company in general meeting may from time to time, by ordinary resolution, increase the capital by creation of new shares and of such aggregate amount and to be divided into shares of such respective amounts as the resolution shall prescribe. The new shares shall be issued upon such terms and conditions and with such rights and privileges annexed thereto as the resolution shall prescribe, and in particular, such shares may be issued with a preferential or qualified right to dividends and in the distribution of assets of the Company and with a right of voting at a general meeting of the Company in conformity with Sections 47 of the Act.

b. Issue of Securities

Subject to the provisions of the Act and the rules and other applicable laws the Company shall have the right to issue any kind of shares/ securities / warrants having such rights as to conversion, redemption or otherwise and other terms and conditions and for consideration in cash or in consideration of any property or asset of any kind wherever sold or transferred goods or machinery supplied or for services rendered to the Company in the conduct of its business.

c. Preference Shares

Subject to the provisions of the Act, the Board shall have the power to issue or re-issue preference shares of one or more class which are liable to be redeemed or converted into equity shares on such terms and conditions and in such manner as may be determined by the Board in accordance with the Act and the Rules.

d. Shares under the control of the Board

Subject to the Section 62 of the Act and these Articles, the shares in the capital of the Company for the time being (including any shares forming part of any increased capital of the Company) shall be under the control of the Board who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions either at a premium or at par or at a discount (subject to the compliance with the provision of Section 53 of the Act) and at such times as it may from time to time think fit and proper, and with full power of the sanction of the Company in General Meeting, to give to any Person the option or right to call for any shares either at par or at a premium during such time and for such consideration as the Board thinks fit, and may issue and allot shares in the capital of the Company on payment in full or part of any property sold and transferred or for any services rendered to the Company in the conduct of its business and any shares which may be so allotted may be issued as fully paid up shares and is so issued, shall be deemed to be fully paid up shares.

Provided that the option or right to call of shares shall not be given to any persons except with the sanction of the Company in General Meeting.

e. Purchase / Buy Back of Shares

Notwithstanding anything contained in these Articles but subject to all applicable provisions of the Act or any other laws for the time being in force, the Company shall be entitled to purchase its own shares or other specified securities on such terms as deemed fit by way of a buy- back arrangement, in accordance with Sections 68, 69 and 70 of the Act, the Rules and subject to compliance with the applicable Laws.

f. Reduction of capital

The Company may (subject to the provisions of Section 52, 55, 66, 67and/or other applicable provisions, if any, of the Act) from time to time by special resolution, reduce (a) its share capital, (b) any capital redemption, reserve account, or (c) any share premium account in any manner and with and subject to any incidents, authorise the consent required by law and in particular capital may be paid off on the footing that it may be called up again or otherwise. The Article is not to derogate from any power the Company would have if it were omitted.

g. Consolidation, Division, Sub-Division and Cancellation of Shares

Subject to the provisions of the Article and Section 61 of the Act, the Company in general meeting may from time to time by an ordinary resolution in General Meeting g from time to time, a alter the conditions of its Memorandum as follows that is to say:

- (a) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;
- (b) sub-divide its shares, or any of them into shares of smaller amount than is fixed by the Memorandum, so however, that in the sub-division, the proportion between the amount paid and the amount, if any, unpaid on each reduced share shall be the same as it was in the case of the share from which the reduced share is derived;
- (c) Cancel shares which, at the date of the passing of the resolution in that behalf, have not been taken or agreed to be taken by any person, and diminish the amount of its share capital by the amount of the shares so cancelled. A cancellation of shares in pursuance of this sub-clause shall not be deemed to be a reduction of share capital within the meaning of the Act.

h. Modification of Rights

- (i) Whenever the capital, by reason of the issue of shares including preference shares or otherwise, is divided into different classes of shares, all or any of the rights and privileges attached to each class may, subject to the provisions of Section 48 of the Act, be varied, modified, commuted, affected or abrogated, or dealt with, with the consent in writing of the holders of not less than three-fourths of the issued capital of that class or with the sanction of a special resolution passed at a separate general meeting of the holders of shares of that class, and all the provisions hereafter contained as to general meetings shall, mutatis mutandis, apply to every such meeting. This Article, is not to derogate from any power the Company would have if this Article was omitted.
- (ii) The rights conferred upon the holders of the shares (including preference shares, if any) of any class issued with preferred or other rights or privileges shall, unless otherwise expressly provided by the terms of the offer of shares of that class, be deemed not to be modified, commuted, affected, abrogated, dealt with or varied by the creation or issue of further shares ranking paripassu there with. This Article, is not to derogate from any power the Company would have if this Article was omitted.

i. Issue of Further Shares Not to Affect Rights of Existing Members

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 paripassu therewith. This Article, is not to derogate from any power the Company would have if this Article was omitted.

j. Further Issue of Shares/Securities

A further issue of shares/securities may be made in any manner whatsoever as the Board may determine including by way of preferential offer, private placement, rights issue, bonus issue, pursuant to employee stock options, sweat equity or in any other manner as permitted by the Act and at such time as the Board may from time-to-time think fit.

k. Issue of Shares to Employees

Subject to applicable rules and regulation, the Board may issue and allot shares/securities as sweat equity or under employees stock option scheme. The Board is authorised absolutely at its sole discretion to determine the terms and conditions of issue of such shares and modify the same from time to time.

l. Liability of Members

Every member, or his heirs, executors or administrators to the extent of his assets which come to their hands, shall be liable to pay to the Company the portion of the capital represented by his share or shares which may, for the time being, remain unpaid thereon in such amounts, at such time or times, and in such manner as the Board of Directors shall from time to time, in accordance with the Company's regulations, require or fix for the payment thereof.

m. Registers to be Maintained by the Company

The Company shall, in terms of the provisions of Section 88 of the Act, cause to be kept the following registers in terms of the applicable provisions of the Act:

- (I) A Register of Members indicating separately for each class of Equity Shares and preference shares held by each Shareholder residing in or outside India.
- (II) A register of Debenture holders; and
- (III) A register of any other security holders.

The Company may keep in any country outside India, a part of the registers referred above, called "foreign register" containing names and particulars of the Shareholders, Debenture holders or holders of other Securities or beneficial owners residing outside India.

The registers mentioned in this Article shall be kept and maintained in the manner prescribed under the Companies (Management and Administration) Rules, 2014.

n. Share Certificates

- (a) The Company shall cause to be kept a register of members in accordance with Section 88 of the Act and the Depositories Act, with the details of the shares held in Dematerialized forms in any medium as may be permitted by law including in any form of electronic medium.

Every person whose name is entered as a member in the register of members shall be entitled to receive, within two months after allotment (or within such other period as the conditions of issue shall provide), or within fifteen days after the application for the registration of transfer or transmission is received by the Company, without payment, certificate for all the shares registered in his name, every share certificate specifying the name of the person in whose favour it is issued, the share certificate number and the distinctive number(s) of the shares to which it relates and the amount paid up thereon. Such certificate shall be issued only in pursuance of a resolution passed by the Board and on surrender to the Company of its letter of allotment or its fractional coupons of requisite value, save in case of issues against letters of acceptance or of renunciation or in cases of issue of bonus shares provided that if the letter of allotment is lost or destroyed, the Board may impose such reasonable terms, if any, as it thinks fit, as to evidence and indemnity and the payment of out of pocket expenses incurred by the Company in investigating the evidence.

- (b) Certificate of title to shares shall be issued and shall be signed in conformity with the provisions of the Companies (Share Capital and Debentures) Rules, 2014 or any statutory modification or re-enactment thereof for the time being in force. Printing of blank forms to be used for issue of share certificates and maintenance of books and documents relating to issue of share certificates shall be in accordance with the provisions of aforesaid rules. Such certificates of title to shares shall be completed and kept ready for delivery within two months after the allotment unless the conditions of issue of shares provide otherwise.
- (c) Any two or more joint allottees or holders of share shall, for the purpose of this Article, be treated as a single member and the certificate of any share, which may be the subject of joint ownership, may be delivered to any one of such joint owners on behalf of all of them. 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 the certificate for a share to one of several joint shareholders shall be sufficient delivery to all such holder.

o. Fractional Certificates

- (a) If and whenever, as a result of issue of new shares on consolidation or sub-division of shares, any member becomes entitled to any fractional part of a share, the Board may subject to the provisions of the Act and these Articles and to the directions, if any, of the Company in General Meeting: -
- (i) Issue to such member fractional certificate or certificates representing such fractional part. Such fractional certificate or certificates shall not be registered, nor shall they bear any dividend until exchanged with other fractional certificates for an entire share. The Directors may, however, fix the time within which such fractional certificates are to be exchanged for an entire share and may extend such time and if at the expiry of such time, any fractional certificates shall be deemed to be canceled and the Directors shall sell the shares represented by such canceled fractional certificates for the best price reasonably obtainable or
- (ii) Sell the shares represented by all such fractional parts for the best price reasonably obtainable.
- (b) In the event of any shares being sold, in pursuance of sub-clause (a) above, the Company shall pay and distribute to and amongst the persons entitled, in due proportion the net sale proceeds thereof.
- (c) For the purpose of giving effect to any such sale, the Board may authorise any person to transfer the shares sold to the purchaser thereof, comprised in any such transfer and he shall not be bound to see to the application of purchase money nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the same.
- (d) The provisions of the foregoing Articles relating to issue of certificates shall mutatis mutandis apply to issue of certificates for any other securities including debentures (except where the Act otherwise requires) of the Company.
- (e) Notwithstanding the above, the Board shall have power to make such provision, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, for the case of shares/securities becoming distributable in fractions.

p. Renewal of Share Certificate

No certificate of any share or shares shall be issued either in exchange for those which are sub-divided or consolidated or in replacement of those which are defaced, torn, or old, decrepit, worn out, or where the pages on the reverse for recording transfers have been duly utilised unless the certificate in lieu of which it is issued is surrendered to the Company.

Provided that no fee shall be charged for issue of new certificates in replacement of those which are old, decrepit or worn out or where the pages on the reverse for recording transfers have been fully utilised.

Provided further that in case of any share certificate being lost or destroyed or if there be no further space on the bank for endorsement of transfer, the Company may issue a duplicate certificate in place of the certificate so lost or destroyed on such terms as to evidence out of pocket expenses in regard to investigation of such evidence and on execution of indemnity as the Board may determine.

The Company shall issue certificates or receipts or advices, as applicable, of subdivision, split, consolidation, renewal, exchanges, endorsements, issuance of duplicates thereof or issuance of new certificates or receipts or advices, as applicable, in cases of loss or old decrepit or worn-out certificates or receipts or advices, as applicable within a period of thirty days from the date of such lodgement.

Provided that notwithstanding what is stated above, the Board shall comply with such rules or regulation or requirements of any stock exchanges or the rules made under the Act or rules made under the Securities Contracts (Regulation) Act, 1956 or any other Act, or rules applicable thereof in this behalf.

The provisions of the foregoing Articles relating to issue of certificates shall mutatis mutandis apply to issue of certificates for any other securities including debentures (except where the Act otherwise requires) of the Company.

q. Company not bound to recognize any Interest in Share other than Registered Holder

Except as ordered by a Court of competent jurisdiction or as by law required the Company shall not be bound to recognise any equitable, contingent, future or partial interest in any share, or (except only as is by these Articles expressly provided) any right in respect of a share other than an absolute right thereto/ in accordance with these Articles, in the person whose name appears in the Register of Members as holder of shares or whose name appears as the beneficial owner of the shares in the records of the depository, but the Board shall be at liberty at their sole discretion to register any share in the joint names of any two or more persons or the survivor or survivors of them.

4. Company entitled to Dematerialise its Shares and Securities

Notwithstanding anything contained in the Articles of Association, the Company shall be entitled to dematerialize its shares, debenture and other securities in a dematerialised form held in the Depositories and/or to offer its fresh Securities in a dematerialized form pursuant to the Depositories Act, and the rules framed thereunder, if any.

If a Person opts to hold his Securities with a Depository, the Company shall intimate such Depository the details of allotment of the Securities and on receipt of the information, the Depository shall enter in its record the name of the allottee as the Beneficial Owner of the Securities.

All Securities held by a Depository shall be dematerialized and be held in fungible form. Nothing contained in Sections 88, 89 and 186 of the Act shall apply to a Depository in respect of the Securities held by it on behalf of the Beneficial Owners.

Subject to the applicable provisions of the Act, the Company may exercise an option to issue, dematerialize, hold the securities (including shares) with a Depository in electronic form and the certificates in respect thereof shall be dematerialized, in which event the rights and obligations of the parties concerned and matters connected therewith or incidental thereto shall be governed by the provisions of the Depositories Act.

The Company shall further be entitled to maintain a Register of Members with the details of members holding shares/securities both in material and dematerialised form in any media as permitted by law including any form of electronic media.

5. GENERAL AUTHORITY

Where in the Act, it has been provided that a company shall have any right, privilege or authority or that a company could carry out any transactions only if such company is so authorized by its articles of association, in every such case this Articles of Association hereby authorizes and empowers the Company, its Board, its Directors and/or its members to have such right, privilege or authority and to carry out such transaction as have been permitted by the Act without there being any specific provision in that behalf herein. Following are a few illustrations of such rights, privileges, authorities and transactions as set out with relevant Section numbers from the Act:

Section 40: to pay commission on issue of shares and debentures

Section 43: to issue shares with differential voting rights

Section 48: to alter rights of holders of special class of shares

Section 50: to accept amount on share capital although not called up

Section 51: to pay dividend in proportion to amount paid-up

Section 55: to issue preference shares.

Section 61: to alter the share capital of the company

Section 42: to issue shares on preferential basis

Section 62: to further issue shares/securities

Section 63: to issue bonus shares

Section 68: to buy back the shares of the Company

Section 88: to keep foreign register of members of debenture holders

Section 161: to appoint additional, alternate and nominee directors

The above authority does not include rights, privileges, authorities under Section 163 of the Act.

6. POWER TO PAY COMMISSION IN CONNECTION WITH SECURITIES ISSUED

The Company may exercise the powers of paying commissions conferred by the Act, to any person in connection with the subscription to its securities, provided that the rate per cent or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by the Act and the Rules.

The rate or amount of the commission shall not exceed the rate or amount prescribed in the Act and the Rules.

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.

7. BROKERAGE

The Company may on any issue of shares, debentures or any other securities pay such brokerage or commission as may be prescribed under the Act.

8. CALLS

a. Board May Make Calls

Subject to the provisions of Section 49 of the Act, the Board of Directors may, from time to time, by a resolution passed at a meeting of the Board (and not by a circular resolution) make such calls as it thinks fit upon the members in respect of moneys unpaid on the shares, whether on account of the nominal value of the shares or by way of premium, held by them respectively and not by conditions of allotment thereof made payable at fixed times and each member shall pay the amount of every call so made on him to the person or persons and at the

times and places appointed by the Board of Directors. A call may be made payable by installments. A call may be postponed or revoked as the Board may determine at any time.

b. Notice of Calls

At least Fourteen (14) days' notice in writing of any call shall be given by the Company specifying the time and place of payment, and the person or persons to whom such call shall be paid provided that before the time for payment of such call, the Board may revoke or postpone the same.

c. Calls to take Effect from the Date of Resolution

A call shall be deemed to have been made at the time when the resolution authorising such call was passed at a meeting of the Board of Directors and may be made payable by the members whose names appear on the Register of Members on such date or at the discretion of the Board on such subsequent date as shall be fixed by the Board of Directors.

d. Calls on Shares of Same Class to be On Uniform Basis

All calls shall be made on a uniform basis on all shares falling under the same class.

Explanation: Shares of different class having the same nominal value on which different amounts have been paid-up shall not be deemed to fall under the same class.

e. Board may Extend Time

The Board of Directors may, from time to time at its discretion, extend the time fixed for the payments of any call, and may extend such times as to all or any of the members who, on account of residence at a distance or other cause, the Board of Directors may deem fairly entitled to such extension, but no member shall be entitled to such extension as of right except as a matter of grace and favour.

f.Amount Payable at Fixed time or by Instalments to be Treated as Calls

If by the terms of issue of any share or otherwise any amount is made payable at any fixed time or by installments at fixed time (whether on account of the amount of the share or by way of premium) every such amount or installment shall be payable by the person who for the time being and from time to time is or shall be the registered holder of the shares or legal representative of a deceased registered shareholder, as if it were a call duly made by the Board and of which due notice has been given and all the provisions herein contained in respect of calls shall apply to such amount or installment accordingly.

g. Deposit and Call, etc. to be Debt Payable

The money (if any) which the Board of Directors shall, on the allotment of any shares being made by them, require or direct to be paid by way of deposit, call or otherwise, in respect of any shares allotted by them, shall, immediately on the inscription of the name of the allottee in the register of members as the name of the holder of such shares, become a debt due to and recoverable by the Company from the allottee thereof, and shall be paid by him accordingly.

h. Interest on Call or Installment

If the sum payable in respect of any call or installment is not paid on or before the day appointed for the payment thereof, the holder for the time being or allottee of the share in respect of which the call shall have been made or the installment shall be due, shall pay interest on the same at the rate as may be determined by the Board from the due date appointed for the payment thereof till the time of actual payment. However, the Board may waive payment of such interest wholly or in part. In case of non-payment, all the relevant provisions of these Articles as to payment of call, interest, expenses, forfeiture or otherwise shall apply as if such sum became payable by virtue of a call duly made and notified.

i.Partial Payment not to Preclude Forfeiture

Neither a judgment nor a decree in favour of the Company for calls or other moneys due in respect of any shares nor any part payment or satisfaction thereof nor the receipt by the Company of a portion of any money which shall from time-to-time be due from any member in respect of any shares either by way of principal or interest

nor any indulgence granted by the Company in respect of payment of any such money shall preclude the forfeiture of such shares as herein provided.

j. Payment in Anticipation of Calls may Carry Interest

- (a) The Board of Directors may, if it thinks fit, subject to the provisions of the Act, agree to and receive from any member willing to advance the same, all or any part of the amount due upon the shares held by him beyond the sums actually called for and upon the moneys so paid in advance or upon so much thereof, from time to time, and at any time thereafter as exceeds the amount of the calls then made upon and due in respect of the shares on account of which such advances are made, the Company may pay or allow interest, at such rate as may be decided by the Board according to the provisions of the Act. The Board of Directors may agree to repay at any time any amount so advanced or may at any time repay the same upon giving to such members three months' notice in writing.
- (b) No member paying any such sum in advance shall be entitled to voting rights or dividend or to participate in profits in respect of the moneys so paid by him until the same would but for such payment, become presently payable.

The provisions of these Articles relating to calls on shares shall mutatis mutandis apply to any other securities including debentures of the Company.

9. LIEN

(a) Company to have Lien on Shares/ Debentures

The Company shall have a first and paramount lien upon all shares/debentures (other than fully paid up shares/debentures) registered in the name of each member (whether solely or jointly with others) and upon the proceeds of sale thereof, for all moneys (whether presently payable or not), called or payable at a fixed time in respect of such shares/debentures and no equitable interests in any such share/debentures shall be created except upon the footing and condition that this Article is to have full legal effect. Any such lien shall extend to all dividends and bonuses from time to time declared in respect of shares/ debentures.

Unless otherwise agreed, the registration of a transfer of such shares/ debentures shall operate as a waiver of the Company's lien if any, on such shares/ debentures. PROVIDED THAT the Board of Directors may, at any time, declare any share/ debentures to be wholly or in part exempt from the provisions of this Article.

(b) As to Enforcing Lien by Sale

The Company may sell, in such manner as the Board thinks fit, any shares on which the Company has a lien for the purpose of enforcing the same. 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. For the purpose of such sale the Board may cause to be issue a duplicate certificate in respect of such shares and may authorise one of the members to execute a transfer thereof on behalf of and in the name of such members.

(c) Transfer of Shares sold under Lien

- (1) To give effect to any such sale, the Board may authorise some person to transfer the shares sold to the purchaser thereto;
- (2) The Purchaser shall be registered as the holder of the shares comprised in any such transfer;
- (3) The receipt of the Company for the consideration (if any) given for the share on the sale thereof shall (subject, if necessary, to execution of an instrument of transfer or a transfer by relevant system, as the case may be) constitute a good title to the share and the purchaser shall be registered as the holder of the share.

- (4) 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.

(d) Application of proceeds of sale

- (1) The net proceeds of any such sale shall be received by the Company and applied in or towards such part of the amount in respect of which the lien exists as is presently payable, and
- (2) The residue, if any, shall be paid to the person entitled to the shares at the date of the sale (subject to a like lien for sums not presently payable as existed on the share before the sale).

(e) Outsider's lien not to affect company's lien

In exercising its lien, the Company shall be entitled to treat the registered holder of any share as the absolute owner thereof and accordingly shall not (except as ordered by a court of competent jurisdiction or unless required by any statute) be bound to recognize any equitable or other claim to, or interest in, such share on the part of any other person, whether a creditor of the registered holder or otherwise. The Company's lien shall prevail notwithstanding that it has received notice of any such claim.

The provisions of these Articles relating to lien shall mutatis mutandis apply to any other securities including debentures of the Company.

10. JOINT HOLDERS

a. The First Named of Joint Holders Deemed Sole Holder

If any share stands in the names of two or more persons, first named in the register shall, as regards receipts of dividends or bonus or service of notices and all or any other matter connected with the Company, except voting at meeting and the transfer of the shares, be deemed the sole holder thereof but the joint holder of a share shall, severally as well as jointly, be liable for the payment of all installments and calls due in respect of such share, and for all incidents thereof according to the Company's regulations.

Where two or more persons are registered as the holders of any share, they shall be deemed (so far as the Company is concerned) to hold the same as joint tenants with benefit of survivorship subject to the following and other provisions contained in these articles: -

b. Not More than Four

- (a) The Company shall not be bound to register more than four persons as the holders of any share.
- (b) The joint holders of any share shall be liable severally as well as jointly for and in respect of all installments, calls and other payments which ought to be made in respect of such share.

c. Title of Survivors

On the death of any of such joint holder the survivor or survivors shall be the only person or persons recognised by the Company as having any title to the share but the Board may require such evidence of death as it may deem fit and nothing herein contained shall be taken to release the estate of a deceased joint holder from any liability on shares held by him jointly with any other person.

d. Receipt of One Sufficient

Any one of such joint holders may give effectual receipts of any dividends or other moneys payable in respect of such share.

e. Delivery of Certificate and Giving of Notice

Only the person whose name stands first in the Register of Members as one of the joint holders of any share unless otherwise directed by all of them in writing shall be entitled to delivery of certificate relating to such share or to receive any documents from the Company and any document served on or sent to such person shall be deemed service on all the joint holders.

The provisions of these Articles relating to joint holders of shares shall mutatis mutandis apply to any other securities including debentures of the Company registered in joint names.

11. FORFEITURE OF SHARES

a. If Money Payable on Shares not Paid Notice to be Given to Member

If any member fails to pay any call or any installment of a call on or before the day appointed for the payment of the same or any such extension thereof as aforesaid, the Board of Directors may, at any time thereafter, give notice to him requiring him to pay the same together with any interest that may have accrued and all expenses that may have been incurred by the Company by reason of such non-payment.

b. Allotment Money Shall be Deemed to be a Call

For the purpose of provisions of these presents relating to forfeiture of shares, the sum payable upon allotment in respect of a share shall be deemed to be a call payable upon such share on the day of allotment.

c. Effect of Nonpayment of Sums

In case of non-payment of such sum, all the relevant provisions of these Articles as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.

d. Form of Notice

The notice shall name a day (not being less than fourteen (14) days from the date of the notice) and a place or places on and at which such call or installment and such interest thereon at such rate and expenses as aforesaid are to be paid. The notice shall also state that, in the event of the non-payment at or before the time and at the place appointed the shares in respect of which the call was made or installment is payable will be liable to be forfeited.

e. In Default of Payment Shares to be Forfeited

If the requirements of any such notice as aforesaid shall not be complied with, every or any share in respect of which such notice has been given may at any time thereafter before payment of all calls or installments interest and expenses due in respect thereof, be forfeited by a resolution of the Board of Directors to that effect. Such forfeiture shall include all dividends declared or any other moneys payable in respect by the forfeited shares and not actually paid before the forfeiture. Neither the receipt by the Company of a portion of any money which shall from time to time be due from any member to the Company in respect of his shares, either by way of principal or interest, nor any indulgence granted by the Company in respect of payment of any such money, shall preclude the Company from thereafter proceeding to enforce a forfeiture of such shares as herein provided.

f. Notice of forfeiture to a member

When any share shall have so forfeited, notice of the forfeiture shall be given to the member in whose name it stood immediately prior to the forfeiture, and an entry of the forfeiture, with the date thereof, shall forth with be made in the Register of Members, but no forfeiture shall be in any manner invalidated by any omission or neglect to give such notice or to make any such entry as aforesaid.

g. Forfeited Share to be the Property of the Company and may be sold etc.

Any share so forfeited, shall be deemed to be the property of the Company and may be sold, re-allotted or otherwise disposed of, either to the original holder or to any other person, upon such terms and in such manner as the Board of Directors shall think fit.

h. Cancellation of Forfeiture

At any time before a sale or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.

i. Member Still Liable to Pay Money Owing at the Time of Forfeiture and Interest

Any member whose shares have been forfeited shall, notwithstanding the forfeiture, be liable to pay, and shall forthwith pay to the Company on demand all calls, installments, interest and expenses owing upon or in respect of such shares at the time of the forfeiture together with interest thereon from the time of forfeiture until payment, at such rate not exceeding twelve (12) per cent per annum as the Board of Directors may determine and the Board of Directors may enforce the payment of such moneys or any part thereof, if they think fit, but shall not be under any obligation so to do.

j. Effect of Forfeiture

The forfeiture of a share shall involve extinction at the time of the forfeiture of all interest in, and all claims and demands against the Company in respect of the share, and all other rights incidental to the share, except only such of those rights as by these Articles are expressly saved.

k. Validity of Forfeiture

- 1) A duly verified declaration in writing that the declarant is a Director, the Managing Director or the Manager or Secretary of the Company, and that a share in the Company has been duly forfeited in accordance with these Articles, on a date stated in the declaration shall be conclusive evidence of the facts stated as against all persons claiming to be entitled to the share;
- 2) The Company may receive the consideration if any, given for the share on any sale, re-allotment or other disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of;
- 3) The person to whom such share, is sold, re-allotted or disposed of shall thereupon be registered as the holder of the share;
- 4) Any such purchaser or allottee shall not (unless by express agreement) be liable to pay any calls, amounts, installments, interest and expenses owing to the Company prior to such purchase or allotment nor shall be entitled (unless by express agreement) to any of the dividends, interest and bonuses accrued or which might have accrued upon the share before the time of completing such purchase or before such allotment.
- 5) Such purchaser or allottee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale re-allotment or other disposal of the share.

l. Cancellation of Share Certificates in Respect of Forfeited Shares

Upon any sale, re-allotment or other disposal under the provisions of the preceding Articles, the certificates originally issued in respect of the relative shares shall (unless the same shall on demand by the Company have been previously surrendered to it by the defaulting member) stand cancelled and become null and void and of no effect, and the Board shall be entitled to issue a new certificate in respect of the said shares to the persons entitled thereto.

m. Validity of Sales

Upon any sale after forfeiture or for enforcing a lien in exercise of the powers hereinabove given, the Board may, if necessary, appoint some person to execute an instrument for transfer of the shares sold and cause the purchaser's name to be entered in the register of members in respect of the shares sold and after his name has been entered in the register of members in respect of such shares, the validity of the sale shall not be impeached by any person.

12. SURRENDER OF SHARES

The Board may, subject to the provisions of the Act, accept a surrender of any share from or for any member desirous of surrendering on such terms as they think fit.

The provisions of these Articles relating to forfeiture of shares shall mutatis mutandis apply to any other securities including debentures of the Company.

13. TRANSFER AND TRANSMISSION OF SHARES

a. Instrument of Transfer to be Executed by Transferor and Transferee

- 1) For shares in physical form, the instrument of transfer of any share in the Company shall be duly executed by or on behalf of both the transferor and transferee.
- 2) 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.
- 3) The instrument of transfer shall be in writing and all the provisions of Section 56 of the Act and of any statutory modification thereof for the time being shall be duly complied with in respect of all transfers of shares and the registration thereof.

b. Board May Refuse to Register Transfer

Subject to the provisions of Sections 58 and 59 of the Act, these Articles and other applicable provisions of the Act or any other law for the time being in force, the Board may, refuse to register the transfer of, or the transmission by operation of law of the right to, any securities or interest of a shareholder in the Company. Further, subject to the provisions of Section 56 of the Act and section 22A and other relevant provisions of the Securities Contracts (Regulation) Act, 1956, as amended, the Board may, at its absolute and uncontrolled discretion and by giving reasons, decline to register or acknowledge any transfer of shares whether fully paid or not and the right of refusal shall not be affected by the circumstances that the proposed transferee is already a shareholder of the Company. The Board shall, within one month from the date on which the instrument of transfer, or the intimation of such transmission, as the case may be, was delivered to the Company, send a notice of refusal to the transferee and transferor or to the person giving notice of such transmission, as the case may be, giving reasons for such refusal.

Provided that, registration of a transfer shall not be refused on the ground of the transferor being either alone or jointly with any other Person or Persons indebted to the Company on any account whatsoever except where the Company has a lien on shares. Transfer of shares / debentures in whatever lot shall not be refused.

c. Board May Decline to Recognize Instrument of Transfer

The Board may decline to recognize any instrument of transfer unless –

- a) the instrument of transfer is duly executed and is in the form as prescribed in the Rules made under the Act;
- 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.
- d) Nothing contained in Section 56 of the Act or these Articles shall apply to a transfer of Securities effected by transferor and transferee both of whom are entered as Beneficial Owners in the records of a Depository. In the case of transfer or transmission of shares or other Securities where the Company has not issued any certificates and where such shares or Securities are being held in any electronic or fungible form in a Depository, the provisions of the Depositories Act shall apply.
- e) Provisions of Articles to apply to Shares held in Depository:

Except as specifically provided in these Articles, the provisions relating to joint holders of shares, calls, lien on shares, forfeiture of shares and transfer and transmission of shares shall be applicable to shares held in Depository so far as they apply to shares held in physical form subject to the provisions of the Depositories Act.

- f) Certificate Number and other details of Securities in Depository:

Nothing contained in the Act or these Articles regarding the necessity of having certificate number/distinctive numbers for Securities issued by the Company shall apply to Securities held with a Depository

d. Transfer of Shares When Suspended

On giving of previous notice of at least seven (7) days or such lesser period in accordance with the Act 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 (30) days at any one time or for more than forty- five (45) days in the aggregate in any year.

e. Transfer of Partly Paid Shares

Where the application is made by the transferor and relates to partly paid shares, the transfer shall not be registered, unless the Company gives notice of the application to the transferee and the transferee makes no objection to the transfer within two weeks from the date of receipt of the notice.

f. Transfer to Minors, etc.

- (a) No share shall in any circumstances be transferred to an insolvent or a person of unsound mind.
- (b) A minor may be admitted and registered as a member of the Company in respect of any fully paid-up share or shares in his or her name. The father or the mother of a minor or a guardian appointed by a competent court shall have a right to represent and act for the minor in all respects including voting and/or giving proxy in respect of any share or shares held by such minor.

g. The Company Not Liable for Disregard of a Notice Prohibiting Registration of a Transfer

The Company shall incur no liability or responsibility whatever in consequence of its registering or giving effect to any transfer of shares made or purporting to be made by any apparent legal owner thereof as shown or appearing in the register of members to the prejudice of persons having or claiming any equitable right, title or interest to or in the said shares, notwithstanding that the Company may have had notice of such equitable right, or referred thereto in any book of the Company and the Company shall not be bound or required to regard or attend or give effect to any notice which may be given to it of any equitable right, title or interest, or be under any liability whatsoever for refusing or neglecting so to do, though it may have been entered or referred to in some books of the Company, but the Company shall nevertheless be at liberty to regard and attend to any such notice, and give effect thereto if the Board of Directors shall so think fit.

h. Title to Shares of Deceased Member

The executors or administrators of a deceased member or the holder of a succession certificate or the legal representatives in respect of the shares of a deceased member (not being one of two or more joint holders) shall be the only persons recognised by the Company as having any title to the shares registered in the names of such members, and the Company shall not be bound to recognise such executors or administrators or holders of a succession certificate or the legal representatives unless such executors or administrators or legal representatives shall have first obtained Probate or Letters of Administration, or Succession certificate, as the case may be, from a duly constituted Court in the Union of India provided that in any case where the Board of Directors in its absolute discretion thinks fit, the Board may upon such terms as to indemnity or otherwise as the Directors may deem proper dispense with production of Probate or Letters of Administration or Succession Certificate and register under this Article the name of any person, who claims to be absolutely entitled to the shares standing in the name of a deceased member, as a member.

i. Title to Shares on Death of a Member

On the death of a member, the survivor or survivors where the member was a joint holder, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only persons recognized by the Company as having any title to his interest in the shares.

j. Estate of Deceased Member Liable

Nothing 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.

k. Transmission Clause

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.

l. Indemnity to the Company

The Company shall be fully indemnified by such person from all liability, if any, by actions taken by the Board to give effect to such registration or transfer.

m. Board's Right Unaffected

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.

n. No Fee on Transfer or Transmission

No fee shall be charged for registration of transfer, grant of probate, Succession Certificate and Letters of Administration, Certificates of Death or Marriage, Power of Attorney or similar other documents.

Notwithstanding anything contained in the Articles of Association, in the case of transfer of shares or other marketable securities, where the Company has not issued any certificates and where such shares or securities are being held in an electronic and fungible form, the provisions of the Depositories Act, 1996, shall apply.

The provisions of these Articles relating to transfer & transmission of shares shall mutatis mutandis apply to any other securities including debentures of the Company.

14. MEETINGS OF MEMBERS

a. Annual General Meeting

The Company shall in each year holding addition to any other meetings, a general meeting as its annual general meeting, except in the case where any extension of time for holding any annual general meeting is granted/availed under applicable laws. Not more than 15 (fifteen) months shall elapse between the date of one annual general meeting of the Company and that of the next. Nothing contained in the foregoing provisions shall be taken as affecting the right conferred upon the registrar under the provisions of Section 96 of the Act to extend the time within which any annual general meeting may be held. Every annual general meeting shall be called during business hours on a day that is not a national holiday and shall be held either at the registered office or at some other place within the city in which the office of the Company is situated through video conferencing or audio-visual means or teleconferencing /permitted mode, as the Board may determine.

b. Extraordinary General Meeting

All general meetings other than annual general meeting shall be called extra-ordinary general meeting.

The Board may, whenever they think fit, convene an extra-ordinary general meeting.

The Board shall on the requisition of such number of members of the Company as is specified in Section 100 of the Act, forthwith proceed to call an extra-ordinary general meeting of the Company and in respect of any such requisition and of any meeting to be called pursuant thereto, all other provisions of Section 100 of the

Act shall for the time being apply through video conferencing or audio-visual means or teleconferencing/permitted mode.

c. Calling General Meeting

A general meeting of the Company may be convened by giving not less than clear 21 (twenty-one) days' notice either in writing or through electronic/permitted mode in such manner as prescribed under the Act, provided that a general meeting may be called after giving a shorter notice if consent is given in writing or by electronic mode:(a) in the case of an annual general meeting, by not less than 95% (ninety-five percent) of the members entitled to vote at such meeting, and (b) in the case of any other general meeting, by members holding, majority in number of members entitled to vote and who represent not less than 95% (ninety-five percent) of such part of the paid-up share capital of the Company as gives a right to vote at such meeting. Provided further that where any member is entitled to vote only on some resolution or resolutions to be moved at a general meeting and not on the others, that member shall be taken into account for the abovementioned purposes, in respect of the former resolution(s) and not in respect of the latter.

Notice of every general meeting shall be given to the members and to such other person or persons as required by and in accordance with Section 101 and 102 of the Act and it shall be served in the manner authorized by Section 20 of the Act.

The accidental omission to give notice of any meeting to or the non-receipt of any notice by any member or other person to whom it should be given shall not invalidate the proceedings at the meeting or the resolutions passed thereat.

d. Nature of Business

The ordinary business of an annual general meeting shall be to receive and consider the financial statements and the report of the Board and of the auditors, to reappointment of Directors retiring by rotation, to appointment of auditors and to declare dividends. All other business transacted at such meeting and all business transacted at an extra ordinary meeting shall be deemed special.

e. Quorum

- 1) 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.
- 2) No business shall be discussed or transacted at any general meeting except election of Chairperson whilst the chair is vacant.
- 3) The quorum for a general meeting shall be as provided in the Act.

f. Chairman of General Meeting

The chairman of the Board shall be entitled to take the chair at every general meeting, whether annual or extraordinary. If there be no such chairman of the Board, or if at any meeting he shall not be present within fifteen minutes of the time appointed for holding such meeting or if he shall be unable or unwilling to take the chair then the members present shall elect another Director as chairman, and if no Director be present or if all the Directors present decline to take the Chair, then the members present shall elect one of the members to be the chairman of that meeting.

g. Business Confined to Election of Chairman Whilst Chair Vacant

No business shall be discussed at any general meeting except the election of a Chairman whilst the chair is vacant.

h. Chairman May Adjourn Meeting

- (1) The Chairman may, suo moto, adjourn the meeting from time to time and from place to place.
- (2) In the event a quorum as required herein is not present within 30 (thirty) minutes of the appointed time, then subject to the provisions of Section 103 of the Act, the general meeting shall stand adjourned to the same place and time 7 (seven) days later, provided that the agenda for such adjourned general meeting shall

remain the same. The said general meeting if called by requisitionists under Section 100 of the Act (read with provisions of these Articles) shall stand cancelled.

- (3) No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.
- (4) When a meeting is adjourned for thirty (30) days or more, notice of the adjourned meeting shall be given as in the case of an original meeting.
- (5) The required quorum at any adjourned general meeting shall be the same as that required at the original general meeting.
- (6) Save as aforesaid, it shall not be necessary to give any notice of an adjournment of or of the business to be transacted at any adjourned meeting.

i. Chairman's Declaration of Result of Voting on Show of Hands

A declaration by the Chairman that on a show of hands, a resolution has or has not been carried either unanimously or by a particular majority, and an entry to that effect in the books containing the minutes of the proceedings of the Company shall be conclusive evidence of the fact, without proof of the number or proportion of votes in favour or against such resolution.

j. Chairman's Casting Vote

In the case of an equality of votes, the chairman shall both on a show of hands and a poll (if any) have a second or casting vote in addition to the vote or votes to which he may be entitled as a member.

k. Voting Through Electronic Means

A member may exercise his vote at a meeting by electronic means in accordance with the Act and shall vote only once.

l. Members Paying Money in Advance Not to be Entitled to Vote in Respect Thereof

A member paying the whole or a part of the amount remaining unpaid on any share held by them although no part of that amount has been called up, shall not be entitled to any voting rights in respect of the moneys so paid by him until the same would but for such payment become presently payable.

m. Number of Votes to Which Member Entitled

- (i) Subject to the provisions of the Act and these Articles and without prejudice to any special privileges or restrictions as to voting for the time being attached to any class of shares for the time being forming part of the capital of the Company, every Member, shall be entitled to vote in the manner prescribed under the Act and Articles.
- (ii) Subject to the provisions of this Act and this Articles any person entitled under the Transmission Clause to any shares may vote at any general meeting in respect thereof as if he was the registered holder of such shares, provided that at least 48 (forty eight) hours before the time of holding the meeting or adjourned meeting as the case may be, at which he proposes to vote, he shall duly satisfy the Board of his right to such shares unless the Board shall have previously admitted his right to vote at such meeting in respect thereof.
- (iii) Any member shall enjoy the same rights and be subject to the same liabilities as all other members of the same class.

n. Voting in Person or by Proxy

The instrument appointing a proxy and/or the power of attorney or other authority, if any, under which it is signed or a notarized copy of that power or authority, shall be deposited at the registered office of the Company not less than 48 (forty eight) 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 (twenty

four) hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as valid.

Any member entitled to attend and vote at a general meeting may do so either personally or through his constituted attorney or through another person as a proxy on his behalf, for that meeting.

An instrument appointing a proxy shall be in the form as prescribed under the Act and the rules framed thereunder.

The proxy so appointed shall have no right to speak at the meeting.

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.

Unless specifically provided as part of terms of preference shares, the preference shares shall not confer on the holders thereof the right to vote either in person or by proxy at any general meeting of the Company save to the extent and in the manner provided by Section 47(2) of the Act.

o. Members in Arrears Not to Vote

No members shall exercise any voting right in respect of any shares registered in his name on which any calls or other sums presently payable by him have not been paid or in regard to which the Company has and has exercised any right of lien.

p. Minutes of Proceedings of Meetings and Resolutions Passed by Postal Ballot

The Company shall cause minutes of the proceedings of every general meeting of any class of members or creditors and every resolution passed by postal ballot to be prepared and signed in such manner as may be prescribed under the Act and the Rules

q. Inspection of Minute Books of General Meeting

The books containing the minutes of the proceedings of any general meeting of the Company or a resolution passed by postal ballot shall:

- a) be kept at the registered office of the Company; and
- b) be open to inspection of any member without charge, during 2 p.m. (IST) to 4.30 p.m. (IST) on all working days.

r. Members May Obtain Copy of Minutes

Any member shall be entitled to be furnished, within the time prescribed by the Act, after he has made a request in writing in that behalf to the Company and on payment of such fees as may be fixed by the Board, with a copy of any minutes of general meetings:

Provided that a member who has made a request for provision of a soft copy of the minutes of any previous general meeting held during the period immediately preceding three financial years, shall be entitled to be furnished with the same free of cost.

s. Powers to Arrange Security at Meetings

The Board, and also any person(s) authorized by it, may take any action before the commencement of any general meeting, or any meeting of a class of members in the Company, which they may think fit to ensure the security of the meeting, the safety of people attending the meeting, and the orderly conduct of the meeting. Any decision made in good faith under this Article shall be final, and rights to attend and participate in the meeting concerned shall be subject to such decision.

15. DIRECTORS

a. Number of Directors

- (a) Until otherwise determined by a general meeting of the Company and subject to the provisions of Section 149 of the Act, the number of Directors (excluding Debenture Directors, Government Directors, Ex-officio Directors, if any) shall be not less than 3 and not more than 15. However, maximum number can exceed 15 by passing special resolution as required under the Act.
- (b) The first Directors of the Company were:
 - 1. Mr. Brijmohan S. Agarwal,
 - 2. Mr. Santkumar B. Agarwal,
 - 3. Mr. Basantkumar Agarwal
- (c) It shall not be necessary for a Director to hold any share in the Company.

b. Directors Not Liable to Retire by Rotation

The shareholders/ members shall have the power to determine the Directors whose period of office is or is not liable to determination by retirement of Directors by rotation subject to compliance of the Act and the Rules made thereunder. Each of them shall be entitled to hold the office until he resigns on his own accord.

Subject to provisions of the relevant laws and these Articles, not less than 2/3rd of the total number of Directors for the time being shall be those whose period of office is liable for determination of retirement by rotation save as otherwise expressly provided in this Act, be appointed by the company in general meeting. For the purposes of this article, the total number of Directors shall not include independent directors, Nominee Director, whether appointed under the Act or any other law for the time being in force, on the Board.

The Directors to retire by rotation at every annual general meeting shall be those who have been longest in office since their last appointment, but as between persons who became Directors on the same day, those who are to retire shall, in default of and subject to any agreement among themselves, be determined by lot. Further this will also be governed by the provisions of Listing Regulations.

A retiring Director shall be eligible for re-election.

c. Same Individual May be Chairperson and Managing Director/ Chief Executive Officer

The same individual may, at the same time, be appointed as the Chairperson of the Company as well as the Managing Director or Chief Executive Officer of the Company.

d. Appointment of Alternate Director

The Board may appoint an Alternate Director to act for a Director (hereinafter called “the original Director”) during his absence for a period of not less than three months from the India which meetings of the Board are ordinarily held. Every such Alternate Director shall, subject to his giving to the Company an address in India at which notice may be served on him, be entitled to notice of meeting of Board and to attend and vote as a Director and be counted for the purposes of a quorum and generally at such meetings to have and exercise all powers and duties and authorities of the original Director. The Alternate Director appointed under this Article shall vacate office as and when original Director returns to the India. If the terms of office of the original Director is determined before he returns to the India, any provision in the Act or in this Article for the automatic re-appointment of retiring Director in default of another appointment shall apply to the original Director and not to the Alternate Director.

e. Appointment of Special Director

- (i) The Company shall, subject to the provisions of the Act, be entitled to agree with the Central or State Government, or any person, firm, corporation or authority that he or it shall have the right to appoint his or its nominees on the Board of Directors of the Company upon such terms and conditions as the Directors may deem fit. Such nominees and their successors in office appointed under this Article shall be called Special Directors. Special Directors shall be entitled to hold office until requested to retire by authority, person, firm or corporation who may have appointed them and will not be bound to retire by rotation. As

and whenever a Special Director vacates office, whether upon request as aforesaid or by death, resignation or otherwise, the authority, person, firm or corporation who appointed such Special Director may, if the agreement so provides, appoint another Director in his place.

- (ii) The Special Directors, appointed under sub-clause (i) above, shall be entitled to hold office until requested to retire by the person, firm or corporation who may have appointed them and will not be bound to retire by rotation. As and whenever a Special Director vacates office whether upon request as aforesaid or by death, resignation or otherwise, the person, firm or corporation who have appointed such special Director may appoint any other Director in his place. The Special Director may at any time by notice in writing to the Company resign his office. Subject as aforesaid a Special Director shall be entitled to the same rights and privileges and be subject to the same obligations as any other Director of the Company.

f. Appointment of Debenture Directors

Any Trust Deed for securing debentures or debenture stocks may, if so agreed, provide for the appointment, from time to time, by the Trustees thereof, or by the holders of debentures or debenture stocks, of some person to be a Director and may empower such Trustees or holder of debentures or debentures stocks, from time to time, to remove and re-appoint any Director so appointed. The Director so appointed under this Article herein referred to as "Debenture Director" and the term "Debenture Director" means the Director for the time being in office under this Article. The Debenture Director shall not be liable to retire by rotation or be removed by the Company. The Trust Deed may contain such ancillary provision as may be agreed between the Company and the Trustees and all such provisions shall have effect notwithstanding any of the other provisions herein contained.

g. Appointment of Nominee Directors

- (i) Notwithstanding anything to the contrary contained in these Articles, so long as any money remain owing by the Company to financial institutions, financing company or body or credit corporation, out of any loans granted by them to the Company or so long as the financial institution, financing company or body corporate or Credit Corporation (each of the financial institutions, financing company or body or credit corporation is hereinafter in this Article referred to as "The Corporation") continue to hold debentures in the Company by direct subscription or private placement, or so long as the Corporation holds shares in the Company as result of underwriting or direct subscription or so long as any liability of the Company arising out of any guarantee furnished by the Corporation on behalf of the Company remains outstanding, the Corporation shall have a right to appoint from time to time, any person or persons as a Director or Directors, wholetime or non-wholetime, (which Directors or Directors is/are hereinafter referred to as "Nominee Director/s") on the Board of the Company and to remove from such office any person or persons so appointed and to appoint any person or persons in his or their place/s in terms of the agreement executed with such Corporation/ provisions of the respective statute/ or otherwise agreed to by the Board.
- (ii) The Board of Directors of the Company shall have no power to remove from office the Nominee Director/s. At the option of the Corporation, such Nominee Director/s shall not be required to hold any share qualification in the Company. Also, at the option of the Corporation, such Nominee Director/s shall not be liable to retirement by rotation of Directors. Subject as aforesaid, the Nominee Director/s shall be entitled to the same rights and privileges and be subject to the same obligations as any other Director of the Company.
- (iii) The Nominee Director/s so appointed shall hold the said office only so long as any money remain owing by the Company to the Corporation or so long as the Corporation holds Debentures in the Company as result of direct subscription or private placement or so long as the Corporation holds shares in the Company as a result of underwriting or direct subscription or the liability of the Company arising out of the Guarantee is outstanding and the Nominee Director/s so appointed in exercise of the said power shall ipso facto vacate such office immediately the money owing by the Company to the Corporation are paid off or on the Corporation ceasing to hold debentures/shares in the Company or on the satisfaction of the liability of the Company arising out of the Guarantee furnished by the Corporation.
- (iv) The Nominee Director/s appointed under this Article shall be entitled to receive all notices of and attend to General Meetings, Board Meetings and of the Meetings of the Committee of which the Nominee Director/s is/are member/s as also the minutes of such meetings. The Corporation shall also be entitled to receive all such notices and minutes.

- (v) The Company shall pay to the Nominee Director/s sitting fees and expenses to which the other Directors of the Company are entitled, but if any other fees, commission, money or remuneration in any form is payable to the Directors of the Company, the fees, commission, money and remuneration in relation to such Nominee Director/s shall accrue to the Corporation and same shall accordingly be paid by the Company directly to the Corporation.
- (vi) Any expenses that may be incurred by the Corporation or such Nominee Director/s in connection with their appointment or Directorship shall also be paid or reimbursed by the Company to the Corporation or, as the case may be, to such Nominee Director/s. Provided that if any such Nominee Director/s is an officer of the Corporation, the sitting fees in relation to such Nominee Director/s shall also accrue to the Corporation and the same shall accordingly be paid by the Company directly to the Corporation or as per rules and regulations/or agreement entered into with such corporation
- (vii) In the event of the Nominee Director/s being appointed as Whole-time Director/s, such Nominee Director/s shall exercise such powers and have such rights as are usually exercised or available to a whole-time Director in the management of the affairs of the Company. Such Wholetime Director/s shall be entitled to receive such remuneration, fees, commission and money as may be approved by the Corporation.

h. Directors May Fill Vacancies

The Directors shall have power at any time and from time to time to appoint any person to be a Director to fill a casual vacancy. Such casual vacancy shall be filled by the Board of Directors at a meeting of the Board. Any person so appointed shall retain his office only upto the date upto which the Director in whose place he is appointed would have held office, if it had not been vacated as aforesaid but he shall then be eligible for re-election.

i. Appointment of Additional Directors

The Directors shall also have power at any time and from time to time to appoint any other person to be a Director as an addition to the Board under Section 161 of the Act but so that the total number of Directors shall not at any time exceed the maximum fixed. Any person so appointed as an addition to the Board shall retain his office only upto the date of the next annual general meeting but shall be eligible for election at such meeting.

j. Appointment of Other Directors

The Board shall appoint Woman Director and Independent Director in the manner required under the provisions of Act and other applicable laws.

k. Appointment of Managing Director or Managing Director(S) Or Whole Time Director or Whole Time Director(S)

Subject to the provisions of Section 196 / 203 and other applicable provisions of the Act and these Articles, the Board shall have power to appoint or reappoint from time to time Managing Director or Managing Directors or whole time Director or whole time Directors of the Company for such term not exceeding five years at a time as they may think fit to manage the affairs and business of the Company and may from time to time (subject to the provisions of any contract between him or them and the Company) remove or dismiss or reappoint him or them from office and appoint another or others in his or their place or places.

16. REMUNERATION OF DIRECTORS

- 1) The remuneration of the Directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day-to-day.
- 2) The remuneration payable to the Directors, including any managing or whole-time director or manager, if any, shall be determined, in accordance with and subject to the provisions of the Act.
- 3) In addition to the remuneration payable to them in pursuance of the Act, the Directors may be paid all travelling, hotel, sitting fees 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
 - c) Subject to the provisions of the Act, every Director shall be paid out of the funds of the Company such sum as the Board may from time to time determine for attending every meeting of the Board or any committee of the Board, subject to the ceiling prescribed under the Act.
- 4) 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.

17. PROCEEDING OF THE BOARD OF DIRECTORS

a. Meetings of Directors

- (a) The conducting of Meetings of the Board of Directors is governed by Secretarial Standards issued by ICSI and approved by the Ministry of Corporate Affairs.
- (b) A meeting of the Board of Directors shall be held at least four (4) times every year and not more than 120 days shall lapse between two (2) Board meetings.
- (c) No business shall be conducted at any meeting of the Directors unless a quorum is present. The quorum for the meeting of the Board shall be one third of its total strength or 2 (two) Directors, whichever is higher, and the participation of the Directors by video conferencing or by other audio-visual means or any other means (to the extent permitted under the Act and the rules framed thereunder or otherwise provided by the Ministry of Corporate Affairs), in each case from time to time, shall also be counted for the purposes of quorum, provided that where at any time the number of interested Directors is equal to or exceeds two-thirds of the total strength of the Board, the number of remaining Directors, that is to say the number of Directors who are not interested and present at the meeting being not less than 2 (two), shall be the quorum during such time.
- (d) If quorum is found to be not present within 30 (thirty) minutes from the time when the meeting should have begun or if during the meeting, valid quorum no longer exists, the meeting shall be reconvened at the same time and at the same place 7 (seven) days later. At the reconvened meeting, the Directors present and not being less than 2 (two) persons shall constitute the quorum and may transact the business for which the meeting was called and any resolution duly passed at such meeting shall be valid and binding on the Company.

b. When Meeting to be Convened

- i) The Chairperson or any one Director with the previous consent of the Chairperson may, or the company secretary on the direction of the Chairperson shall, at any time, summon a meeting of the Board.
- ii) The participation of Directors in a meeting of the Board may be either in person or through video conferencing or audio-visual means or teleconferencing, as may be prescribed by the Rules or permitted under law.

c. Quorum

The quorum for the Board meeting shall be as provided above.

d. Chairman

The Chairperson of the Company shall be the Chairperson at meetings of the Board. In his/her absence, the Board may elect a chairperson of its meetings and determine the period for which he is to hold office. If no such Chairperson is elected, or if at any meeting the Chairperson is not present within fifteen minutes after the time appointed for holding the meeting, the Directors present may choose one of the Directors to be Chairperson of the meeting.

e. Questions At Board Meeting How Decided

Subject to provisions of the Act, questions arising at any meeting of the Board shall be decided by a simple majority of votes, and in case of equality of votes, the chairman shall have second or casting vote.

f. Circular Resolution

Save as otherwise expressly provided in the Act, a resolution in writing, signed, whether manually or by secure electronic mode, by a majority of the members of the Board or of a Committee thereof, for the time being entitled to receive notice of a meeting of the Board or Committee, shall be valid and effective as if it had been passed at a meeting of the Board or Committee, duly convened and held provided that a draft of such resolution together with the information required to make a fully-informed good faith decision with respect to such resolution and appropriate documents required to evidence passage of such resolution, if any necessary papers, if any, was sent to all of the Directors or members of the committee (as the case may be) at their addresses registered with the Company in India by hand delivery or by post or by courier, or through such electronic means as may be prescribed under the Act, and has been approved by a majority of the Directors or members who are entitled to vote on the resolution.

g. Acts of Board or Committee Valid Notwithstanding Defect in Appointment

All acts, done by any meeting of the Board or by a Committee of the Board or by any person acting as a Director shall, notwithstanding that it shall afterwards be discovered that there was some defect in the appointment of one or more of such Directors or any person acting as aforesaid, or that they or any of them were disqualified or had vacated office or that the appointment of any of them is deemed to be terminated by virtue of any provisions contained in the Act or in these Articles, be as valid as if every such person had been duly appointed and was qualified to be a Director. Provided nothing in this Article shall be deemed to give validity to acts done by a director after his appointment has been shown to the Company to be invalid or to have been terminated.

Every Director shall at the first meeting of the Board in which he participates as a Director and thereafter at the first meeting of the Board in every financial year or whenever there is any change in the disclosures already made, then the first meeting held after such change, disclose his concern or interest in any company, companies or bodies corporate, firms or other associations of individuals which shall include the shareholding in such manner as may be prescribed under the Act and the rules framed thereunder.

h. General Powers of the Company Vested in Board

The management of the business of the Company shall be vested in the Board and the Board may exercise all such powers, and do all such acts and things, as the Company is by the memorandum of association or otherwise authorized to exercise and do, and, not hereby or by the statute or otherwise directed or required to be exercised or done by the Company in general meeting but subject nevertheless to the provisions of the Act and other laws and of the memorandum of association and these Articles and to any regulations, not being inconsistent with the memorandum of association and these Articles or the Act, from time to time made by the Company in general meeting provided that no such regulation shall invalidate any prior act of the Board which would have been valid if such regulation had not been made. The Board shall also undertake the corporate social responsibility activities under the provisions of the Act.

The Board may at any time and from time to time by authority letter, board resolution, power of attorney or otherwise appoint any person or persons to be the authorized persons, delegates or attorneys of the Company for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Board) and for such periods and subject to such conditions as the Board may from time to time think fit, and may contain powers enabling such authorized persons, delegates or attorneys as aforesaid to sub-delegate/authorise all or any of the powers, authorities and discretions for the time being vested in them.

i. Borrowing Powers

Subject to the provisions of the Act and these Articles, the Board of Directors may, from time to time at its discretion by a resolution passed at a meeting of the Board, borrow money from time to time including but not limited to fund based and non-fund based credit facilities from Bankers and other eligible lenders, loans, fixed deposits etc. for the purpose of the business of the Company to be secured in such manner and upon such terms and conditions as the Board of Directors may think fit.

j. Issue of Debentures

The Board has power to issue debentures of various kinds from time to time.

The Board may, from time to time, at its discretion raise for the purpose of the Company's business such of money as they think fit. The Board may raise any such sums as aforesaid by the issue, at such price as it may think fit, of debentures of debentures-stock, either charged upon the whole or any part of the property and assets of the Company or not so charged or in such other way as the Board may think expedient.

k. Delegate Powers

Subject to the provisions of the Act including Section 179, as applicable, the Board may, from time to time, and at any time, delegate to any persons so appointed any of the powers, authorities, and discretions for the time being vested in the Board, other than its power to make calls or to make loans or borrow moneys; and to authorise the member for the time being of any such Local Board, or any of them, to fill up any vacancies therein and to act notwithstanding vacancies, and such appointment or delegation may be made on such terms subject to such conditions as the Board may think fit, and the Board may at any time remove any person so appointed, and may annul or vary any such delegation.

18. BOARD MAY APPOINT COMMITTEES

- i) The Board of Directors may subject to the provisions of Section 179 and other relevant provisions of the Act and of these Articles appoint committee of the Board, and delegate any of the powers other than the powers to make calls and to issue debentures to such committee or committees and may from time to time revoke and discharge any such committees of the Board either wholly or in part and either as to the persons or purposes, but every committee of the Board so formed shall in exercise of the powers so delegated conform to any regulation that may from time to time be imposed on it by the Board of Directors. All acts done by any such committee of the Board in conformity with such regulations and in fulfillment of the purpose of their appointment, but not otherwise, shall have the like force and effect, as if done by the Board.
- ii) The participation of Directors in a meeting of the Committee may be either in person or through video conferencing or audio-visual means or teleconferencing, as may be prescribed by the Rules or permitted under law.

a. Chairman of Committee of Directors

- i) Committee may elect a chairperson of its meetings unless the Board, while constituting a committee, has appointed a Chairperson of such Committee.
- 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.

b. Functioning of the Committee

- 1) A Committee may meet and adjourn as it thinks fit.
- 2) Questions arising at any meeting of a Committee shall be determined by a simple majority of votes of the members present.
- 3) In case of an equality of votes, the Chairperson of the Committee shall have a second or casting vote.

19. CHIEF EXECUTIVE OFFICER, MANAGER, COMPANY SECRETARY AND CHIEF FINANCIAL OFFICER

Subject to the provisions of the Act;

- i) A chief executive officer, manager, company secretary and chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any chief executive officer, manager, company secretary and chief financial officer so appointed may be removed by means of a resolution of the Board; the Board may appoint one or more chief executive officers for its multiple businesses.

ii) A director may be appointed as chief executive officer, manager, company secretary or chief financial officer.

The Board shall have the power to appoint an individual as the chairperson of the Company as well as the managing director or chief executive officer of the Company at the same time.

A whole-time director / chief financial officer / company secretary of the Company are severally authorised to sign any document or proceeding requiring authentication by the Company or any contract made by or on behalf of the Company.

Any 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.

20. STATUTORY REGISTERS

The Company shall keep and maintain at its registered office all statutory registers namely, register of charges, register of members, register of debenture holders, register of any other security holders, the register and index of beneficial owners and annual return, register of loans, guarantees, security and acquisitions, register of investments not held in its own name and register of contracts and arrangements for such duration as the Board may, unless otherwise prescribed, decide, and in such manner and containing such particulars as prescribed by the Act and the Rules. The registers and copies of annual return shall be open for inspection during 11.00 a.m. to 1.00 p.m. on all working days, other than Saturdays, at the registered office of the Company only by the persons entitled thereto under the Act, on payment, where required, of such fees as may be fixed by the Board but not exceeding the limits prescribed by the Rules. Subject to aforesaid the Board shall have a power to refuse inspection to any other person, at its discretion.

21. FOREIGN REGISTERS

The Company may exercise the powers conferred on it by the Act with regard to the keeping of a foreign register; and the Board may (subject to the provisions of the Act) make and vary such Articles as it may think fit respecting the keeping of any such register. The foreign register shall be open for inspection and may be closed, and extracts may be taken there from and copies thereof may be required, in the same manner, mutatis mutandis, as is applicable to the register of members.

22. DIVIDENDS AND RESERVE

i. Company in general meeting may declare dividends.

The Company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board but the Company in general meeting may declare a lesser dividend.

ii. Interim dividends

Subject to the provisions of the Act, the Board may from time-to time pay to the members such interim dividends of such amount on such class of shares and at such times as it may think fit.

iii. Dividends only to be paid out of profits

The Board may, before recommending any dividend, set aside out of the profits of the Company such sums as it thinks fit as a reserve or reserves which shall at the discretion of the Board, be applied for any purpose to which the profits of the Company may be properly applied, including provision for meeting contingencies or for equalizing dividends; and pending such application, may, at the like discretion, either be employed in the business of the Company or be invested in such investments (other than shares of the Company) as the Board may, from time-to-time, think fit.

iv. Carry forward of profits

The Board may subject to provisions of the Act also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.

v. Payments in Advance

No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this Article as paid on the share.

vi. Dividends to be Apportioned

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.

vii. No member to receive dividend whilst indebted to the Company and Company's right to reimbursement therefrom

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.

viii. Retention of dividends

The Board may retain dividends payable upon shares in respect of which any person is, under the Transmission Clause hereinbefore contained, entitled to become a member, until such person shall become a member in respect of such shares.

ix. Dividend how Remitted

A dividend, interest or other monies payable in cash in respect of shares may be paid by electronic mode or by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct.

Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.

x. Discharge to Company

Payment in any way whatsoever shall be made at the risk of the person entitled to the money paid or to be paid. The Company will not be responsible for a payment which is lost or delayed. The Company will be deemed to having made a payment and received a good discharge for it if a payment using any of the foregoing permissible means is made.

xi. Receipt of one holder sufficient

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.

xii. No interest on Dividends

No dividend shall bear interest against the Company.

xiii. Waiver of Dividends

The waiver in whole or in part of any dividend on any share by any document (whether or not under seal) shall be effective only if such document is signed by the member (or the person entitled to the share in consequence of the death or bankruptcy of the holder) and delivered to the Company and if or to the extent that the same is accepted as such or acted upon by the Board.

23. WINDING UP

The Company may be wound up in accordance with the Act and the Insolvency and Bankruptcy Code, 2016 (to the extent applicable).

24. ACCOUNTS

Subject to the provisions of the Act, the Company shall keep at its registered office, proper books of accounts and other relevant books and papers and financial statement for every financial year which give a true and fair view of the state of the affairs of the Company, including that of its branch office or offices, if any, and explain the transactions effected both at the registered office and its branches and such books shall be kept on accrual basis and according to the double entry system of accounting, provided that all or any of the books of account aforesaid may be kept at such other place in India as the Board may decide and when the Board so decides the Company shall, within 7 (seven) days of the decision file with the registrar a notice in writing giving the full address of that other place, provided further that the Company may keep such books of accounts or other relevant papers in electronic mode in such manner as provided in Section 128 of the Act and the rules framed thereunder.

The Board shall be entitled from time to time to 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. Each Director shall be entitled to examine the books, accounts and records of the Company, and shall have free access, at all reasonable times and with prior written notice, to any and all properties and facilities of the Company. The Company shall provide such information relating to the business, affairs and financial position of the Company as any Director may reasonably require.

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.

All the aforesaid books shall give a true and fair view of the Company's affairs with respect to the matters aforesaid and explain its transactions.

The books of accounts of the Company relating to past periods shall be preserved in good order in compliance with applicable laws.

25. UNPAID OR UNCLAIMED DIVIDEND

Where the Company has declared a dividend which has not been paid or the dividend warrant in respect thereof has not been posted or sent within thirty days from the date of declaration to any shareholder entitled to payment of the dividend, the Company shall transfer the total amount of dividend, which remained unpaid or unclaimed within seven days from the date of expiry of the said period of thirty days to a special account to be opened by the Company in that behalf in any scheduled bank to be called the "unpaid dividend account". No unclaimed dividend shall be forfeited by the Board before the claim becomes barred by law and such forfeiture, if effected, shall be annulled in appropriate cases.

Any money so transferred to the unpaid dividend account of the Company which remains unpaid or unclaimed for a period of seven years from the date of such transfer, shall be transferred by the Company to the fund established under sub-section (1) of Section 125 of the Act, viz. "Investors education and protection fund".

26. INDEMNITY AND INSURANCE

Directors and officers right to indemnity

- (a) Subject to the provisions of the Act, every director, managing director, whole-time director, manager, chief executive officer, chief financial officer, company secretary and officer of the Company shall be indemnified by the Company out of the funds of the Company, to pay all costs, losses and expenses (including travelling expense) which such director, manager, company secretary and officer may incur or become liable for by reason of any contract entered into or act or deed done by him in his capacity as such director, manager, company secretary or officer or in any way in the discharge of his duties in such capacity except such suits, proceedings, cost, charges, losses, damage and expenses, if any, that such director, manager, company secretary and officer shall incur or sustain, by or through his own willful neglect or default.
- (b) Subject as aforesaid, every director, managing director, manager, chief executive officer, chief financial officer, company secretary and officer of the Company shall be indemnified 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 discharged or in connection with any application under applicable provisions of the Act in which relief is given to him by the Court.

Provided, however, that such indemnification shall not apply in respect of any cost or loss or expenses to the extent it is finally judicially determined to have resulted from the gross negligence, willful misconduct or bad faith acts or omissions of such director, managing director, manager, chief executive officer, chief financial officer, company secretary or officer.

27. INSURANCE

The Company may take and maintain any insurance as the Board may think fit on behalf of its present and / or former Directors and key managerial personnel for indemnifying all or any of them against any liability for any acts in relation to the Company for which they may be liable but have acted honestly and reasonably.

28. CAPITALISATION

1) The Company in General Meeting by Ordinary Resolution 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 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 no. 2 amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.

2) The sum aforesaid shall not be paid in cash but shall be applied, subject to the provisions contained in clause no. 3 either in or towards: -

(a) paying up any amount for the time being unpaid on any shares held by such members respectively;

(b) paying up in full un-issued shares of the Company to the allocated and distributed, credited as fully paid up, to and amongst such members in the proportions aforesaid; or

(c) partly in the way specified in sub-clause (a) and partly in that specified in sub-clause (b).

3) A share premium account and a Capital Redemption Reserve Account may, for the purposes of this regulation, only be applied in the paying up of unissued share to be issued to members of the Company as fully paid Bonus Shares.

4) the Board shall give effect to the resolution passed by the Company in pursuance of this regulation.

5) Any agreement made under such authority shall be effective and binding on such members.

29. SECRECY CLAUSE

Every director, manager, auditor, secretary, treasurer, trustee, member of a committee, officer, servant, agent, accountant or other person employed in the business of the Company shall, if so required, by the Director, before and any time after entering upon his duties, sign a declaration pledging himself to observe a strict secrecy respecting all transactions, operations, business and affairs of the Company and shall by such declaration pledge himself not to reveal any of the matters which may come to his knowledge in the discharge of his duties except when required to do so by the Board or by law.

30. NO MEMBER TO ENTER THE PREMISES OF THE COMPANY WITHOUT PERMISSION

No member or other person (not being a Director) shall, without the prior written permission of the Chairperson of the Company or Managing Director be entitled to visit or inspect any property or premises of the Company or to require discovery of or any information respecting any detail of the Company's trading, operation or business, or any matter which is or may be in the nature of a trade secret, mystery of trade, secret process, or any other matter which may relate to the conduct of the business of the Company and which in the opinion of the Chairperson/Managing Director, it would be inexpedient in the interest of the Company to disclose.

**The New Set of Articles of Association of the Company has been adopted by the Company vide Special Resolution Passed at the Annual General Meeting of the Company held on September 02, 2024.*

We, the several persons, whose name, addresses and occupations are mentioned hereunder subscribed, are desirous of being formed into a company, in pursuance of these **ARTICLES OF ASSOCIATION**:

| Name, Address, description & Occupation of each Subscribers | Signature of subscriber | Signature of the witnesses and their names address description and occupation |
|---|-------------------------|--|
| Name: Brijmohan Agarwal Father Name: Sagarmal Agarwal Address: 412, Stock Exchange Tower, Dalal Street, Mumbai-23. Occupation: Business | SD/- | Witness to All SD/- Ram Krishna Khandelwal Father Name: Shri. Damodar Prasad Khandelwal. Address: 2, Horizon View, 138, Gen. Bhosale Marg, Mumbai-400021 Chartered Accountant. |
| Name: Santkumar B. Agarwal Father Name: Brijmohan Agarwal Address: 412, Stock Exchange Tower, Dalal Street, Mumbai-23. Occupation: Business | SD/- | |
| Name: Basantkumar B. Agarwal Father Name: Brijmohan Agarwal Address: 412, Stock Exchange Tower, Dalal Street, Mumbai-23. Occupation: Business | SD/- | |
| Name: Vinodkumar B. Agarwal Father Name: Brijmohan Agarwal Address: 412, Stock Exchange Tower, Dalal Street, Mumbai-23. Occupation: Business | SD/- | |
| Name: Puspha S. Agarwal Husband Name: Santkumar B. Agarwal Address: 412, Stock Exchange Tower, Dalal Street, Mumbai-23. Occupation: Business | SD/- | |
| Name: Urmila B. Agarwal Husband Name: Basantkumar B. Agarwal Address: 412, Stock Exchange Tower, Dalal Street, Mumbai-23. Occupation: Business | SD/- | |
| Name: Aruna V. Agarwal Husband Name: VinodKumar B. Agarwal Address: 412, Stock Exchange Tower, Dalal Street, Mumbai-23. Occupation: Business | SD/- | |

SECTION XIII – OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The copies of the following documents and 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) which are or may be deemed material will be attached to the copy of the Prospectus which will be filed with the RoC. Copies of the contracts and documents for inspection referred to hereunder, may be inspected at our Registered Office between 10 a.m. to 5 p.m. on all Working Days from date of the Prospectus until the Bid/ Offer Closing Date. The copies of the contracts and documents for inspection referred to hereunder will be uploaded on the website of our Company at <https://www.rikhav.net/>, and will be available for inspection from date of the Prospectus until the Bid/Offer Closing Date (except for such agreements executed after the Bid/Offer Closing Date).

Material Contracts

1. Offer Agreement dated September 20, 2024 and Addendum to the Offer Agreement dated January 17, 2025 between our Company, the Selling Shareholders and the Book Running Lead Manager.
2. Registrar Agreement dated September 20, 2024 between our Company, the Selling Shareholders and the Registrar to the Offer.
3. Cash Escrow and Sponsor Bank Agreement dated January 05, 2025 amongst our Company, the Selling Shareholders, the Registrar to the Offer, the Book Running Lead Manager, the Syndicate Members, the Escrow Collection Bank, Sponsor Bank, Public Offer Bank and the Refund Bank.
4. Share Escrow Agreement dated December 25, 2024 between our Company, the Selling Shareholders and the Share Escrow Agent.
5. Market Making Agreement dated December 18, 2024 between our Company, the Book Running Lead Manager and Market Maker.
6. Underwriting Agreement dated December 18, 2024 and Addendum to the Underwriting Agreement dated January 17, 2025 between our Company and Book Running Lead Manager and the Underwriter between our Company, the Selling Shareholders and Book Running Lead Manager and the Underwriter.
7. Syndicate Agreement dated December 25, 2024 amongst our Company, the Selling Shareholders, the Book Running Lead Manager, and Syndicate Members.
8. Tripartite agreement between the CDSL, our Company and the Registrar to the Offer dated February 05, 2020.
9. Tripartite agreement between the NSDL, our Company and the Registrar to the Offer dated December 17, 2024.

Material Documents

1. Certified true copies of the Memorandum and Articles of Association of our Company, as amended from time to time.
2. Copy of Certificate of Incorporation dated March 21, 1995 issued under the name Brijmohan Sagarmal Finance Limited, issued by Registrar of Companies, Maharashtra.
3. Copy of Fresh Certificate of Incorporation dated January 13, 2006, issued by Registrar of Companies, Maharashtra, Mumbai consequent to change of name of the company from “Brijmohan Sagarmal Finance Limited” to “Rikhav Securities Limited”.
4. Resolution of the Board of Directors dated August 31, 2024, in relation to the Offer.
5. Resolution of the Shareholders of our Company, passed at the Annual General Meeting held on September 02, 2024, in relation to the Offer.
6. Examination report for Restated Financial Statements dated January 01, 2025, from our Peer Review Auditor included in this Prospectus.

7. The Statement of Possible Tax Benefits dated September 23, 2024, from our Peer Review Auditor included in this Prospectus.
8. Copies of Consolidated Audited Financial Statements of the Company for the six-month ended September 30, 2024 and for the financial year ended March 31, 2024, 2023, and 2022.
9. Consents of our Directors, Promoters, the Selling Shareholders, Company Secretary and Compliance Officer, Chief Financial Officer, Senior Management Personnel, Statutory Auditor, Peer Review Auditor, Banker(s) to the Company, Book Running Lead Manager, Legal Advisor to the Offer, Registrar to the Offer, Banker to the Offer, Share Escrow Agent, Syndicate Member, Underwriter and Market Maker to act in their respective capacities.
10. Certificate on KPI's issued by the Peer Review Auditor M/s. Mundra & Co., Chartered Accountants, by way of their certificate dated January 01, 2025.
11. Board Resolution dated September 30, 2024, for approval of Draft Red Herring Prospectus, dated January 09, 2025 for approval of Red Herring Prospectus.
12. Due Diligence Certificate dated January 09, 2025 to SEBI by the Book Running Lead Manager.
13. In principle Approval from BSE vide letter dated December 23, 2024 to use the name of BSE in this Offer Document for listing of Equity Shares on the BSE SME.

Any of the contracts or documents mentioned in this Prospectus may be amended or modified at any time if so, required in the interest of our Company or if required by the other parties, without the consent of shareholders subject to compliance of the provisions contained in the Companies Act and other relevant statutes.

DECLARATION

We hereby declare that all relevant provisions of the Companies Act, 2013 and the guidelines or regulations issued by the Government and / or the guidelines or regulations issued by the Securities and Exchange Board of India, as the case may be, have been complied with and no statement made in this Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957, amended, or the rules made thereunder or Guidelines / Regulations issued, as the case may be. We further certify that all statements and disclosures made in this Prospectus are true and correct.

Signed by the Directors of Our Company

Sd/-

Mr. Hitesh Himatlal Lakhani
Chairperson & Managing Director
DIN: 01457990

Sd/-

Mr. Rajendra N Shah
Whole Time Director
DIN: 01248226

Sd/-

Mr. Monil Rajendra Shah
Executive Director
DIN: 07746827

Sd/-

Ms. Bharti Hitesh Lakhani
Non-Executive Director
DIN: 01077839

Sd/-

Mr. Manish Lalit Kumar Jain
Non-Executive Independent Director
DIN: 01310249

Sd/-

Mr. Tarang Madanjit Mehta
Non-Executive Independent Director
DIN: 01528135

Sd/-

Mr. Hemant Hasmukh Shah
Chief Financial Officer

Sd/-

Ms. Sona Jain
Company Secretary and Compliance Officer

Date: January 20, 2025

Place: Mumbai

DECLARATION BY SELLING SHAREHOLDER

We, on behalf of M/s. Ashapura Trading in our capacity as a Selling Shareholder, certify and confirm that all statements, disclosures and undertakings made or confirmed by us in this Prospectus specifically in relation to ourself as a Selling Shareholder and the portion of Equity Shares offered by us in the Offer for Sale are true and correct. We assume no responsibility for any other statements, disclosures, and undertakings, including any statements, disclosures and undertakings made by, or relating to the Company or any other Selling Shareholder or any other person(s) in this Prospectus.

Sd/-
Authorised Signatory

Date: January 20, 2025

Place: Mumbai

DECLARATION BY SELLING SHAREHOLDER

We, on behalf of M/s. Giriraj Trading in our capacity as a Selling Shareholder, certify and confirm that all statements, disclosures and undertakings made or confirmed by us in this Prospectus specifically in relation to ourself as a Selling Shareholder and the portion of Equity Shares offered by us in the Offer for Sale are true and correct. We assume no responsibility for any other statements, disclosures, and undertakings, including any statements, disclosures and undertakings made by, or relating to the Company or any other Selling Shareholder or any other person(s) in this Prospectus.

Sd/-
Authorised Signatory

Date: January 20, 2025

Place: Mumbai

DECLARATION BY SELLING SHAREHOLDER

I, Ms. Nirmalaben Fatechand Sanghavi in my capacity as a Selling Shareholder, certify and confirm that all statements, disclosures and undertakings made or confirmed by me in this Prospectus specifically in relation to myself as a Selling Shareholder and the portion of Equity Shares offered by me in the Offer for Sale are true and correct. I assume no responsibility for any other statements, disclosures, and undertakings, including any statements, disclosures and undertakings made by, or relating to the Company or any other Selling Shareholder or any other person(s) in this Prospectus.

Sd/-

Ms. Nirmalaben Fatechand Sanghavi

Date: January 20, 2025

Place: Mumbai

DECLARATION BY SELLING SHAREHOLDER

I, Ms. Daksha Sharad Maniyar in my capacity as a Selling Shareholder, certify and confirm that all statements, disclosures and undertakings made or confirmed by me in this Prospectus specifically in relation to myself as a Selling Shareholder and the portion of Equity Shares offered by me in the Offer for Sale are true and correct. I assume no responsibility for any other statements, disclosures, and undertakings, including any statements, disclosures and undertakings made by, or relating to the Company or any other Selling Shareholder or any other person(s) in this Prospectus.

Sd/-

Ms. Daksha Sharad Maniyar

Date: January 20, 2025

Place: Mumbai

DECLARATION BY SELLING SHAREHOLDER

I, Mr. Jayesh Mulchand Maniyar in my capacity as a Selling Shareholder, certify and confirm that all statements, disclosures and undertakings made or confirmed by me in this Prospectus specifically in relation to myself as a Selling Shareholder and the portion of Equity Shares offered by me in the Offer for Sale are true and correct. I assume no responsibility for any other statements, disclosures, and undertakings, including any statements, disclosures and undertakings made by, or relating to the Company or any other Selling Shareholder or any other person(s) in this Prospectus.

Sd/-

Mr. Jayesh Mulchand Maniyar

Date: January 20, 2025

Place: Mumbai

DECLARATION BY SELLING SHAREHOLDER

I, Mr. Mukesh Jayantilal Sanghavi in my capacity as a Selling Shareholder, certify and confirm that all statements, disclosures and undertakings made or confirmed by me in this Prospectus specifically in relation to myself as a Selling Shareholder and the portion of Equity Shares offered by me in the Offer for Sale are true and correct. I assume no responsibility for any other statements, disclosures, and undertakings, including any statements, disclosures and undertakings made by, or relating to the Company or any other Selling Shareholder or any other person(s) in this Prospectus.

Sd/-

Mr. Mukesh Jayantilal Sanghavi

Date: January 20, 2025

Place: Mumbai

DECLARATION BY SELLING SHAREHOLDER

I, Ms. Virali Girish Maniyar in my capacity as a Selling Shareholder, certify and confirm that all statements, disclosures and undertakings made or confirmed by me in this Prospectus specifically in relation to myself as a Selling Shareholder and the portion of Equity Shares offered by me in the Offer for Sale are true and correct. I assume no responsibility for any other statements, disclosures, and undertakings, including any statements, disclosures and undertakings made by, or relating to the Company or any other Selling Shareholder or any other person(s) in this Prospectus.

Sd/-

Ms. Virali Girish Maniyar

Date: January 20, 2025

Place: Mumbai

DECLARATION BY SELLING SHAREHOLDER

I, Mr. Yash Jayesh Maniyar in my capacity as a Selling Shareholder, certify and confirm that all statements, disclosures and undertakings made or confirmed by me in this Prospectus specifically in relation to myself as a Selling Shareholder and the portion of Equity Shares offered by me in the Offer for Sale are true and correct. I assume no responsibility for any other statements, disclosures, and undertakings, including any statements, disclosures and undertakings made by, or relating to the Company or any other Selling Shareholder or any other person(s) in this Prospectus.

Sd/-

Mr. Yash Jayesh Maniyar

Date: January 20, 2025

Place: Mumbai

DECLARATION BY SELLING SHAREHOLDER

I, Ms. Naity Sharad Maniyar in my capacity as a Selling Shareholder, certify and confirm that all statements, disclosures and undertakings made or confirmed by me in this Prospectus specifically in relation to myself as a Selling Shareholder and the portion of Equity Shares offered by me in the Offer for Sale are true and correct. I assume no responsibility for any other statements, disclosures, and undertakings, including any statements, disclosures and undertakings made by, or relating to the Company or any other Selling Shareholder or any other person(s) in this Prospectus.

Sd/-

Ms. Naity Sharad Maniyar

Date: January 20, 2025

Place: Mumbai

DECLARATION BY SELLING SHAREHOLDER

I, Mr. Sharad Mulchand Maniyar in my capacity as a Selling Shareholder, certify and confirm that all statements, disclosures and undertakings made or confirmed by me in this Prospectus specifically in relation to myself as a Selling Shareholder and the portion of Equity Shares offered by me in the Offer for Sale are true and correct. I assume no responsibility for any other statements, disclosures, and undertakings, including any statements, disclosures and undertakings made by, or relating to the Company or any other Selling Shareholder or any other person(s) in this Prospectus.

Sd/-

Mr. Sharad Mulchand Maniyar

Date: January 20, 2025

Place: Mumbai

DECLARATION BY SELLING SHAREHOLDER

I, Ms. Bharti Mukesh Sanghavi in my capacity as a Selling Shareholder, certify and confirm that all statements, disclosures and undertakings made or confirmed by me in this Prospectus specifically in relation to myself as a Selling Shareholder and the portion of Equity Shares offered by me in the Offer for Sale are true and correct. I assume no responsibility for any other statements, disclosures, and undertakings, including any statements, disclosures and undertakings made by, or relating to the Company or any other Selling Shareholder or any other person(s) in this Prospectus.

Sd/-

Ms. Bharti Mukesh Sanghavi

Date: January 20, 2025

Place: Mumbai

DECLARATION BY SELLING SHAREHOLDER

I, Mr. Bhaven Vinod Pandya in my capacity as a Selling Shareholder, certify and confirm that all statements, disclosures and undertakings made or confirmed by me in this Prospectus specifically in relation to myself as a Selling Shareholder and the portion of Equity Shares offered by me in the Offer for Sale are true and correct. I assume no responsibility for any other statements, disclosures, and undertakings, including any statements, disclosures and undertakings made by, or relating to the Company or any other Selling Shareholder or any other person(s) in this Prospectus.

Sd/-

Mr. Bhaven Vinod Pandya

Date: January 20, 2025

Place: Mumbai

DECLARATION BY SELLING SHAREHOLDER

I, Mr. Ketanbhai Arvindray Shah in my capacity as a Selling Shareholder, certify and confirm that all statements, disclosures and undertakings made or confirmed by me in this Prospectus specifically in relation to myself as a Selling Shareholder and the portion of Equity Shares offered by me in the Offer for Sale are true and correct. I assume no responsibility for any other statements, disclosures, and undertakings, including any statements, disclosures and undertakings made by, or relating to the Company or any other Selling Shareholder or any other person(s) in this Prospectus.

Sd/-

Mr. Ketanbhai Arvindray Shah

Date: January 20, 2025

Place: Mumbai

DECLARATION BY SELLING SHAREHOLDER

I, Mr. Kishore Paramdas Vora in my capacity as a Selling Shareholder, certify and confirm that all statements, disclosures and undertakings made or confirmed by me in this Prospectus specifically in relation to myself as a Selling Shareholder and the portion of Equity Shares offered by me in the Offer for Sale are true and correct. I assume no responsibility for any other statements, disclosures, and undertakings, including any statements, disclosures and undertakings made by, or relating to the Company or any other Selling Shareholder or any other person(s) in this Prospectus.

Sd/-

Mr. Kishore Paramdas Vora

Date: January 20, 2025

Place: Mumbai

DECLARATION BY SELLING SHAREHOLDER

I, Mr. Nisarg Pradip Shah in my capacity as a Selling Shareholder, certify and confirm that all statements, disclosures and undertakings made or confirmed by me in this Prospectus specifically in relation to myself as a Selling Shareholder and the portion of Equity Shares offered by me in the Offer for Sale are true and correct. I assume no responsibility for any other statements, disclosures, and undertakings, including any statements, disclosures and undertakings made by, or relating to the Company or any other Selling Shareholder or any other person(s) in this Prospectus.

Sd/-

Mr. Nisarg Pradip Shah

Date: January 20, 2025

Place: Mumbai

DECLARATION BY SELLING SHAREHOLDER

I, Ms. Nita Chandrakant Lakhani in my capacity as a Selling Shareholder, certify and confirm that all statements, disclosures and undertakings made or confirmed by me in this Prospectus specifically in relation to myself as a Selling Shareholder and the portion of Equity Shares offered by me in the Offer for Sale are true and correct. I assume no responsibility for any other statements, disclosures, and undertakings, including any statements, disclosures and undertakings made by, or relating to the Company or any other Selling Shareholder or any other person(s) in this Prospectus.

Sd/-

Ms. Nita Chandrakant Lakhani

Date: January 20, 2025

Place: Mumbai

DECLARATION BY SELLING SHAREHOLDER

I, Ms. Aneri Manish Lakhani in my capacity as a Selling Shareholder, certify and confirm that all statements, disclosures and undertakings made or confirmed by me in this Prospectus specifically in relation to myself as a Selling Shareholder and the portion of Equity Shares offered by me in the Offer for Sale are true and correct. I assume no responsibility for any other statements, disclosures, and undertakings, including any statements, disclosures and undertakings made by, or relating to the Company or any other Selling Shareholder or any other person(s) in this Prospectus.

Sd/-

Ms. Aneri Manish Lakhani

Date: January 20, 2025

Place: Mumbai