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## PROSPECTUS

100% Book Built Issue

Dated: May 30, 2025

Please read Section 26 and 32 of the Companies Act, 2013



### N R VANDANA TEX INDUSTRIES LIMITED CORPORATE IDENTITY NUMBER: U17299WB1992PLC055341

REGISTERED OFFICE		CONTACT PERSON	TELEPHONE AND EMAIL		WEBSITE
220, Mahatma Gandhi Road, Barabazar, Kolkata – 700007 West Bengal, India		Sweta Agarwal	Tel. No: +91 9331281999 Email Id: <a href="mailto:cs@vandanafashion.com">cs@vandanafashion.com</a>		<a href="http://www.vandanafashion.com">www.vandanafashion.com</a>
PROMOTER OF OUR COMPANY: NARAIN PRASAD LOHIA, PRABHU LOHIA & GYANESH LOHIA					
DETAILS OF THE ISSUE					
TYPE	FRESH ISSUE SIZE (in ₹ lakhs)	OFFER FOR SALE	TOTAL ISSUE SIZE (in ₹ lakhs)	ELIGIBILITY AND SHARE RESERVATION AMONGST QIBS, NIIS AND IIS	
Fresh Issue	61,98,000 Equity Shares aggregating to ₹ 2789.10 lakhs^	Not Applicable	61,98,000 Equity Shares aggregating to ₹ 2789.10 lakhs^	The issue is being made in terms of Rule 19(2)(b) of the Securities Contract (Regulation) Rules, 1957 through Book Building Process in accordance with Regulation 229(2) and 253(1) of the SEBI ICDR Regulations. For further details, see “Other Regulatory and Statutory Disclosures - Eligibility of the Issue” on page 267. For details in relation to share reservation among QIBs, NIIs and RIIs, see “Issue Structure” on page 288.	
^Subject to basis of allotment					
DETAILS OF OFFER FOR SALE					
NAME OF THE SELLING SHAREHOLDER	TYPE	NUMBER OF EQUITY SHARES OFFERED/ AMOUNT (IN ₹ lakhs)	WEIGHTED AVERAGE COST OF ACQUISITION PER EQUITY SHARE (IN ₹)		
Not Applicable					
RISK IN RELATION TO THE FIRST ISSUE					
This being the first public issue of Equity Shares of our Company, there has been no formal market for the Equity Shares. The face value of the Equity Shares is ₹10/- each and the Floor Price, Cap Price and Issue Price (determined and justified by our Company in consultation with the Book Running Lead Manager in accordance with 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 chapter titled “Basis for Issue Price” beginning on Page 102, should not be considered to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing.					
GENERAL RISKS					
Investments in Equity and Equity-related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue including the risks involved. The Equity Shares issued in the Issue have not been recommended or approved by the Securities and Exchange Board of India (“SEBI”), nor does SEBI guarantee the accuracy or adequacy of the Prospectus. Specific attention of the investors is invited to the section titled “Risk Factors” beginning on page 29 of this Prospectus.					
COMPANY’S ABSOLUTE RESPONSIBILITY					
The Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Prospectus contains all information with regard to our Company and the Issue, which is material in the context of the Issue, that the information contained in this Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Prospectus as a whole or any of such information or the expression of any such opinions or intentions, misleading in any material respect.					
LISTING					
The Equity Shares Issued through this Prospectus are proposed to be listed on Emerge Platform of National Stock Exchange of India Limited in terms of the Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time. Our Company has received “in-principle” approval letter dated May 02, 2025 from National Stock Exchange of India Limited for using its name in the Red Herring Prospectus / Prospectus for listing of our shares on the NSE Emerge. For the purpose of this Issue, the Designated Stock Exchange will be the NSE Emerge.					
BOOK RUNNING LEAD MANAGER TO THE ISSUE					
NAME AND LOGO		CONTACT PERSON	EMAIL AND TELEPHONE		
 MARWADI CHANDARANA GROUP Marwadi Chandarana Intermediaries Brokers Private Limited		Radhika Maheshwari / Jigar Desai	E-mail: <a href="mailto:mb@marwadichandarana.com">mb@marwadichandarana.com</a> Telephone: 022-69120027		
REGISTRAR TO THE ISSUE					
NAME AND LOGO	CONTACT PERSON	EMAIL AND TELEPHONE			
 CAMEO Cameo Corporate Services Limited	R.D Ramaswamy	Email: <a href="mailto:investors@cameoindia.com">investors@cameoindia.com</a> Tel. No: 044 - 40020700/ 28460390			
BID / ISSUE PERIOD					
ANCHOR INVESTOR BIDDING ISSUE PERIOD OPENS ON TUESDAY, MAY 27, 2025*		BID / ISSUE OPENS ON WEDNESDAY, MAY 28, 2025		BID / ISSUE CLOSURES ON **# FRIDAY, MAY 30, 2025	

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

\*\* Our Company, in consultation with the BRLM, may decide to close the Bid / Issue Period for QIBs one Working Day prior to the Bid / Issue Closing Date, in accordance with the SEBI (ICDR) Regulations.

# The UPI mandate end time and date shall be at 4:00 p.m. on Bid / Issue Closing Day.



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## N R VANDANA TEX INDUSTRIES LIMITED

**CORPORATE IDENTITY NUMBER: U17299WB1992PLC055341**

Our company was originally incorporated and registered as a Private Limited Company under Companies Act, 1956 in the name and style of N.R. Design Centre Private Limited vide certificate of incorporation dated May 4, 1992 bearing registration number 21-55341 issued by the Registrar of Companies, West Bengal. Further, the name of our Company was changed to "N R Vandana Tex Industries Private Limited" and a fresh certificate of incorporation dated May 31, 2024 was issued by Registrar of Companies, Central Processing Centre. Pursuant to a resolution of our Board dated June 03, 2024 and a resolution of our shareholders dated June 07, 2024, our Company was converted into a public limited company under the Companies Act, and consequently the name of our company was changed to 'N R Vandana Tex Industries Limited', and a fresh certificate of incorporation dated August 13, 2024 issued by Registrar of Companies, Central Processing Centre. For further details regarding the change of name and change in registered office, please see section titled "History and Certain Corporate Matters" on page 163.

**Registered Office:** 220, Mahatma Gandhi Road, Barabazar, Kolkata, West Bengal – 700007, India

**Website:** [www.vandanafashion.com](http://www.vandanafashion.com) **E-Mail:** [info@vandanafashion.com](mailto:info@vandanafashion.com) **Tel. No:** +91 9331281999

**Company Secretary and Compliance Officer:** Sweta Agarwal

### PROMOTERS OF OUR COMPANY: NARAIN PRASAD LOHIA, PRABHU LOHIA & GYANESH LOHIA

**INITIAL PUBLIC OFFER OF 61,98,000<sup>^</sup> EQUITY SHARES OF FACE VALUE OF ₹10/- EACH ("EQUITY SHARES") OF N R VANDANA TEX INDUSTRIES LIMITED ("OUR COMPANY" OR "THE ISSUER") AT AN ISSUE PRICE OF ₹45/- PER EQUITY SHARE (INCLUDING A SHARE PREMIUM OF ₹35/- PER EQUITY SHARE) FOR CASH, AGGREGATING TO ₹2789.10 LAKHS ("PUBLIC ISSUE") OUT OF WHICH 3,12,000 EQUITY SHARES OF FACE VALUE OF ₹10 EACH, AT AN ISSUE PRICE OF ₹45/- PER EQUITY SHARE FOR CASH, AGGREGATING ₹140.40 LAKHS WILL BE RESERVED FOR SUBSCRIPTION BY THE MARKET MAKER TO THE ISSUE (THE "MARKET MAKER RESERVATION PORTION"). THE PUBLIC ISSUE LESS MARKET MAKER RESERVATION PORTION I.E. ISSUE OF 58,86,000 EQUITY SHARES OF FACE VALUE OF ₹10/- EACH, AT AN ISSUE PRICE OF ₹45/- PER EQUITY SHARE FOR CASH, AGGREGATING TO ₹2648.70 LAKHS IS HEREINAFTER REFERRED TO AS THE "NET ISSUE". THE PUBLIC ISSUE AND NET ISSUE WILL CONSTITUTE 26.61 % AND 25.27 % RESPECTIVELY OF THE POST- ISSUE PAID- UP EQUITY SHARE CAPITAL OF OUR COMPANY. THE PRICE BAND AND THE MINIMUM BID LOT WILL BE DECIDED BY OUR COMPANY IN CONSULTATION WITH THE BRLM AND WILL BE ADVERTISED IN FINANCIAL EXPRESS EDITION OF ENGLISH (A WIDELY CIRCULATED ENGLISH NATIONAL DAILY NEWSPAPER) AND JANSATTA EDITION OF HINDI (A WIDELY CIRCULATED HINDI NATIONAL DAILY NEWSPAPER, AND BENGALI EDITION OF KOLKATA NEWS, REGIONAL NEWSPAPER (BENGALI BEING THE REGIONAL LANGUAGE OF KOLKATA WHERE OUR REGISTERED OFFICE IS LOCATED), AT LEAST TWO WORKING DAYS PRIOR TO THE BID/ISSUE OPENING DATE AND SHALL BE MADE AVAILABLE TO EMERGE PLATFORM OF NATIONAL STOCK EXCHANGE OF INDIA LIMITED ("NSE EMERGE") FOR THE PURPOSES OF UPLOADING ON THEIR WEBSITE.**

<sup>^</sup>Subject to basis of allotment

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

The Issue is being made through the Book Building Process, in terms of Rule 19(2)(b)(i) of the Securities Contracts (Regulation) Rules, 1957, as amended ("SCRR") read with Regulation 253 of the SEBI ICDR Regulations, as amended, wherein not more than 50% of the Net Issue shall be allocated on a proportionate basis to Qualified Institutional Buyers ("QIBs", the "QIB Portion"), provided that our Company may, in consultation with the Book Running Lead Managers, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations ("Anchor Investor Portion"), of which one-third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription, or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the Net QIB Portion. Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis only to Mutual Funds, and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIBs, including Mutual Funds, subject to valid Bids being received at or above the Issue Price. 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 Net QIB Portion for proportionate allocation to QIBs. Further, not less than 15% of the Net Issue shall be available for allocation on a proportionate basis to Non-Institutional Investors, out of which (a) one third of such portion was reserved for applicants with application size of more than 2 lots and up to such lots equivalent to not more than ₹ 10,00,000 and (b) two-third of such portion was reserved for applicants with application size of more than ₹ 10,00,000 provided that the unsubscribed portion in either of such subcategories could have been allocated to applicants in the other sub-category of Non-Institutional Bidders and not less than 35% of the Net Issue shall be available for allocation to Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Issue Price. All potential Bidders (except Anchor Investors) are required to mandatorily utilize the Application Supported by Blocked Amount ("ASBA") process providing details of their respective ASBA accounts, and UPI ID in case of IBs using the UPI Mechanism, if applicable, in which the corresponding Bid Amounts will be blocked by the SCSBs or by the Sponsor Bank under the UPI Mechanism, as the case may be, to the extent of respective Bid Amounts. Anchor Investors are not permitted to participate in the Issue through the ASBA process. For details, see "Issue Procedure" beginning on page 291 of this Prospectus. Provided further that for the purpose of public issue by an issuer to be listed /listed on SME exchange made in accordance with Chapter IX of these regulations, the words "retail individual investors" shall be read as words "individual investors who applies for minimum application size".

### RISK IN RELATION TO THE FIRST ISSUE

This being the first public issue of Equity Shares of our Company, there has been no formal market for Equity Shares. The face value of the Equity Shares is ₹10/- each and the Floor Price, Cap Price and Issue Price (determined and justified by our Company in consultation with the Book Running Lead Manager in accordance with 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 chapter titled "Basis for Issue Price" beginning on Page 102 should not be considered to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing.

### GENERAL RISKS

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

### COMPANY'S ABSOLUTE RESPONSIBILITY

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


### LISTING

The Equity Shares Issued through this Prospectus are proposed to be listed on Emerge Platform of National Stock Exchange of India Limited in terms of the Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time. Our Company has received "in-principle" approval letter dated May 02, 2025 from National Stock Exchange of India Limited for using its name in the Red Herring Prospectus / Prospectus for listing of our shares on the Emerge Platform of NSE. For the purpose of this Issue, the Designated Stock Exchange will be the NSE Emerge.

### BOOK RUNNING LEAD MANAGER

 **MARWADI CHANDARANA GROUP**  
**Marwadi Chandarana Intermediaries Brokers Private Limited**  
X-change Plaza, Office no. 1201 to 1205, 12th Floor, Building No. 53E, Zone-5, Road 5E, Gift City, Gandhinagar - 382355, Gujarat, India  
**Telephone:** 022-69120027  
**E-mail:** [mb@marwadichandarana.com](mailto:mb@marwadichandarana.com)  
**Investors Grievance e-mail:** [mbgrievances@marwadichandarana.com](mailto:mbgrievances@marwadichandarana.com)  
**Contact Person:** Radhika Maheshwari / Jigar Desai  
**Website:** [ib.marwadichandaranaagroup.com](http://ib.marwadichandaranaagroup.com)  
**SEBI Registration Number:** INM000013165

### REGISTRAR TO THE ISSUE

 **CAMEO**  
**Cameo Corporate Services Limited**  
**Address:** Subramanian Building, No.1, Club House Road, Chennai 600 002, India  
**Contact Person:** Mr. K. Sreepriya  
**Tel:** 044 - 40020700 / 28460390  
**Email:** [ipo@cameoindia.com](mailto:ipo@cameoindia.com)  
**Investor grievance e-mail:** [investor@cameoindia.com](mailto:investor@cameoindia.com)  
**Website:** [www.cameoindia.com](http://www.cameoindia.com)  
**SEBI registration number:** INR000003753

### ISSUE PROGRAMME\*

**ANCHOR INVESTOR BIDDING DATE \* TUESDAY, MAY 27, 2025\***

**BID / ISSUE OPENS ON \* WEDNESDAY, MAY 28, 2025**

**BID / ISSUE CLOSES ON \*\*\* FRIDAY, MAY 30, 2025**

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

*\*\* Our Company, in consultation with the BRLM, may decide to close the Bid / Issue Period for QIBs one Working Day prior to the Bid / Issue Closing Date, in accordance with the SEBI (ICDR) Regulations.*

*# The UPI mandate end time and date shall be at 4:00 p.m. on Bid / Issue Closing Day.*

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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 legislation, act, regulation, rules, guidelines or policies shall be to such legislation, act, regulation, rules, guidelines or policies as amended, supplemented or re-enacted from time to time, and any reference to a statutory provision shall include any subordinate legislation made from time to time under that provision.*

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

*Notwithstanding the foregoing, the terms used in the sections “Industry Overview”, “Key Regulations and Policies”, “Statement of Special Tax Benefits”, “Financial Information of the Company”, “Basis for Issue Price”, “Outstanding Litigation and Material Developments” and “Main provisions of the Articles of Association of our company” beginning on pages 112, 153, 110, 189, 102, 254 and 324 respectively, of this Prospectus shall have the meaning ascribed to them in the relevant section.*

### GENERAL TERMS

Term	Description
“N R Vandana Tex Industries Limited”, “Our Company”, “the Company”, “the Issuer”	N R Vandana Tex Industries Limited (formerly known as N R Vandana Tex Industries Private Limited), a Public Limited Company incorporated in India under the Companies Act, 2013 having its Registered Office at 220, Mahatma Gandhi Road, Barabazar, Kolkata, Kolkata, West Bengal, India, 700007.
“we”, “us” and “our”	Unless the context otherwise indicates or implies, refers to our Company.
“you”, “your” or “yours”	Prospective investors in this Issue

### COMPANY RELATED TERMS

Term	Description
AOA /Articles of Association / Articles	The Articles of Association of or Company, as amended, from time to time
Audit Committee	The audit committee of our Board, constituted in accordance with the applicable provisions of the Companies Act, 2013 and the SEBI Listing Regulations, and as described in “ <i>Our Management – Committees of our Board of Directors – Audit Committee</i> ” on page 167 of this Prospectus.
Auditor / Statutory Auditor	J.B.S. & Company, Chartered Accountants (FRN: 323734E) having their office at 60, Bentinck Street, 4 <sup>th</sup> Floor, Kolkata – 700069, West Bengal, India
Bankers to our Company	Union Bank of India and HDFC Bank Limited
Board of Directors/ the Board/ our Board	Board of directors of our Company, as described in section “ <i>Our Management</i> ”, beginning on page 167 of this Prospectus.
Chief Financial Officer/CFO	Chief financial officer of our Company is Gyanesh Lohia. For details, see “ <i>Our Management</i> ” on page 167 of this Prospectus.
Company Secretary and Compliance Officer	Company Secretary and Compliance Officer of our Company being Sweta Agarwal. For details, see “ <i>Our Management</i> ” beginning on page 167 of this Prospectus.
Companies Act	The Companies Act, 1956/2013 as amended from time to time
CIN	Corporate Identification Number of our company i.e., U17299WB1992PLC055341
CSR Committee	Corporate Social Responsibility Committee of our Board, constituted in accordance with the applicable provisions of the Companies Act, 2013 and the SEBI Listing Regulations, and as described in “ <i>Our Management – Committees of our Board of Directors – Nomination and Remuneration Committee</i> ” on page 167 of this Prospectus.
Director(s)	Directors on our Board as described in “ <i>Our Management</i> ”, beginning on page 167 of this Prospectus.
DIN	Director Identification Number

<b>Term</b>	<b>Description</b>
Equity Shares	The equity shares of our Company of face value of ₹ 10 each.
Executive Directors	Executive Directors of our Company as appointed from time to time
Group Companies	Companies with which there were related party transactions as disclosed in the Restated Financial Statements as covered under the applicable accounting standards, and also other companies as considered material by our Board of the Issuer as disclosed in “ <i>Our Group Companies</i> ” on page 186 of this Prospectus
Independent Directors	Independent directors on our Board, and who are eligible to be appointed as independent directors under the provisions of the Companies Act and the SEBI Listing Regulations. For details of the Independent Directors, see “ <i>Our Management</i> ” beginning on page 167 of this Prospectus.
Individual Promoters	Narain Prasad Lohia, Prabhu Lohia and Gyanesh Lohia
ISIN	International Securities Identification Number. In this case being INE104101014
KMP/Key Managerial Personnel	Key managerial personnel of our Company in accordance with Regulation 2(1)(bb) of the SEBI ICDR Regulations and Section 2(51) of the Companies Act, 2013 as applicable and as further disclosed in “ <i>Our Management</i> ” on page 167 of this Prospectus.
Materiality Policy	The policy adopted by our Board of Directors on March 13, 2025 for identification of material: (a) outstanding litigation proceedings; (b) Group Companies; and (c) creditors, pursuant to the requirements of the SEBI ICDR Regulations and for the purposes of disclosure in this Prospectus
MoA/ Memorandum of Association	The Memorandum of Association of our Company, as amended, from time to time
Managing Director	Managing Director of our Company, being Prabhu Lohia
Nomination and Remuneration Committee	Nomination and remuneration committee of our Board, constituted in accordance with the applicable provisions of the Companies Act, 2013 and the SEBI Listing Regulations, and as described in “ <i>Our Management – Committees of our Board of Directors – Nomination and Remuneration Committee</i> ” on page 167 of this Prospectus.
Non-Executive Director(s)	Non-executive directors on our Board, as described in “ <i>Our Management</i> ”, beginning on page 167 of this Prospectus.
Promoter	The promoters of our Company being Narain Prasad Lohia, Prabhu Lohia and Gyanesh Lohia. For details, see “ <i>Our Promoter and Promoter Group</i> ” on page 182 of this Prospectus.
Promoter Group	Persons and entities constituting the promoter group of our Company, pursuant to Regulation 2(1)(pp) of the SEBI ICDR Regulations and as disclosed in “ <i>Our Promoter and Promoter Group</i> ” on page 182 this Prospectus.
Registered Office	220, Mahatma Gandhi Road, Barabazar, Kolkata, Kolkata, West Bengal – 700007, India
Restated Financial Statements/ Restated Financial Information	The Restated Financial Information of our Company, which comprises the Restated Statement of Assets and Liabilities, the Restated Statement of Profit and Loss, the Restated Statement of Cash Flows, for the financial year ended on March 31, 2025, March 31 2024 and March 31, 2023 along with the summary statement of significant accounting policies read together with the annexures and notes thereto prepared in terms of the requirements of Section 26 of the Companies Act, the SEBI ICDR Regulations and the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the ICAI, as amended from time to time
RoC/Registrar of Companies	Registrar of Companies, Kolkata at West Bengal
Shareholder(s)	Shareholders of our Company, from time to time
Senior Managerial Personnel	Senior management personnel of our Company in terms of Regulation 2(1)(bbbbb) of the SEBI ICDR Regulations as described in “ <i>Our Management – Senior Management Personnel of our Company</i> ” on page 167 of this Prospectus.
Stakeholders Relationship Committee	Stakeholders’ relationship committee of our Board, constituted in accordance with the applicable provisions of the Companies Act, 2013 and the SEBI Listing Regulations, and as described in “ <i>Our Management</i> ”, beginning on page 167 of this Prospectus.

## ISSUE RELATED TERMS

<b>Term</b>	<b>Description</b>
Acknowledgement Slip	The slip or document issued by a Designated Intermediary(ies) to an Applicant as proof of registration of the Application Form
Abridged Prospectus	Abridged Prospectus means a memorandum containing such salient features of a Prospectus as may be specified by SEBI in this behalf. Abridged Prospectus is to be issued under SEBI ICDR Regulations and appended to the Application Forms.
Allot/ Allotment/ Allotted	Unless the context otherwise requires, allotment of Equity Shares pursuant to the Issue to the successful Applicants.
Allotment Advice	A note or advice or intimation of Allotment sent to the successful Applicants who have been or are to be Allotted the Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchange.
Applicant(s)/Investor	Any prospective investor who makes an Application pursuant to the terms of the Prospectus and the Application Form and unless otherwise stated or implied includes an ASBA Applicant.
Application Form	The form (with and without the use of UPI, as may be applicable), in terms of which the prospective investors shall apply for our Equity Shares in the Issue.
Allottee	A successful Applicant to whom the Equity Shares are Allotted
Anchor Investor	A Qualified Institutional Buyer, applying under the Anchor Investor Portion in accordance with the requirements specified in the SEBI ICDR Regulations and the Prospectus and who has Bid for an amount of at least ₹ 200 lakhs.
Application Supported by Blocked Amount/ ASBA	An application, whether physical or electronic, used by ASBA Applicant to make an Application and authorising an SCSB to block the Bid Amount in the specified bank Account maintained with such SCSB. ASBA is mandatory for all Applicants participating in the Issue.
ASBA Account	A bank account linked with or without UPI ID, maintained with an SCSB and specified in the ASBA Form submitted by the Applicants for blocking the Application Amount mentioned in the ASBA Form.
ASBA Applicant(s)	Any prospective investor who makes an application pursuant to the terms of the Prospectus and the Application Form including through UPI mode (as applicable).
ASBA Bid	A Bid made by an ASBA Bidder
ASBA Form(s)	An application form, whether physical or electronic, used by ASBA Applicant and which will be considered as the application for Allotment in terms of the Prospectus
Banker(s) to the Issue and Refund Banker	Banks which are clearing members and registered with SEBI as bankers to an issue and with whom the Public Issue Account will be opened, in this case being HDFC Bank Limited.
Basis of Allotment	Basis on which Equity Shares will be Allotted to successful Applicants under the Issue, as described in “ <i>Issue Procedure</i> ” beginning on page 292 of this Prospectus.
Bid	An indication to make an Offer during the Bid/Offer Period by an ASBA Bidder pursuant to submission of the ASBA Form to subscribe to or purchase the Equity Shares at a price within the Price Band, including all revisions and modifications thereto as permitted under the SEBI ICDR Regulations and in terms of the Prospectus and the relevant Bid cum Application Form. The term “Bidding” shall be construed accordingly.
Bid Amount	The amount at which the bidder makes a bid for the Equity Shares of our Company in terms of Prospectus.
Bid cum Application Form	The form in terms of which the bidder shall make a bid, including ASBA Form, and which shall be considered as the bid for the Allotment pursuant to the terms of this Prospectus.
Bidding Centers	The centers at which the Designated Intermediaries shall accept the ASBA Forms to a Registered Broker, i.e., Designated SCSB Branches for SCSBs, Specified Locations for Syndicate, Broker Centres for Registered Brokers, Designated RTA Locations for RTAs and Designated CDP Locations for CDPs.
Book Running Lead Manager/ BRLM	The Book Running Lead Manager to the Issue, being Marwadi Chandarana Intermediaries Brokers Private Limited.
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.
Broker Centres	Broker Centres notified by the Stock Exchanges where ASBA Applicants can submit the ASBA Forms to a Registered Broker. The details of such Broker Centres, along

Term	Description
	with the names and the contact details of the Registered Brokers are available on the respective websites of the Stock Exchanges.
CAN or Confirmation of Allocation Note	The Note or advice or intimation sent to each successful Applicant indicating the Equity which will be allotted, after approval of Basis of Allotment by the designated Stock Exchange.
Cap Price	The higher end of the Price Band, subject to any revisions thereto, above which the Issue Price will not be finalised and above which no Bids will be accepted.
Client ID	The client identification number maintained with one of the Depositories in relation to demat account.
Collecting Depository Participant/ CDP	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Bids from relevant Bidders at the Designated CDP Locations in terms of the circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI UPI Circulars, issued by SEBI.
Circular on Streamlining of Public Issues/ UPI Circular	Circular (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 1, 2018, circular (SEBI/HO/CFD/DIL2/CIR/P/2019/50) dated April 3, 2019, circular (SEBI/HO/CFD/DIL2/CIR/P/2019/76) dated June 28, 2019, circular (SEBI/HO/CFD/DIL2/CIR/P/2019/85) dated July 26, 2019, circular no. (SEBI/HO/CFD/DCR2/CIR/P/2019/133) dated November 8, 2019, circular no. (SEBI/HO/CFD/DIL2/CIR/P/2020/50) dated March 30, 2020, circular no. (SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M) dated March 16, 2021, circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021, circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 5, 2022, SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and SEBI/HO/CFD/DIL2/CIR/2022/75 dated May 30, 2022 and SEBI circular number SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023, SEBI master circular with circular number SEBI/HO/MIRSD/POD-1/P/CIR/2023/70 dated May 17, 2023 and SEBI circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 09, 2023 (to the extent that such circulars pertain to the UPI Mechanism), SEBI master circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023, along with the circular issued by the National Stock Exchange of India Limited having reference no. 25/2022 dated August 03, 2022 and the circular issued by BSE Limited having reference no. 20220803-40 dated August 03, 2022 and any subsequent circulars or notifications issued by SEBI and Stock Exchanges in this regard.
Controlling Branches	Such branches of SCSBs which coordinate Applications under the Issue with the LM, the Registrar and the Stock Exchange, a list of which is available on the website of SEBI at <a href="http://www.sebi.gov.in">http://www.sebi.gov.in</a> or at such other website as may be prescribed by SEBI from time to time.
Demographic Details	Details of the Applicants including their address, name of the father/husband, investor status, occupation and bank account details and UPI ID, where applicable
Depository	A depository registered with SEBI under the SEBI (Depositories and Participants) Regulations, 2018.
Depository Participant	A Depository Participant as defined under the Depositories Act, 1996
Designated CDP Locations	Such locations of the CDPs where Bidders can submit the ASBA Forms. The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept ASBA Forms are available on the respective websites of the Stock Exchanges.
Designated Date	The date on which relevant amounts are transferred from the ASBA Accounts to the Public Issue Account or the Refund Account, as the case may be, and/or the instructions are issued to the SCSBs (in case of UPI Bidders using the UPI Mechanism, instruction issued through the Sponsor Bank) for the transfer of amounts blocked by the SCSBs in the ASBA Accounts to the Public Issue Account, in terms of the Prospectus following which Equity Shares will be Allotted in the Issue.
Designated Intermediaries/ Collecting agent	In relation to ASBA Forms submitted by IBs 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



<b>Term</b>	<b>Description</b>
	blocked upon acceptance of UPI Mandate Request by such UPI Bidders using the UPI Mechanism, Designated Intermediaries shall mean Syndicate, sub-Syndicate/agents, Registered Brokers, CDPs, SCSBs and RTAs. In relation to ASBA Forms submitted by QIBs and Non-Institutional Bidders (not using the UPI Mechanism), Designated Intermediaries shall mean Syndicate, sub-Syndicate/ agents, SCSBs, Registered Brokers, the CDPs and RTAs
Designated RTA Locations	Such locations of the RTAs where Applicants can submit the ASBA Forms to RTAs. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept ASBA Forms are available on the respective websites of the Stock Exchanges.
Designated SCSB Branches	Such branches of the SCSBs which shall collect the ASBA Forms (other than ASBA Forms submitted by IIs where the Application Amount will be blocked upon acceptance of UPI Mandate Request by such II using the UPI Mechanism), a list of which is available on the website of SEBI at <a href="http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes">www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes</a> . Intermediaries or at such other website as may be prescribed by SEBI from time to time.
Designated Stock Exchange	Emerge Platform of National Stock Exchange of India Limited (“NSE EMERGE”)
DP ID	Depository Participant’s identity number
Designated Market Maker	Alacrity Securities 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.
Draft Red Herring Prospectus/DRHP	This Draft Red Herring Prospectus dated March 20, 2025 issued in accordance with Section 26 of the Companies Act, 2013 and SEBI ICDR Regulation.
Eligible FPI(s)	FPIs from such jurisdictions outside India where it is not unlawful to make an offer / invitation under the Issue and in relation to whom the Application Form and the Prospectus constitutes an invitation to subscribe to the Equity Shares
Eligible NRI(s)	NRI(s) from jurisdictions outside India where it is not unlawful to make an offer or invitation under the Issue and in relation to whom the Application Form and the Prospectus will constitute an invitation to subscribe to or to purchase the Equity Shares
Eligible QFIs	QFIs from such jurisdictions outside India where it is not unlawful to make an Offer or invitation under the Offer and in relation to whom the Prospectus constitutes an invitation to purchase the Equity Shares offered thereby and who have opened demat accounts with SEBI registered qualified depository participants
Equity Listing Agreements	The listing agreements to be entered into by our Company with the Stock Exchange in relation to our Equity Shares.
Escrow and Sponsor Bank Agreement	Agreement dated May 17, 2025 entered into amongst our Company, the Registrar to the Issue, the Book Running Lead Manager and Banker to the Issue and Sponsor Bank, to receive monies from the Applicants through the SCSBs Bank Account on the Designated Date in the Public Issue Account.
Escrow Account(s)	Account(s) opened with the Bank(s) to the Issue pursuant to Escrow and Sponsor Bank Agreement
Escrow Collection Bank(s)	The Bank(s) which are clearing members and registered with SEBI as bankers to an issue under the SEBI (Bankers to an Issue) Regulations, 1994 and with whom the Escrow Account(s) will be opened, in this case being HDFC Bank Limited
Electronic Transfer of Funds	Refunds through ECS, NEFT, Direct Credit or RTGS as applicable
First Applicant	The Applicant whose name appears first in the Application Form or the Revision Form and in case of joint Bids, whose name shall also appear as the first holder of the beneficiary account held in joint names
Fugitive Economic Offender	An individual who is declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018
Floor Price	The lower end of the Price Band, subject to any revision(s) thereto, not being less than the face value of Equity Shares, at or above which the Offer Price will be finalized and below which no Bids will be accepted.
Foreign Venture Capital Investors	Foreign Venture Capital Investors registered with SEBI under the SEBI (Foreign Venture Capital Investor) Regulations, 2000

<b>Term</b>	<b>Description</b>
FPI / Foreign Portfolio Investor	A Foreign Portfolio Investor who has been registered under Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, provided that any FII or QFI who holds a valid certificate of registration shall be deemed to be a foreign portfolio investor till the expiry of the block of three years for which fees have been paid as per the SEBI (Foreign Institutional Investors) Regulations, 1995, as amended.
Fraudulent Borrower	Fraudulent borrower as defined under Regulation 2(1) (III) of the SEBI ICDR Regulations
Fresh Issue	The Fresh Issue of 61,98,000* Equity Shares aggregating up to ₹ 2789.10 Lakhs * <i>Subject to Basis of Allotment</i>
General Information Document	The General Information Document for investing in public issues prepared and issued in accordance with the SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020 and the circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, and the UPI Circulars, as amended from time to time. The General Information Document shall be available on the websites of the Stock Exchange and the Book Running Lead Manager.
Gross Proceeds	The Offer Proceeds
IPO/ Offer/ Offer Size/ Public Offer	Initial Public Offering
Issue / Offer	The initial public offer of 61,98,000* Equity Shares of face value of ₹10 each aggregating up to ₹ 2789.10 Lakhs. * <i>Subject to Basis of Allotment</i>
Issue Agreement	The agreement dated December 27, 2024 amongst our Company and the Book Running Lead Manager, pursuant to which certain arrangements are agreed to in relation to the Issue.
Issue Price / Offer Price	The final price at which Equity Shares will be Allotted to successful ASBA Bidders (except for the Anchor Investors) in terms of the Prospectus. Equity Shares will be Allotted to Anchor Investors at the Anchor Investor Offer Price which will be decided by our Company in consultation with the BRLM in terms of the Prospectus.  The Offer Price will be decided by our Company in consultation with the BRLM on the Pricing Date in accordance with the Book Building Process and the Prospectus.
Issue Proceeds	The proceeds of the Issue shall be available to our Company. For further information about the use of the Issue Proceeds, see “ <i>Objects of the Issue</i> ” beginning on page 90 of this Prospectus.
Issue Opening	The date on which the Book Running Lead Manager, Syndicate Member, Designated Branches of SCSBs and Registered Brokers shall start accepting Application for this Issue, which shall be the date notified in an English national newspaper, Hindi national newspaper and a regional newspaper each with wide circulation as required under the SEBI (ICDR) Regulations. In this case being Wednesday; May 28, 2025
Issue Closing	The date after which the Book Running Lead Manager, Syndicate Member, Designated Branches of SCSBs and Registered Brokers will not accept any Application for this Issue, which shall be notified in a English national newspaper, Hindi national newspaper and a regional newspaper each with wide circulation as required under the SEBI (ICDR) Regulations. In this case being Friday; May 30, 2025
Individual Investor(s)/ II(s)	Individual Applicants, who have applied for the Equity Shares for a minimum application size of two lots wherein amount exceeds more than ₹ 200,000 in any of the bidding options in the Issue (including HUFs applying through their Karta and Eligible NRIs)
Individual Investor Portions	Portion of the Offer being not less than 35% of the Net Offer consisting of 20,64,000 Equity Shares which shall be available for allocation to IBs (subject to valid Bids being received at or above the Offer Price), which shall not be less than the minimum Bid Lot subject to availability in the Individual Investor Portion, and the remaining Equity Shares to be Allotted on a proportionate basis
Lot Size	The Market lot and Trading lot for the Equity Share is 3000 and in multiples of 3000 thereafter; subject to a minimum allotment of 6000 (3000X2) Equity Shares to the successful applicants.
Listing Agreement	The Equity Listing Agreement to be signed between our Company and the National Stock Exchange of India Limited.

Term	Description
Market Maker	Market Maker of the Company, in this case being Alacrity Securities Limited
Market Maker Reservation Portion	The Reserved portion of 3,12,000 Equity shares of ₹ 10 each at an Issue Price of ₹ 45/- aggregating to ₹ 140.40 for Designated Market Maker in the Public Issue of our Company
Market Making Agreement	The Agreement among the Market Maker, the Book Running Lead Manager and our Company dated May 16, 2025
Minimum Bid Lot Size	The minimum bid lot size shall of two lots i.e 6000 Equity Shares (3000X2)
Mobile App(s)	The mobile applications listed on the website of SEBI at <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=43">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=43</a> or such other website as may be updated from time to time, which may be used by IIs to submit Bids using the UPI Mechanism.
Mutual Funds	Mutual funds registered with SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996, as amended.
Net Issue	The Issue (excluding the Market Maker Reservation Portion) of 58,86,000 equity Shares of face value of ₹10 each fully paid for cash at a price of ₹ 45/- per Equity Share (the “Issue Price”), including a share premium of ₹ 35/- per equity share aggregating to ₹ 2648.70 Lakhs
Net Proceeds	The proceeds from the Issue less the Issue related expenses applicable to the Issue. For further information about use of the Issue Proceeds and the Issue expenses, see “ <i>Objects of the Issue</i> ” on page 90 of this Prospectus.
Net QIB Portion	The QIB Portion less the number of Equity Shares allocated to the Anchor Investors
Non-Institutional Investors/ Non-Institutional Bidders/ NIB's	All Applicants that are not QIBs or Individual Bidders and who have Bid for Equity Shares for an amount more than ₹ 200,000 (but not including NRIs other than Eligible NRIs)
Non-Institutional Portion	The portion of the Offer being not less than 15% of the Net Offer consisting of 8,85,000 Equity Shares which shall be available for allocation on a proportionate basis to Non-Institutional Bidders, subject to valid Bids being received at or above the Offer Price or through such other method of allocation as may be introduced under applicable law
Non-Resident	A person resident outside India, as defined under FEMA and includes NRIs, FPIs and FVCIs
NPCI	NPCI, a Reserve Bank of India (RBI) initiative, is an umbrella organization for all retail payments in India. It has been set up with the guidance and support of the Reserve Bank of India (RBI) and Indian Banks Association (IBA).
Offer document	Includes Draft Red Herring Prospectus / Red Herring Prospectus and Prospectus to be filed with Registrar of Companies.
Person/Persons	Any individual, sole proprietorship, unincorporated association, unincorporated organization, body corporate, corporation, company, partnership, limited liability company, joint venture, or trust or any other entity or organization validly constituted and/or incorporated in the jurisdiction in which it exists and operates, as the context requires.
Prospectus	The Prospectus dated May 30, 2025 filed with the RoC in accordance with the Companies Act, 2013, and the SEBI ICDR Regulations containing, <i>inter alia</i> , the Issue opening and closing dates, the size of the Issue and certain other information.
Public Issue Account(s)	Account to be opened with Banker to the Issue for the purpose of transfer of monies from the SCSBs from the bank accounts of the ASBA Applicants on the Designated Date.
Public Issue Bank	The bank(s) which is a clearing member and registered with SEBI as a banker to an issue with which the Public Issue Account(s) is opened for collection of Application Amounts from Escrow Account(s) and ASBA Accounts on the Designated Date, in this case being HDFC Bank Limited
Price Band	Price Band of a minimum price (Floor Price) of ₹ 42/- and the maximum price (Cap Price) of ₹ 45/- The Price Band will be decided by our Company in consultation with the BRLM and advertised in two national daily newspapers (one each in English and in Hindi) with wide circulation and one daily regional newspaper with wide circulation at least two working days prior to the Bid / Offer Opening Date.

<b>Term</b>	<b>Description</b>
Pricing Date	The date on which our Company, in consultation with the BRLM, will finalise the Offer Price.
Qualified Institutional Buyers/ QIBs	Qualified institutional buyers as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations
QIB Category/ QIB Portion	The portion of the Net Issue (including the Anchor Investor Portion) being not more than 50% of the Net Issue, consisting of 29,37,000 Equity Shares aggregating to ₹ 1321.65 lakhs which shall be Allotted to QIBs (including Anchor Investors) on a proportionate basis, including the Anchor Investor Portion (in which allocation shall be on a discretionary basis, as determined by our Company in consultation with the BRLM), subject to valid Bids being received at or above the Issue Price or Anchor Investor Issue Price (for Anchor Investors).
Qualified Foreign Investors / QFIs	Non-resident investors other than SEBI registered FIIs or sub-accounts or SEBI registered FVCIs who meet 'know your client' requirements prescribed by SEBI.
Registered Brokers	Stockbrokers registered with SEBI under the Securities and Exchange Board of India (Stock Brokers and Sub Brokers) Regulations, 1992 and the stock exchanges having nationwide terminals, other than the Members of the Syndicate and having terminals at any of the Broker Centres and eligible to procure Applications in terms of Circular No. CIR/CFD/14/2012 dated October 04, 2012 and the UPI Circulars issued by SEBI.
Red Herring Prospectus / RHP	The Red Herring Prospectus dated May 21, 2025 issued in accordance with Section 32 of the Companies Act, 2013 and the provisions of the SEBI ICDR Regulations, which will not have complete particulars of the price at which the Equity Shares will be offered and the size of the Offer, including any addendum or corrigenda thereto.
Registrar Agreement	The agreement dated October 01, 2024 among our Company and the Registrar to the Issue in relation to the responsibilities and obligations of the Registrar to the Issue pertaining to the Issue.
Registrar and Share Transfer Agents/ RTAs	Registrar and share transfer agents registered with SEBI and eligible to procure Bids at the Designated RTA Locations in terms of, among others, circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
Registrar to the Issue/ Registrar	Cameo Corporate Services Limited
Revision Form	Form used by the Applicants to modify the quantity of the Equity Shares or the Bid Amount in any of their ASBA Form(s) or any previous Revision Form(s), as applicable. QIB Bidders and Non-Institutional Investors are not allowed to withdraw or lower their applications (in terms of quantity of Equity Shares or the Bid Amount) at any stage. Individual Applicants cannot revise their Applications during the Issue Period and withdraw their Applications until Issue Closing Date
Refund Bank(s) /Refund Banker(s)	Bank(s) which is / are clearing member(s) and registered with the SEBI as Bankers to the Offer at which the Refund Accounts will be opened in case listing of the Equity Shares does not occur, in this case being HDFC Bank Limited.
Regulations	Unless the context specifies something else, this means the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018.
Refund Account	Account to be opened with a SEBI Registered Banker to the Offer from which the refunds of the whole or part of the Application Amount, if any, shall be made.
Reservation Portion	The portion of the Offer reserved for category of eligible bidders as provided under the SEBI (ICDR) Regulations, 2018
Reserved Category/ Categories	Categories of persons eligible for making bid under reservation portion
SEBI SCORES	Securities and Exchange Board of India Complaints Redress System
Self-Certified Syndicate Bank(s) or SCSB(s)	The list of SCSBs notified by SEBI for the ASBA process is available at <a href="http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes">http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes</a> , or at such other website as may be prescribed by SEBI from time to time. A list of the Designated SCSB Branches with which an ASBA Bidder (other than a IB using the UPI Mechanism), not bidding through Syndicate/Sub Syndicate or through a Registered Broker, RTA or CDP may submit the Application Forms, is available at <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=34">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=34</a> , or at such other websites as may be prescribed by SEBI from time to time.

Term	Description
	<p>In relation to Bids submitted to a member of the Syndicate, the list of branches of the SCSBs at the Specified Locations named by the respective SCSBs to receive deposits of Application Forms from the members of the Syndicate is available on the website of the SEBI (<a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=35">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=35</a>) and updated from time to time. For more information on such branches collecting Application Forms from the Syndicate at Specified Locations, see the website of the SEBI (<a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=35">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=35</a>) as updated from time to time.</p> <p>In accordance with SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 and SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 5, 2022, UPI Bidders Bidding using the UPI Mechanism may apply through the SCSBs and mobile applications whose names appears on the website of the SEBI (<a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=40">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=40</a>) and (<a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=43">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=43</a>) respectively, as updated from time to time. A list of SCSBs and mobile applications, which are live for applying in public issues using UPI mechanism is provided as ‘Annexure A’ for the SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019</p>
“Syndicate” or “Members of the Syndicate”	Together, the BRLM and the Syndicate Members
Specified Locations	Bidding centres where the Syndicate shall accept ASBA Forms from Applicants, a list of which will be included in the Application Form
Sponsor Bank	The Banker to the Issue registered with SEBI, which has been appointed by our Company to act as a conduit between the Stock Exchanges and NPCI in order to push the UPI Mandate Request and/or payment instructions of the IBs using the UPI and carry out other responsibilities, in terms of the UPI Circulars, in this case being HDFC Bank Limited
Syndicate Agreement	The agreement to be entered into amongst our Company, the Selling Shareholders, the BRLM and the Syndicate Members, in relation to collection of Bids by the Syndicate.
Syndicate Members	Intermediaries (being BRLM) registered with SEBI who are permitted to carry out activities in relation to collection of Bids and as underwriters.
Stock Exchange	Emerge platform of National Stock Exchange of India Limited
Systemically Important Non-Banking Financial Companies	Systemically important non-banking financial company as defined under Regulation 2(1)(iii) of the SEBI ICDR Regulations.
Transaction Registration Slip/ TRS	The slip or document issued by a member of the Syndicate or an SCSB (only on demand), as the case may be, to the bidders, as proof of registration of the bid.
Underwriters	The Marwadi Chandarana Intermediaries Brokers Private Limited who has underwritten this Issue pursuant to the provisions of the SEBI (ICDR) Regulations, 2018 and the Securities and Exchange Board of India (Underwriters) Regulations, (Repeal) 2021, as amended from time to time.
Underwriting Agreement	The agreement dated May 16, 2025 among the Underwriter and our Company to be entered prior to filing of the Prospectus with RoC.
UPI	Unified Payments Interface, which is an instant payment mechanism, developed by NPCI
UPI Bidders	Collectively, individual investors applying as (i) Individual Bidders in the Individual Investor Portion, and (ii) Non- Institutional Bidders with an application size of up to ₹ 500,000 in the Non-Institutional Portion, and Bidding under the UPI Mechanism through ASBA Form(s) submitted with Syndicate Members, Registered Brokers, Collecting Depository Participants and Registrar and Share Transfer Agents.

Term	Description
	Pursuant to Circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022 issued by SEBI, all individual investors applying in public issues where the application amount is up to ₹ 500,000 shall use UPI and shall provide their UPI ID in the application form submitted with: (i) a syndicate member, (ii) a stock broker registered with a recognized stock exchange (whose name is mentioned on the website of the stock exchange as eligible for such activity), (iii) a depository participant (whose name is mentioned on the websites of the stock exchange as eligible for such activity), and (iv) a registrar to an issue and share transfer agent (whose name is mentioned on the website of the stock exchange as eligible for such activity)
UPI ID	ID created on Unified Payment Interface (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 linked mobile application) to the UPI Bidder initiated by the Sponsor Bank to authorise blocking of funds on the UPI application equivalent to Bid Amount and subsequent debit of funds in case of Allotment.
UPI Mechanism	The Bidding mechanism that may be used by UPI Bidders to make ASBA Bids in the Issue in accordance with UPI Circulars
UPI PIN	Password to authenticate UPI transaction
Working Days	All days on which commercial banks in Mumbai, India are open for business, provided however, with reference to (a) announcement of the Issue Price; and (b) Issue Period, Term Description. The term “Working Day” shall mean all days, excluding all Saturdays, Sundays and public holidays on which commercial banks in Mumbai, India are open for business and the time period between the Issue Closing Date and 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 in India in accordance with circulars issued by SEBI

## CONVENTIONAL AND GENERAL TERMS AND ABBREVIATIONS

Term	Description
₹ or Rs. or Rupees or INR	Indian Rupees
A/c	Account
AGM	Annual general meeting
AIFs	Alternative investment funds as defined in and registered under the SEBI AIF Regulations
AS	Accounting Standards issued by the Institute of Chartered Accountants of India
NSE	National Stock Exchange of India Limited
CAGR	Compounded Annual Growth Rate
Calendar Year or year	Unless the context otherwise requires, shall refer to the twelve month period ending December 31
Category I AIF	AIFs who are registered as “Category I Alternative Investment Funds” under the SEBI AIF Regulations
Category II AIF	AIFs who are registered as “Category II Alternative Investment Funds” under the SEBI AIF Regulations
Category III AIF	AIFs who are registered as “Category III Alternative Investment Funds” under the SEBI AIF Regulations
Category I FPIs	FPIs who are registered as “Category I Foreign Portfolio Investors” under the SEBI FPI Regulations
Category II FPIs	FPIs who are registered as “Category II Foreign Portfolio Investors” under the SEBI FPI Regulations
CBDT	The Central Board of Direct Taxes
CDSL	Central Depository Services (India) Limited
CFO	Chief Financial Officer
CIN	Corporate Identification Number
CIT	Commissioner of Income Tax

<b>Term</b>	<b>Description</b>
Companies Act, 1956	Companies Act, 1956, and the rules, regulations, notifications, modifications and clarifications made thereunder, as the context requires
Companies Act, 2013/ Companies Act	Companies Act, 2013 and the rules, regulations, notifications, modifications and clarifications thereunder
Competition Act	Competition Act, 2002, and the rules, regulations, notifications, modifications and clarifications made thereunder, as the context requires
Consolidated FDI Policy	The consolidated FDI Policy, effective from August 28, 2017, issued by the Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India, and any modifications thereto or substitutions thereof, issued from time to time.
COVID-19	A public health emergency of international concern as declared by the World Health Organization on January 30, 2020, and a pandemic on March 11, 2020
CRAR	Capital to Risk Asset Ratio
CSR	Corporate social responsibility
Demat	Dematerialised
Depositories Act	Depositories Act, 1996.
Depository or Depositories	NSDL and CDSL both being depositories registered with the SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996.
DP ID	Depository Participant's Identification Number
DP/ Depository Participant	A depository participant as defined under the Depositories Act
DIPP	Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, GoI
DPIIT	The Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry
EBITDA	Earnings before Interest, Tax, Depreciation and Amortisation
EGM	Extraordinary general meeting
EMERGE	The SME platform of National Stock Exchange of India Limited
EPF Act	Employees' Provident Fund and Miscellaneous Provisions Act, 1952
EPS	Earnings per share
EUR/ €	Euro
ESI Act	Employees' State Insurance Act, 1948
FCNR Account	Foreign Currency Non-Resident (Bank) account established in accordance with the FEMA
FDI	Foreign direct investment
FEMA	Foreign Exchange Management Act, 1999, including the rules and regulations thereunder
FEMA Rules	Foreign Exchange Management (Non-debt Instruments) Rules, 2019
Financial Year, Fiscal, FY/ F.Y.	Period of twelve months ending on March 31 of that particular year, unless stated otherwise
FPI(s)	A foreign portfolio investor who has been registered pursuant to the SEBI FPI Regulations
Fraudulent Borrower	Fraudulent borrower as defined under Regulation 2(1)(III) of the SEBI ICDR Regulations
FVCI	Foreign Venture Capital Investors as defined under SEBI FVCI Regulations
FY	Financial Year
FPI(s)	Foreign Portfolio Investor, as defined under the FPI Regulations
FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019
FIPB	The erstwhile Foreign Investment Promotion Board
NABH	National Accreditation Board for Hospitals & Healthcare Providers
FVCI	Foreign venture capital investors, as defined and registered with SEBI under the FVCI Regulations
FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000
GDP	Gross domestic product

<b>Term</b>	<b>Description</b>
GoI or Government or Central Government	Government of India
GST	Goods and services tax
Hazardous Waste Rules	Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016
HR	Human resource
HUF	Hindu undivided family
I.T. Act	The Income Tax Act, 1961, as amended
IBC	Insolvency and Bankruptcy Code, 2016
ICAI	The Institute of Chartered Accountants of India
ICSI	Institute of Company Secretaries of India
IFRS	International Financial Reporting Standards
IGAAP or Indian GAAP	Generally Accepted Accounting Principles in India notified under Section 133 of the Companies Act, 2013 and read together with paragraph 7 of the Companies (Accounts) Rules, 2014 and Companies (Accounting Standards) Amendment Rules, 2016
INR	Indian National Rupee
IPR	Intellectual property rights
IRR	Internal rate of return
IPO	Initial public offer
IRDAI	Insurance Regulatory Development Authority of India
ISIN	International Securities Identification Number
IST	Indian Standard Time
IT	Information technology
India	Republic of India
KPI	Key Performance Indicators
Listing Regulations” or “SEBI LODR Regulations”	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
Listing Agreement	The equity listing agreement to be entered into by our Company with each of the Stock Exchanges
MCA	Ministry of Corporate Affairs, Government of India
Mn/ mn	Million
MSME	Micro, Small, and Medium Enterprises
Mutual Fund(s)	A mutual fund registered with SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996
N.A. or NA	Not applicable
NACH	National Automated Clearing House
NAV	Net asset value
NCDs	Non-Convertible Debentures
NBFC	Non-Banking Financial Company
NBFC-ND-SI	Non-Banking Financial Company - Systemically Important Non-Deposit taking Company
NBFC-SI Master Directions	Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 (Master Direction DNBR. PD. 008/03.10.119/2016-17) dated September 1, 2016 (updated on February 17, 2020)
NEFT	National electronic fund transfer
NFE	Net foreign exchange
NGT	The National Green Tribunal
Non-Resident	A person resident outside India, as defined under FEMA
NPCI	National payments corporation of India
NRE Account	Non-resident external account established in accordance with the Foreign Exchange Management (Deposit) Regulations, 2016
NRI/ Non-Resident Indian	A person resident outside India who is a citizen of India as defined under the Foreign Exchange Management (Deposit) Regulations, 2016 or is an ‘Overseas Citizen of



Term	Description
	India' cardholder within the meaning of section 7(A) of the Citizenship Act, 1955
NRO Account	Non-resident ordinary account established in accordance with the Foreign Exchange Management (Deposit) Regulations, 2016
NSDL	National Securities Depository Limited
OCB/ Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts in which not less than 60% of the 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 the FEMA. OCBs are not allowed to invest in the Issue
P/E Ratio	Price/earnings ratio
PAN	Permanent account number allotted under the I.T. Act
PAT	Profit after tax
PIO	Person of India Origin
R&D	Research and development
RBI	Reserve Bank of India
RBI Act	Reserve Bank of India Act, 1934
Regulation S	Regulation S under the Securities Act
RTI	Right to Information, in terms of the Right to Information Act, 2005
RONW	Return on net worth
Rs./ Rupees/ ₹ / INR	Indian Rupees
RTGS	Real time gross settlement
SCRA	Securities Contracts (Regulation) Act, 1956
SCRR	Securities Contracts (Regulation) Rules, 1957
SARFAESI Act	The Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002
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 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 Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018
SEBI Insider Trading Regulations	Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015
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 Regulations	Securities and Exchange Board of India (Mutual Funds) Regulations, 1996
SEBI SBEB 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 SEBI AIF Regulations
State Government	Government of a State of India
STT	Securities Transaction Tax
SICA	The erstwhile Sick Industrial Companies (Special Provisions) Act, 1985
Systemically	Systemically important non-banking financial company as defined under Regulation

<b>Term</b>	<b>Description</b>
Important Non-Banking Financial Company	2(1)(iii) of the SEBI ICDR Regulations
TAN	Tax deduction account number
TDS	Tax deducted at source
US GAAP	Generally Accepted Accounting Principles in the United States of America
U.S. Securities Act	U.S. Securities Act of 1933, as amended
USD / US\$	United States Dollars
UT	Union Territory
VCFs	Venture capital funds as defined in, and registered with SEBI under, the SEBI VCF Regulations
w.e.f.	With effect from
Willful Defaulter or Fraudulent Borrower	Willful Defaulter or Fraudulent Borrower as defined under Regulation 2(1)(III) of the SEBI ICDR Regulations
WTD	Whole Time Director as defined in Companies Act, 2013
Year/Calendar Year	Unless context otherwise requires, shall refer to the 12 month period ending Dec 31

#### TECHNICAL/ INDUSTRY RELATED TERMS

<b>Terms</b>	<b>Description</b>
AI	Artificial Intelligence
API	Active Pharmaceutical Ingredients
ATUFS	Amended Technology Upgradation Fund Scheme
B.Sc	Bachelor of Science
CAD	Current Account Deficit
CAI	Cotton Association of India
CDP	Cluster Development Programme
CPI	Consumer Price Index
CU	Capacity Utilization
DPT	Direct Benefit Transfer
DII	Domestic Institutional Investors
DPIIT	Department for Promotion of Industry and Internal Trade
DPP	Defence Procurement Procedure
ESDM	Electronics System Design and Manufacturing
EV	Electric Vehicles
FDI	Foreign Direct Investment
FII	Foreign Institutional Investors
FPIs	Foreign Portfolio Investors
FRE	First Revised Estimates
GCC	Gulf Cooperation Council
GeM	Government e Marketplace
GDP	Gross Domestic Price
GST	Goods and Services Tax
GVA	Gross Value Added
HFI	High-Frequency Indicators
HMA	Handloom Marketing Assistance
ICEA	Indian Cellular and Electronics Association
IDDM	Indigenously Designed, Developed and Manufactured
IIP	Index of Industrial Production
Indian-IDDM	Indigenously Designed, Developed and Manufactured
KMS	Kharif Marketing Season
KSMs	Key Starting Materials
KVIC	Khadi and Village Industries Commission
LB	Lakh Bales
LMT	Lakh Metric Tonnes
M-SIPS	Modified Special Incentive Scheme

<b>Terms</b>	<b>Description</b>
MBA	Master of Business Administration
MITP	Mega Investment Textiles Parks
MITRA	Mega Integrated Textile Region and Apparel
MMF	Man-Made Fabrics
MoSPI	Ministry of Statistics & Programme Implementation
MoU	Memorandum of Understanding
NHDP	National Handloom Development Programme
NIFT	National Institute of Fashion Technology
NTTM	National Technical Textile Mission
OPEC	Organization of the Petroleum Exporting Countries
PLI	Production Linked Incentive Scheme
PMI	Purchasing Managers' Index
PM-DevINE	Prime Minister's Development Initiative for North-East Region
RBI	Reserve Bank of India
RMS	Rabi Marketing Season
RMSS	Raw Material Supply Scheme
SCOPE	Standing Conference of Public Enterprises
SEZ	Special Economic Zone
SITP	Scheme for Integrated Textile Parks
SPECS	Scheme for Promotion of Manufacturing of Electronic Components and Semiconductors
STT	Short-term Training
SusTex	Sustainable Textiles
TPD	Tons Per Day
TUFS	Technology Upgradation Fund Scheme
UAE	United Arab Emirates
YoY	Year-over-Year

Notwithstanding the foregoing, terms in “*Industry Overview*”, “*Key Industry Regulations and Policies*”, “*Statement of Special Tax Benefits*”, “*Financial Information of the Company*”, “*Basis for Issue Price*”, “*Outstanding Litigation and Material Developments*” and “*Main Provisions of the Articles of Association of our Company*” and “*Issue Procedure*” pages 112, 153, 110, 189, 102, 254 and 324 respectively of this Prospectus, will have the meaning ascribed to such terms in these respective sections.

## **CERTAIN CONVENTIONS, PRESENTATION OF FINANCIAL, INDUSTRY & MARKET DATA AND CURRENCY OF PRESENTATION**

### **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. 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.

### **Use of Financial Data**

Unless stated otherwise or the context otherwise requires, the financial information and financial ratios in this Prospectus has been derived from our Restated Financial Information. For further information, please see the section titled “Financial Information of the Company” on page 189 of this Prospectus

Our Company’s financial year commences on April 01 and ends on March 31 of the next year. Accordingly, all references to a particular financial year, unless stated otherwise, are to the twelve (12) month period ended on March 31 of that year.

The Restated Financial Statements of our Company for the Financial Years ended March 31, 2025, March 31, 2024 and March 31, 2023 which comprise restated summary statement of assets and liabilities, the restated summary statement of profit and loss, the restated summary statement of cash flow and restated summary statement of changes in equity together with the annexures and notes thereto and the examination report thereon, as compiled from the Indian GAAP financial statements for respective period/year and in accordance with the requirements provided under the provisions of the Companies Act, SEBI ICDR Regulations and the Guidance Note on “Reports in Company Prospectuses (Revised 2019)” issued by ICAI.

There are significant differences between Ind AS, Indian GAAP, U.S. GAAP and IFRS. Our Company does not provide reconciliation of its financial information to IFRS or U.S. GAAP. Our Company has not attempted to explain those differences or quantify their impact on the financial data included in this 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, the Indian GAAP and the SEBI ICDR Regulations. Any reliance by persons not familiar with Indian accounting policies and practices on the financial disclosures presented in this Prospectus should, accordingly, be limited.

Unless the context otherwise indicates, any percentage amounts, as set forth in “*Risk Factors*”, “*Our Business*” and “*Management’s Discussion and Analysis of Financial Position and Results of Operations*” on pages 29, 131 and 240 respectively, of this Prospectus, and elsewhere in this Prospectus have been calculated on the basis of the Restated Financial Statements of our Company, prepared in accordance with Indian GAAP, and the Companies Act and restated in accordance with the SEBI ICDR Regulations.

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 in decimals have been rounded off to the second decimal and all the percentage figures have been rounded off to two decimal places including percentage figures in “*Risk Factors*”, “*Industry Overview*” and “*Our Business*” on pages 29, 112 and 131 respectively, this Prospectus

### **Use of Industry and Market Data**

Unless stated otherwise, industry and market data used throughout this Prospectus has been obtained and derived from data provided by management of the company, websites, Industry publications report as well as Government Publications. Industry publication data and website data generally state that the information contained therein has

been obtained from sources believed to be reliable, but that their accuracy and completeness and underlying assumptions are not guaranteed and their reliability cannot be assured.

Although, we believe industry and market data used in the Prospectus is reliable, it has not been independently verified by us or the BRLM or any of their affiliates or advisors. Similarly, internal Company reports and data, while believed by us to be reliable, have not been verified by any independent source. 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 market and industry sources.

In accordance with the SEBI ICDR Regulations, “*Basis for Issue Price*” on page 102 of this Prospectus includes information relating to our peer group entities. Such information has been derived from publicly available sources, and neither we, nor the BRLM have independently verified such information. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in “*Risk Factors*” on page 29 of this Prospectus.

### **Currency of Financial Presentation**

All references to:

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

Our Company has presented all numerical information in is Prospectus in “Lakhs” units or in whole numbers where the numbers have been too small to represent in lacs. One Lakh represents 1,00,000 and one million represents 10,00,000.

## FORWARD- LOOKING STATEMENTS

This Prospectus contains certain “forward-looking statements”. These forward-looking statements generally can be identified by words or phrases such as *“aim”, “anticipate”, “believe”, “expect”, “estimate”, “intend”, “objective”, “plan”, “propose”, “project”, “will”, “will continue”, “will pursue”* or other words or phrases of similar import. Similarly, statements that describe our strategies, objectives, plans or goals are also forward-looking statements.

All forward-looking statements are subject to risks, uncertainties, expectations and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement. These forward-looking statements, whether made by us or a third party, are based on our current plans, estimates and expectations and actual results may differ materially from those suggested by such forward-looking statements.

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

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

- Inability to maintain and develop our brand;
- We operate in highly competitive markets in each of our product segments and an inability to compete effectively may adversely affect our business, results of operations and financial condition;
- General economic and business conditions in the markets in which we operate and in the local, regional and national & international economies;
- Our ability to retain our Key management persons and to attract and retain qualified personnel;
- Our ability to successfully implement our growth strategy and expansion plans, technological initiatives, and to launch and implement various projects and business plans for which funds are being raised through this Issue;
- Our ability to respond to technological changes;
- Changes in laws and regulations that apply to the industries in which we operate;
- If we are unable to maintain an optimal level of inventory, our business, results of operations and financial condition may be adversely affected;
- Our ability to meet our capital expenditure requirements;
- General social and political conditions in India which have an impact on our business activities or investments;
- Occurrence of Environmental Problems & Uninsured Losses;
- Our ability to repay interest and principal payments on our existing debt obligations and satisfy the other covenants contained in our existing debt agreements;
- Any failure to raise additional financing for our Company could have an adverse effect on our business, results of operations, financial condition and cash flows;
- Inability to identify or effectively respond to customer needs, expectations or trends in a timely manner;
- Global distress due to pandemic, war or by any other reason;
- Unsecured loan taken by our Company from our Promoters and directors can be recalled at any time;
- Inability to collect receivables and default in payment from our dealers or customers could result in reduced profits and affect our cash flows.

For further discussion of factors that could cause the actual results to differ from our estimates and expectations, see section *“Risk Factors”, “Our Business”* and *“Management’s Discussion and Analysis of Financial Position and Results of Operations”* beginning on pages 29, 131 and 240 respectively, of this Prospectus. By their nature,

certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual gains or losses could materially differ from those that have been estimated.

We cannot assure investors that the expectations reflected in these forward-looking statements will prove to be correct. Given these uncertainties, investors are cautioned not to place undue reliance on such forward-looking statements and not to regard such statements as a guarantee of future performance.

Forward-looking statements reflects current views as of the date of this Prospectus and are not a guarantee of future performance. These statements are based on our management's beliefs and assumptions, which in turn are based on currently available information. Although we believe the assumptions upon which these forward-looking statements are based are reasonable, any of these assumptions could prove to be inaccurate, and the forward-looking statements based on these assumptions could be incorrect. Neither our Company, our Directors, the Promoter, the Syndicate nor any of their respective affiliates have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition.

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

## SECTION II – SUMMARY OF OFFER DOCUMENT

*The following is a general summary of the terms of the Issue and is not exhaustive, nor does it purport to contain a summary of all the disclosures in this Prospectus when filed, or all details relevant to prospective investors. This summary should be read in conjunction with, and is qualified in its entirety by, the more detailed information appearing elsewhere in this Prospectus, including the sections titled “Risk Factors”, “The Issue”, “Capital Structure”, “Objects of the Issue”, “Industry Overview”, “Our Business”, “Our Promoter and Promoter Group”, “Restated Financial Statements”, “Outstanding Litigation and Other Material Developments” and “Issue Procedure” on pages 29, 59, 71, 90, 112, 131, 182, 189, 254 and 292 respectively of this Prospectus.*

### 1. Summary of the Industry in which the Company operates:

Manufacturing is emerging as an integral pillar in the country’s economic growth, thanks to the performance of key sectors like automotive, engineering, chemicals, pharmaceuticals, and consumer durables. The Indian manufacturing industry generated 16-17% of India’s GDP pre-pandemic and is projected to be one of the fastest growing sectors. The machine tool industry was literally the nuts and bolts of the manufacturing industry in India. Today, technology has stimulated innovation with digital transformation a key aspect in gaining an edge in this highly competitive market.

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

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

The decentralised power looms/ hosiery and knitting sector form the largest component of the textiles sector. The close linkage of textiles industry to agriculture (for raw materials such as cotton) and the ancient culture and traditions of the country in terms of textiles makes it unique in comparison to other industries in the country.

India’s textiles industry has a capacity to produce a wide variety of products suitable for different market segments, both within India and across the world. In order to attract private equity and employee more people, the government introduced various schemes such as the Scheme for Integrated Textile Parks (SITP), Technology Upgradation Fund Scheme (TUFS) and Mega Integrated Textile Region and Apparel (MITRA) Park scheme.

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

For further details, please refer to “Industry Overview” on page 112 of this Prospectus.

### 2. Summary of the primary business of our Company:

We are engaged into designing, manufacturing and wholesale business of cotton textile products including a variety of high-quality cotton sarees, salwar suits and bed sheets. Our products are recognised in textile industry under our own brand name “Vandana” and “Tanaya”. Our Company have been awarded “Best Debutant – Apparels” by Ajio Business Partnership Meet – 2022. Our Company operates into B2B business model, focusing on selling our products through a network of 1397 wholesalers as of March 31, 2025 spread across 31 states and union territories in India and through a channel of B2B e-commerce platform.

The table below sets forth our revenue from operations from our distribution channels, for the periods indicated:



Particulars	For the period ended March 31, 2025		For the Financial year 2024		For the Financial year 2023	
	Revenue (₹ in Lakhs)	% of total revenue from operations	Revenue (₹ in Lakhs)	% of revenue from operations	Revenue (₹ in Lakhs)	% of revenue from operations
Network of Wholesalers	21,438.13	79.17	15511.52	70.47	15619.06	80.00
Online	5642.12	20.83	6499.28	29.53	3905.08	20.00
<b>Total</b>	<b>27,080.25</b>	<b>100.00</b>	<b>22,010.80</b>	<b>100.00</b>	<b>19,524.14</b>	<b>100.00</b>

Our manufacturing process includes cutting, dyeing, embroidery, sewing, embellishments, finishing, inspection and packing. We also outsource certain manufacturing on job work from time to time and provides the technical specifications such as designs, pattern, quality, fabric etc. to them who, based on our specifications begin the manufacturing process. As on March 31, 2025 we had engaged 229 job workers for our manufacturing process. As on March 31, 2025 we have presence in 31 states and union territories and has generated revenue 2.46 % from the south region, 2.10 % from the north region, 88.10 % from the east region and 7.34 % from the west region. Further, we actively engage with potential clients through direct visits and leverages strong local market connections to expand our reach.

For further details, please refer to “*Our Business*” on page 131 of this Prospectus.

### 3. Names of the Promoters

Promoters of our company are Narain Prasad Lohia, Prabhu Lohia and Gyanesh Lohia. For further details, please refer to the chapter titled “*Our Promoter and Promoter Group*” beginning on page 182 of this Prospectus.

### 4. Details of the Issue:

Initial Public Issue of 61,98,000<sup>^</sup> Equity Shares of face value of ₹ 10/- each of the company for cash at a price of ₹ 45/- per Equity Share (including a share premium of ₹ 35/- per Equity Share) aggregating ₹ 2789.10 lakhs (“**The Issue**”), out of which 3,12,000 Equity Shares of face value of ₹ 10/- each aggregating to ₹ 140.40 lakhs will be reserved for subscription by the market maker to the issue (the “**Market Maker Reservation Portion**”). The Issue less Market Maker Reservation Portion i.e.; Issue of 58,86,000 Equity Shares of face value of ₹ 10/- each, at an issue price of ₹ 45/- per Equity Share for cash, aggregating to ₹ 2648.70 lakhs is hereinafter referred to as the “**Net Issue**”. The Public Issue and Net Issue will constitute 26.61 % and 25.27 % respectively of the post-issue paid-up Equity Share capital of our Company.

<sup>^</sup>Subject to basis of Allotment

For further details, refer chapter “*The Issue*” and “*Other Regulatory and Statutory Disclosures*” beginning on page 59 and 267 respectively of this Prospectus.

### 5. Objects of the Issue

The details of the Issue Proceeds and Net Proceeds are as follows:

(₹ in lakhs)

Particulars	Amount
Gross Proceeds of the Issue	2,789.10
Less: Issue Related Expense	450.00
Net Proceeds of the Issue	2,339.10

### 6. Utilization of Net Issue Proceeds

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

Particulars	Amount (₹ in lakhs)
Funding working capital requirements of our Company	1628.00
Repayment of loan	500.00
General corporate purposes	211.10
Net Issue Proceeds	2,339.10

*The amount utilized for general corporate purposes shall not exceed 15% of the Gross Proceeds or 10 crore*

whichever is lower.

For further details, please see “Objects of the Issue” beginning on page 90 of this Prospectus.

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

Our Promoters and Promoter Group collectively holds 1,70,96,809 Equity Shares of our company aggregating to 100.00 % of the pre-Issue paid-up Share Capital of our Company. Following are the details of the shareholding of the Promoters and the Promoter Group, as on the date of this Prospectus:

Sr. No	Name of the Shareholders	Pre-Issue		Post-Issue*	
		No. of Equity Shares	Percentage of total Shareholding (%)	No. of Equity Shares	Percentage of total Shareholding (%)
(A) Promoters					
1.	Narain Prasad Lohia	29,78,940	17.42	29,78,940	12.79
2.	Gyanesh Lohia	16,83,350	9.85	16,83,350	7.23
3.	Prabhu Lohia	42,28,942	24.74	42,28,942	18.15
Total (A)		88,91,232	52.01	88,91,232	38.17
(B) Promoter Group					
4.	Ambika Lohia	8,24,776	4.82	8,24,776	3.54
5.	Usha Kiran Lohia	14,48,336	8.47	14,48,336	6.22
6.	Kanika Lohia	14,24,232	8.33	14,24,232	6.11
7.	Gobindram Narain Prasad HUF	4,24,440	2.48	4,24,440	1.82
8.	Meghna Lohia	12,05,724	7.05	12,05,724	5.18
9.	Gyanesh Lohia HUF	4,87,844	2.85	4,87,844	2.09
10.	Prabhu Lohia HUF	5,03,564	2.95	5,03,564	2.16
11.	Kaberi Sales Private Limited	12,82,841	7.50	12,82,841	5.51
12.	Vandana Finvest Private Limited	6,03,820	3.53	6,03,820	2.59
Total (B)		82,05,577	47.99	82,05,577	35.22
Total (A+B)		1,70,96,809	100.00	1,70,96,809	73.39

\*Subject to Basis of Allotment.

For further details, please refer chapter titled “Capital Structure” beginning on page 71 of this Prospectus.

#### 8. Aggregate Pre- Offer Shareholding of Promoter / Promoter Group and Additional Top 10 Shareholders of the Company as at allotment:

S. No.	Pre- Issue Shareholding as on the date of this Prospectus			Post-Issue shareholding as at Allotment*			
	Shareholders	No. of Equity Shares held	% of the pre-Issue paid up Equity Share capital	At the Lower end of the Price Band		At the Upper end of the Price Band	
				No. of Equity Shares held	% of the post-Issue paid up Equity Share capital	No. of Equity Shares held	% of the post-Issue paid up Equity Share capital
(A) Promoter							
1.	Narain Prasad Lohia	29,78,940	17.42	29,78,940	12.79	29,78,940	12.79
2.	Gyanesh Lohia	16,83,350	9.85	16,83,350	7.23	16,83,350	7.23
3.	Prabhu Lohia	42,28,942	24.74	42,28,942	18.15	42,28,942	18.15
Total (A)		88,91,232	52.01	88,91,232	38.17	88,91,232	38.17
(B) Promoter Group							
4.	Ambika Lohia	8,24,776	4.82	8,24,776	3.54	8,24,776	3.54

S. No.	Pre- Issue Shareholding as on the date of this Prospectus			Post-Issue shareholding as at Allotment*			
	Shareholders	No. of Equity Shares held	% of the pre-Issue paid up Equity Share capital	At the Lower end of the Price Band		At the Upper end of the Price Band	
				No. of Equity Shares held	% of the post-Issue paid up Equity Share capital	No. of Equity Shares held	% of the post-Issue paid up Equity Share capital
5.	Usha Kiran Lohia	14,48,336	8.47	14,48,336	6.22	14,48,336	6.22
6.	Kanika Lohia	14,24,232	8.33	14,24,232	6.11	14,24,232	6.11
7.	Gobindram Narain Prasad HUF	4,24,440	2.48	4,24,440	1.82	4,24,440	1.82
8.	Meghna Lohia	12,05,724	7.05	12,05,724	5.18	12,05,724	5.18
9.	Gyanesh Lohia HUF	4,87,844	2.85	4,87,844	2.09	4,87,844	2.09
10.	Prabhu Lohia HUF	5,03,564	2.95	5,03,564	2.16	5,03,564	2.16
11.	Kaberi Sales Private Limited	12,82,841	7.50	12,82,841	5.51	12,82,841	5.51
12.	Vandana Finvest Private Limited	6,03,820	3.53	6,03,820	2.59	6,03,820	2.59
<b>Total (B)</b>		<b>82,05,577</b>	<b>47.99</b>	<b>82,05,577</b>	<b>35.22</b>	<b>82,05,577</b>	<b>35.22</b>
<b>(C) Additional Top 10 Shareholder</b>							
Nil							
<b>Total (C)</b>		Nil					
<b>Total (A) + (B) + (C)</b>		<b>1,70,96,809</b>	<b>100.00</b>	<b>1,70,96,809</b>	<b>73.79</b>	<b>1,70,96,809</b>	<b>73.79</b>

**Notes**

1) The Promoter Group shareholders are Ambika Lohia, Usha Kiran Lohia, Kanika Lohia, Gobindram Narain Prasad HUF, Meghna Lohia, Gyanesh Lohia HUF, Prabhu Lohia HUF, Kaberi Sales Private Limited, Vandana Finvest Private Limited

2) Includes all options that have been exercised until date of prospectus and any transfers of equity shares by existing shareholders after the date of the pre-issue and price band advertisement until date of prospectus.

3) \*Based on the Issue price of ₹ 45 and Subject to finalization of the basis of allotment

## 9. Summary of Financial Information:

A summary of the financial information of our Company as derived from the Restated Financial Statements for the financial years ended on March 31, 2025, March 31, 2024 and March 31, 2023 are as follows:

(in ₹ Lakhs, except per share data)

Particulars	March 31, 2025	March 31, 2024	March 31, 2023
Equity Share Capital	1,709.69	326.28	290.27
Net Worth <sup>(1)</sup>	3375.46	2515.95	1726.50
Revenue from Operations	27080.25	22010.80	19524.14
Net profit for the year	859.51	429.40	179.94
Basic Earnings per Share <sup>(2)</sup>	5.03	2.56	1.18
Diluted Earnings per Share <sup>(3)</sup>	5.03	2.56	1.18
Net Asset Value per Share <sup>(4)</sup>	19.74	77.11	59.48
Total Borrowings <sup>(5)</sup>	6902.13	6897.51	6508.36

1. "Net Worth is calculated as the sum of equity share capital and other equity attributable to owners of the Company (excluding special reserves)

2. *Basic EPS = Net Profit after tax, as restated, attributable to equity shareholders divided by weighted average no. of equity shares outstanding during the year/ period*
3. *Diluted EPS = Net Profit after tax, as restated, attributable to equity shareholders divided by weighted average no. of diluted equity shares outstanding during the year/ period.*
4. *Net Asset Value per share = Net worth attributable to the owners of the company divided by the numbers of shares outstanding as at year end.*
5. *Total borrowing is the sum of Short term borrowings and Long term borrowings.*

For further details, please see “Restated Financial Statements” on page 189 of this Prospectus.

#### 10. Auditor Qualifications which have not been given effect to in the Restated Financial Statements.

The Restated Financial Statements do not contain any qualifications which have not been given effect in the restated financial statements.

#### 11. Summary of Outstanding Litigations:

A summary of outstanding litigation proceedings involving our Company, Directors, and Promoters to the extent applicable, as on the date of this Prospectus is provided below:

Name of the Entity	Criminal Proceedings	Tax Proceedings	Statutory or Regulatory Proceedings	Disciplinary actions by the SEBI or Stock Exchanges against our Promoters	Material Civil Litigation	Aggregate Amount
<b>Company</b>						
By the Company	5,66,678.00	-	-	-	-	5,66,678.00
Against the Company	-	4,37,86,598.00	-	-	-	4,37,86,598.00
<b>Directors</b>						
By the Director	-	-	-	-	38,27,948.00	38,27,948.00
Against the Director	-	7,960.00	-	-	-	7,960.00
<b>Promoter</b>						
By the Promoter	-	-	-	-	-	-
Against the Promoter	-	7,960.00	-	-	-	7,960.00
<b>Group Companies</b>						
By the Group Companies	-	-	-	-	-	-
Against the Group Companies	-	37,749.00	-	-	-	37,749.00
<b>KMP &amp; SMP</b>						
By the KMP & SMP	-	-	-	-	-	-

Name of the Entity	Criminal Proceedings	Tax Proceedings	Statutory or Regulatory Proceedings	Disciplinary actions by the SEBI or Stock Exchanges against our Promoters	Material Civil Litigation	Aggregate Amount
Against KMP & SMP	-	-	-	-	-	-

For further details, please refer chapter “*Outstanding Litigation and Material Developments*” beginning on page 254 of this Prospectus.

## 12. Risk Factors

For details on the risks involved in our business, please refer the chapter titled “*Risk Factors*”, beginning on page 29 of this Prospectus, to have an informed view before making an investment decision.

## 13. Summary of Contingent Liabilities and Commitments

Except as stated below as per Restated Financial Statements, there are no contingent liability for the financial years ended on March 31, 2025, March 31, 2024 and March 31, 2023.

Particulars	(Rs in Lakhs)		
	As at 31.03.2025	As at 31.03.2024	As at 31.03.2023
Claims against the company not acknowledged as Debts	Unascertainable	Unascertainable	Unascertainable
Bank Guarantee (Financial)	NIL	NIL	NIL
Bank Guarantee (Performance)	NIL	NIL	NIL
Income Tax Demand	405.19	NIL	NIL
TDS Demand	NIL	NIL	NIL
Sales Tax Demand	NIL	NIL	NIL
Other moneys for which the Company is contingently liable	NIL	NIL	NIL
Commitments (to the extent not provided for)	NIL	NIL	NIL
Estimated amount of contracts remaining to be executed on capital account and not provided for	NIL	NIL	NIL
Uncalled liability on shares and other investments partly paid	NIL	NIL	NIL
Other commitments	NIL	NIL	NIL
<b>Total</b>	<b>405.19</b>	<b>0.00</b>	<b>0.00</b>

For further details, please refer “*Note 29: Restated Contingent Liabilities*” as disclosed in restated financial statements on page 224 of this Prospectus.

## 14. Summary of Related Party Transactions

For further details, please refer “*Annexure VII: Related party transactions*” as disclosed in restated financial statements on page 227 of this Prospectus.

## 15. Financing Arrangements:

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

## 16. Weighted average price at which the Equity Shares were acquired by our Promoters in the last one year preceding the date of this Prospectus:

The weighted average price at which the Equity Shares were acquired by the Promoters in one year preceding the date of this Prospectus is as follows:

Name of Promoter	Number of Equity Shares acquired in one year preceding the date of this Prospectus*	Weighted average price per Equity Share of face value of ₹ 10 each (in ₹)
Narain Prasad Lohia	24,10,440	Negligible
Gyanesh Lohia	13,62,100	Negligible
Prabhu Lohia	35,45,892	Negligible

\*As certified by J.B.S & Company, Chartered Accountants pursuant to their certificate dated May 30, 2025.

For further details, please see “Capital Structure” beginning on page 71 of this Prospectus.

#### 17. Details of price at which the Equity Shares were acquired by our Promoters and members of the Promoter Group, the Promoter and Shareholders entitled with right to nominate directors or any other rights in three years preceding the date of this Prospectus

The details of price at which the Equity Shares were acquired by our Promoter in three years preceding the date of this Prospectus is as follows:

Name of the acquirer/ Shareholder	Date of acquisition of securities	Number of securities acquired	Acquisition price per security (in ₹)
<b>Promoters</b>			
Narain Prasad Lohia	November 25, 2022	1,43,900	10.00
	November 25, 2022	46,700	10.00
	November 25, 2022	19,800	10.00
	October 16, 2024	24,10,440	Nil
Prabhu Lohia	April 05, 2023	1,63,000	Nil*
	April 05, 2023	1,63,000	Nil*
	April 05, 2023	2,52,600	Nil*
	June 04, 2024	1,24,000	Nil*
	October 16, 2024	34,21,892	Nil
Gyanesh Lohia	April 05, 2023	36,950	Nil*
	April 05, 2023	25,600	Nil*
	April 05, 2023	1,00,100	Nil*
	October 16, 2024	13,62,100	Nil
<b>Promoter Group</b>			
Usha Lohia	October 16, 2024	11,71,936	10.00
Kanika Lohia	April 05, 2023	2,26,200	Nil*
	October 16, 2024	11,52,432	Nil
Meghna Lohia	October 16, 2024	9,75,624	Nil
Prabhu Lohia HUF	October 16, 2024	4,07,464	Nil
Gyanesh Lohia HUF	October 16, 2024	3,94,744	Nil
Gobindram Narain Prasad (HUF)	October 16, 2024	3,43,440	Nil
Ambika Devi Lohia	November 25, 2022	10,700	10.00
	October 16, 2024	6,67,376	Nil
Kaberi Sales Private Limited	January 22, 2024	2,44,817	Nil <sup>#</sup>
	October 16, 2024	10,38,024	Nil
Vandana Finvest Private Limited	January 22, 2024	1,15,233	Nil <sup>#</sup>
	October 16, 2024	4,88,587	Nil

\*Transferred pursuant to gift deed

<sup>#</sup>Conversion of loan into equity

\*As certified by J.B.S & Company, Chartered Accountants pursuant to their certificate dated May 30, 2025

As on the date of this Prospectus, there are no Shareholders holding any special rights in our Company, including the right to nominate Director(s) on our Board.

#### 18. Weighted average cost of acquisition for all Equity Shares transacted in One year, 18 months and Three

## years preceding the date of this Prospectus

The weighted average price for all Equity Shares acquired by the Promoters, members of the Promoter Group, and other shareholders with rights to nominate Directors or any other rights in the last one year, 18 months and three years preceding the date of this Prospectus is as set out below:

Period	Weighted average cost of acquisition^ (in ₹)	Cap Price is 'X' times the Weighted Average Cost of Acquisition*	Range of acquisition price: Lowest Price – Highest Price^ (in ₹) *
Last one year	Negligible	Negligible	Nil
Last 18 months	Negligible	Negligible	Nil-100
Last three years	0.14	321.43	Nil-100

\*As certified by J.B.S & Company, Chartered Accountants pursuant to their certificate dated May 30, 2025

\* To be updated upon finalization of price band.

## 19. Average cost of acquisition of Equity Shares for our Promoters

The average cost of acquisition of Equity Shares held by our Promoter set forth in the table below:

Name of Promoter	No. of Equity Shares held	Average cost of Acquisition per Equity Share (in ₹)
Narain Prasad Lohia	29,78,940	1.91
Gyanesh Lohia	16,83,350	1.10
Prabhu Lohia	42,28,942	0.38

\*As certified by J.B.S & Company, Chartered Accountants pursuant to their certificate dated May 30, 2025

## 20. Details of Pre-IPO Placement

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

## 21. Issuance of equity shares for consideration other than cash in the last one year

Except as stated below, our Company has not issued Equity Shares for consideration other than cash in the one year preceding the date of this Prospectus.

Date of Allotment	Nature of Allotment	No. of Equity Shares Allotted	Face value (₹)	Issue price (₹)	Reason for allotment and Benefits accrued to our Company
October 16, 2024	Bonus Issue	1,38,34,059	10.00	Nil	Capitalization of Reserves

For further details, please refer chapter titled “Capital Structure” beginning on page 71 of this Prospectus.

## 22. Split/consolidation of Equity Shares in the last one year

Our Company has not undertaken a split or consolidation of the Equity Shares in the one (1) year preceding the date of this Prospectus.

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

As on the date of this Prospectus, our Company has not sought or received any exemption from complying with any provisions of the Securities laws.

### SECTION III: RISK FACTORS

*An investment in our Equity Shares involves a high degree of risk. Prospective Investors should carefully consider all the information in the Prospectus, including the risks and uncertainties described below, before making an investment in our Equity Shares. The risks described below are not the only ones relevant to us or our Equity Shares, but also to the industry in which we operate or to India. Additional risks and uncertainties, not currently known to us or that we currently do not deem material may also adversely affect our business, results of operations, cash flows and financial condition. If any of the following risks, or other risks that are not currently known or are not currently deemed material, actually occur, our business, results of operations, cash flows and financial condition could be adversely affected, the price of our Equity Shares could decline, and investors may lose all or part of their investment. In order to obtain a complete understanding of our Company and our business, prospective investors should read this section in conjunction with “**Our Business**”, “**Restated Financial Statements**” and “**Management’s Discussion and Analysis of Financial Condition and Results of Operations**” on pages 131, 189, and 240 respectively of this Prospectus, as well as the other financial and statistical information contained in this Prospectus. In making an investment decision, prospective investors must rely on their own examination of us and our business and the terms of the Issue including the merits and risks involved. Potential investors should consult their tax, financial and legal advisors about the particular consequences of investing in the Issue. Unless specified or quantified in the relevant risk factors below, we are unable to quantify the financial or other impact of any of the risks described in this section.*

*This Prospectus also contains certain forward-looking statements that involve risks, assumptions, estimates and uncertainties. Our actual results could differ from those anticipated in these forward-looking statements as a result of certain factors, including the considerations described below and elsewhere in this Prospectus. For further information, please refer to section titled “**Forward-Looking Statements**” beginning on page 19 of this Prospectus.*

*Unless otherwise indicated, the financial information included herein is based on our Restated Financial Statements included in this Prospectus. For further information, please refer “**Restated Financial Statements**” on page 189 of this Prospectus. We have, in this Prospectus, included various operational and financial performance indicators, some of which may not be derived from our Restated Financial Statements and may not have been subjected to an audit or review by our Statutory Auditors. The manner in which such operational and financial performance indicators are calculated and presented, and the assumptions and estimates used in such calculation, may vary from that used by other companies in same business as of our Company in India and other jurisdictions. Investors are accordingly cautioned against placing undue reliance on such information in making an investment decision and should consult their own advisors and evaluate such information in the context of the Restated Financial Statements and other information relating to our business and operations included in this Prospectus.*

#### **Materiality**

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

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

*The financial and other related implications of risks concerned, whether quantifiable have been disclosed in the risk factors mentioned below. However, there are risk factors where the impact may not be quantifiable and hence, the same has not been disclosed in such risk factors. The numbering of the risk factors has been done to facilitate ease of reading and reference and does not in any manner indicate the importance of one risk over another.*

*In this Prospectus, any discrepancies in any table between total and sums of the amount listed are due to rounding off.*

*In this section, unless the context requires otherwise, any reference to “we”, “us” or “our” refers to N R Vandana Tex Industries Limited.*



## INTERNAL RISK FACTORS

- Our business is highly concentrated on the sale of women's sarees and is vulnerable to variations in demand and changes in consumer preference, could have an adverse effect on our business, results of operations and financial condition.***

Our business is currently highly concentrated on a single product, i.e., women's sarees. The table below provides details of the contribution of the sales of sarees to our total revenue from operation:

(₹ In Lakhs)

Particulars	For the Financial year 2025		For the Financial year 2024		For the Financial year 2023	
	Revenue	% of total revenue from operations	Revenue	% of total revenue from operations	Revenue	% of total revenue from operations
Sarees	26625.67	98.32%	21854.60	99.29%	19482.46	99.79%
Others*	454.58	1.67%	156.20	0.71%	41.68	0.21%
<b>Total</b>	<b>27080.25</b>	<b>100.00%</b>	<b>22010.80</b>	<b>100.00%</b>	<b>19524.14</b>	<b>100.00%</b>

\*Others includes salwar suits and bedsheets.

Our sales of women's sarees are dependent on a number of factors, and may decline as a result of increased competition, pricing pressures or fluctuations in the demand for or supply of our products and other factors outside our control. In particular, our business is characterized by rapidly-changing customer preferences. Our results of operations are dependent on our ability to attract customers by anticipating and responding to such changes in customer preferences, and modify our existing products in line with changes in customer demands and preferences. The number of customers demanding women's ethnic wear may not continue to increase.

If we are unable to anticipate and gauge customer preferences, or if we are unable to adapt to such changes in a timely basis or at all, we may lose or fail to attract customers, our inventory may become obsolete and we may be subject to pricing pressure to sell our inventory at a discount. A decline in demand for our products or a misjudgement on our part regarding the nature of designs in demand could lead to increased market acceptance of our competitors' products or may result in the substitution of our products in the market, which could lead to us having lower sales and excess inventories, which may necessitate us to sell this excess inventory at cost price / lower than cost price. For instance, demand for our product – salwar suit was not aligning with our expectation due to market challenges, so we had temporarily stalled operations in FY 2022 to reassess and strategize. This may render us unable to support new growth platforms and cause a decline in our revenues and profits, which would adversely affect our business, results of operations, financial condition and cash flows.

- We are dependent on job workers for manufacturing of our Products, any disruption to our operations on account of Job work may have an effect on our business, results of operations and financial condition.***

We outsource partial manufacturing of our products to job workers, primarily under non-exclusive contract manufacturing agreement. We have not entered into long term job work agreements with our job workers and we have also not entered into job work agreements with few of our job workers, with such job workers we enter into purchase order. After approval of design by us, the raw material is purchased and sent to job work for bleaching, printing, embellishments and other. After job work, the finished product is ironed & packed at our facility and sent for dispatch. During the Fiscal 2025, Fiscal 2024, Fiscal 2023, we have engaged 229, 159 and 166 job workers. Expenditure incurred by us during the Fiscal 2025, Fiscal 2024 and Fiscal 2023 in relation to job workers was ₹ 5074.80 Lakhs, ₹ 4,785.52 Lakhs and ₹ 4,423.69 Lakhs respectively.

Following are the breakdown in terms of % of job workers with whom agreement has been executed:

Particulars	For the financial year 2025	For the financial year 2024	For the financial year 2023
Number of Job workers	229	159	166
Number of Job workers with whom agreement has been executed	23	26	22
%	10.04	16.35	13.25

Basic terms of Job Work Agreements are as follows:

1. *Terms of the agreements:* Either party can terminate it by giving 30 days' notice.
2. *Scope of work:* Normally it depends on the agreement which includes printing of sarees, suits, bedsheets. Bleaching, dyeing and printing as per the designs and specifications provided by the Company.
3. *Payment terms:* As may be mutually agreed. Payment to be made within 90 days of completion of job work.

Our reliance on job workers subjects us to various risks, including:

- a. dependence on relationships with job workers, particularly for continuity of supply of products to us;
- b. changes in cost of acquisition of our products from such manufacturers which would directly affect our profit margins and selling prices of our products;
- c. despite quality control exercised by our executives stationed at respective contract manufacturer facilities, there is dependence on quality control systems and processes of such manufacturers. In the past, we have rejected products manufactured by certain third party manufacturers as those products did not meet our quality standards;
- d. dependence on job workers manufacturing facilities, which are subject to customary operational risks, such as the breakdown or failure of equipment, power supply or processes, performance below expected levels of output or efficiency, unavailability of consumables and spare parts, labor disputes, natural or man-made disasters, accidents, planned or unplanned shutdowns, and compliance with relevant government regulations;
- e. compliance with the evolving regulatory and policy environment in which we operate; and
- f. adverse changes in the financial or business condition of our job workers.
- g. Further, our job workers are majorly concentrated from Gujarat. Following is the detailed breakup of our job workers state wise for the FY 2025, FY 2024 and 2023:

Particulars	For the financial year 2025	For the financial year 2024	For the financial year 2023
Gujarat	144	151	150
Maharashtra	07	06	08
West Bengal	78	01	08
Madhya Pradesh	-	01	-
<b>Total</b>	<b>229</b>	<b>159</b>	<b>166</b>

Our contract manufacturers do not manufacture products exclusively for us and accordingly, some of them may choose to manufacture products for other parties, including our competitors, at any time, which may lead to conflicts of interest that exacerbate the risks mentioned above. In addition, they may manufacture products identical to ours, and we may not be able to prevent the same, in the absence of adequate intellectual property protections, which in turn may adversely affect our business, results of operations, financial condition and cash flows.

Our dependence on third party manufacturers could adversely affect our business, results of operations, cash flows and financial condition, as a result of occurrence of factors mentioned above or violation of terms of engagement by such manufacturers.

3. ***Any downgrading of our credit rating by a domestic or international credit rating agency may increase interest rates for our future borrowings, which would increase our cost of borrowings, and adversely affect our ability to borrow on a competitive basis.***

Our current credit ratings have been assigned by CRISIL who have assigned CRISIL BB/(Stable), on long term borrowings. Our credit rating may be downgraded in the future due to various factors, including factors which may be outside our control. Any future downgrade of our credit ratings may increase interest rates for refinancing our borrowings, which would increase our cost of borrowings, and may have an adverse effect on our future issuances of debt and our ability to borrow on a competitive basis. Further, any downgrade in our credit ratings may also trigger an event of default or acceleration of repayment of certain of our borrowings. If any of these risks materialise, it could have a material adverse effect on our business, reputation, results of operations and financial condition.

**4. Any inability to address changing industry standards and consumer trends may adversely affect our business, results of operations and financial condition.**

We have a dedicated design team of 2 personnel who are responsible for the design of our apparel products. Further, we also significantly depend on the expertise, experience and continued efforts of our Design team. Our future performance will depend largely on our ability to retain the continued service of our design team. If one of our members of design team are unable or unwilling to continue in his or her present position, it could be difficult for us to find a suitable or timely replacement and our production, business, financial condition and results of operations could be adversely affected.

The future success of our business will depend in part on our ability to respond to technological advances, consumer preferences and emerging industry standards and practices in a cost-effective and timely manner. The development and implementation of such new technology entails technical and business risks. We may have to incur substantial capital investment to upgrade our equipment and manufacturing facilities. While we continue to invest in various product development initiatives, adopt enhanced technologies and processes for the development of new products, we are subject to general risks associated with introduction and implementation of new products including the lack of market acceptance and delays in product development. There can be no assurance that we will be able to successfully develop new services or that such new services will receive market acceptance or address changing consumer trends or emerging customer standards. Any rapid change in the expectations of our customers, in our business could adversely affect our business, results of operations and financial condition.

**5. We are dependent upon few suppliers for the material requirements of our business. Further, we do not have definitive agreements or fixed terms of trade with most of our suppliers. Failure to successfully leverage our relationships with existing suppliers or to identify new suppliers could adversely affect our business operations.**

While we have maintained a long-term relationship with many of our suppliers and we have been able to negotiate favorable credit terms from them due to increased order sizes and timely payments, we cannot assure you that we shall be able to maintain such favourable credit terms in future. In this regard, for the year ended March 31, 2025, March 31, 2024 and March 31, 2023 our top 10 suppliers contributed around 46.98 %, 49.29 % and 46.31 % respectively of our purchases. We are, to a major extent, dependent on external suppliers for our grey fabric, ready-to-use bleached or dyed fabric, and printed fabrics, etc.; we do not have any long-term supply agreements or commitments in relation to the same used in our manufacturing process. Although we have long term relationship with our suppliers, we do not have a formal written agreement with any of them. We get longer credit periods based on our relationship with the suppliers established over a period of time primarily because of continuity of orders placed with them, size of the order and timely payments made to suppliers.

Further, we are also exposed to fluctuations in the prices of fabric. Thus, we may be unable to control the factors affecting the price at which we procure our raw material. We also face the risks associated with compensating for or passing on such increase in our cost of production on account of such fluctuations in prices to our customers. Particularly, we face the risk of our products becoming unaffordable if pass on the increase in the cost of production to our customers through a corresponding increase in the price of our products in order to maintain our margins. Upward fluctuation of price of raw material may thereby affect our margins and profitability, resulting in a material adverse effect on our business, financial conditions and results of operations.

**6. Any disruptions to the supply, or increases in the pricing, of the raw materials and finished products that we outsource, may adversely affect the supply and pricing of our products and, in turn, adversely affect our business, cash flows, financial condition and results of operations.**

Our primary raw material is fabrics and threads. Raw materials price volatility caused by various factors such as the quality and availability of supply, consumer demand, changes in government programs and regulatory sanctions. Our suppliers may be unable to provide us with a sufficient quantity of our raw materials at a suitable price for us to meet the demand for our products. The prices and supply levels of raw materials are dependent on factors, which are not in our control such as general economic conditions, competition, production levels, transportation costs and import duties.

Any increase in raw material prices may affect our procurement of raw materials and will result in corresponding increases in our product costs, while the increase in the selling price of the finished products may not be in proportionate to the increase in raw material price. Such change in pricing may adversely affect our sales, cash flow and our overall profitability.

Our Company's cost of raw material consumed 57.24 %, 61.44 %, and 73.77 % of our revenues from operation for the Fiscal 2025, Fiscal 2024, Fiscal 2023 respectively. If we are unable to manage these costs or increase the prices of our products to offset these increased costs, our margins, cash flows and our profitability may be adversely affected.

We currently do not have and do not intend to enter into long term contracts with any of the raw material suppliers since we typically place orders with them in advance on the basis of our anticipated requirements. The absence of long term contracts at fixed prices exposes us to volatility in the prices of raw materials that we require and we may be unable to pass these costs onto our consumers and which could negatively affect the overall profitability and financial performance of our business.

Although there have not been any instances in the last 3 financial years and the current financial year where we have faced a shortage of raw materials, we cannot assure you that we will always be able to meet our raw material requirements at prices acceptable to us, or at all, or that we will be able to pass on any increase in the cost of raw materials to our customers. Any inability on our part to procure enough raw materials, on commercially acceptable terms, may lead to a decline in our sales volumes and profit margins and adversely affect our results of operations.

**7. *We rely on our relationships with certain marketplaces and web traffic drivers for sales through our online channel.***

As part of our online sales channels, we sell our products through our direct-to-business channel such as AJIO, Solv, Udaan, Bijnis. For the Fiscal 2025, Fiscal 2024 and Fiscal 2023, our revenue from online channels amounted to ₹ 5642.12 Lakhs, ₹ 6,499.28 Lakhs and ₹ 3,905.08 Lakhs representing 20.83 % , 25.80% and 29.53% of our revenue from operations, respectively. Online marketplaces could also change their business practices or seek to modify their contractual terms, such as payment terms. For the Fiscal 2025, Fiscal 2024 and Fiscal 2023 our expense as support sale charges to online channels amounted to ₹ 504.91, ₹ 638.08 Lakhs, ₹ 154.34 Lakhs representing 1.94 %, 2.97 %, 0.80 % of our total expense. Further, such entities may also increase the cost of their services, due to inflationary pressures or other reasons, which may adversely impact our expenses and profitability.

If the online commerce industry in India does not further develop and grow and if our Company is not able to effectively respond to changing customer behaviour, its results of operations could be adversely affected.

**8. *Our Company is dependent on third party transportation providers for the delivery of raw materials and finished products. Accordingly, continuing increases in transportation costs or unavailability of transportation services for our products, as well the extent and reliability of Indian infrastructure may have an adverse effect on our Company's reputation, business, financial condition, results of operations and prospects.***

We use third party transportation providers for the supply of most of our raw materials and for delivery of our products to our customers. Transportation strikes could have an adverse effect on our receipt of raw materials and our ability to deliver our products to our customers. Non-availability of transportation services could also adversely affect our receipt of raw materials and the delivery of our products. In addition, transportation costs in India have been steadily increasing over the past several years. While usually the end consumer bears the freight cost, we may not always be able to pass on these costs to our customers. Loading, unloading and transport charges incurred by our Company for the Fiscals 2025, Fiscals 2024 and 2023 was ₹ 490.72, ₹ 481.10 Lakhs, ₹ 491.44 Lakhs, aggregating 1.89 %, 2.24 % and 2.55 % of our total expenses, respectively.

Continuing increases in transportation costs or unavailability of transportation services for our products may have an adverse effect on our business, financial condition, results of operations and prospects. Further, disruptions of transportation services due to weather-related problems, strikes, lock-outs, inadequacies in the road infrastructure, or other events could impair ability to procure raw materials on time. Any such disruptions could materially and adversely affect our business, financial condition and results of operations.

We may face transportation risks including damage or losses of goods in transit, delay in deliveries to our customers etc. due to loss or pilferage, which we may not be able to fully recover from our service provider or from our insurance coverage. Further, while we adjust freight costs in the cost of products sold to our customers, we bear transportation risk for the duration of transit. In addition, we may be required to replace a service provider if its services do not meet our safety, quality or performance standards or the partner's non-compliance with applicable laws or if it should unexpectedly discontinue operations due to reasons beyond its or our control. Any

prolonged disruption or unavailability of such facilities in a timely manner could result in delays or inability to deliver our products to our customers or may require us to look for alternative means of transportation which may not be cost or time efficient, thereby adversely affecting our operations, profitability, reputation and market position.

**9. *Our Company's manufacturing activities are labour intensive and depend on availability of skilled and unskilled labourers in large numbers. In case of unavailability of such labourers and / or inability to retain such personnel, our business operations could be affected. Our business is subject to strikes, work stoppages and/or increased wage demands, as well as other disputes with our employees. Such instances may cause disruptions in our operations, which could materially adversely affect our business, financial condition and results of operations.***

As on April 30, 2025, our Company has employed 120 employees all of whom are on our payrolls. The above includes employees in the top and middle management (including Executive Directors), and also employees who are part of manufacturing unit and office staff. Our operations and performance are labour intensive and depends on our ability to identify, attract and retain both skilled and unskilled labour. In case such labour is unavailable or we are unable to identify and retain such labourers, our business could be adversely affected. Further, there are instances where we need to hire additional contract labour, either for specialized jobs or during periods of high customer orders. We have not entered into any agreement for hiring additional labourers and thus availability of appropriately unskilled labour cannot be guaranteed. While we have not faced any shortage of labour in last three Fiscal, any failure to hire the appropriate labour may impact the operations and impair our client relations.

Further, we may be subject to labour strikes, industrial unrest, slowdowns, and increased wage costs, which may adversely affect our business, financial conditions, cash flows and results of operations. Negative publicity arising from labour unrest could harm our reputation and relationships with key stakeholders, potentially resulting in a loss of business opportunities. While we consider our relationship with our employees to be good and there has been no such instance in the three Fiscals of any disruptions in work due to disputes or other problems with our work force, we could experience disruptions in work due to disputes or other problems with our work force in future, which may adversely affect our ability to perform our business operations.

**10. *We do not own the premises in which our manufacturing units and warehouses are located and the same are on lease arrangement. Any termination of such lease/license and/or non-renewal thereof and attachment by Property Owner could adversely affect our operations.***

Our manufacturing unit 1 premise is situated at 225/J, Ghosalpara, Nabagram, Serampore, District Hooghly, Ward No.1, Hooghly-712201 is a leased premise and our Company has entered into an agreement with Lessor for leasing the same premises for a period of 11 months w.e.f. 01.03.2025 and few of our warehouses are on lease. For details, please refer to “*Our Business - Our immovable properties*” page no. 150 of this Prospectus.

Our business operations are also conducted from the said premises. As per the lease agreement, if there are any non-compliance by us in relation to any term of lease, lease fee and any other terms and conditions, the lease may result in the termination of the lease agreement and consequently we have to vacate the said premises. We also cannot assure you that lessor will not terminate the lease agreement, which would require us to locate to another premise and may have an adverse effect on our conducting our business operations.

Our business operations are also conducted from the said premises. As per the lease agreements, if there are any non-compliance by us in relation to any term of lease, lease fee and any other terms and conditions; it may result in the termination of the lease agreement and consequently we may have to vacate the said premises. We also cannot assure you that lessor will not terminate the lease agreement, which would require us to locate to another premise and may have an adverse effect on our conducting our business operations. In case, we may have to re-locate to another premise and/or agree to pay the extra amount for using the same premises. Increase in lease structure will lead to increase of our expenditure which in turn may affect our revenue and increase of operational cost. Also, searching for the suitable location, setting the manufacturing unit and warehouses from the scratch and relocating the inventory from location to another, may lead to loss of clients, impact on production, reduction in sales thereby affecting our profitability.

**11. *Our business operation designs are dependent on design team of our apparel products. Any loss of our design team or our ability to attract and retain them and other personnel with technical expertise could adversely affect our business, financial condition and results of operations.***

We have a dedicated design team of 2 personnel who are responsible for the design of our apparel products. Further, we also significantly depend on the expertise, experience and continued efforts of our Design team. Our future performance will depend largely on our ability to retain the continued service of our design team. If one of our members of design team are unable or unwilling to continue in his or her present position, it could be difficult for us to find a suitable or timely replacement and our production, business, financial condition and results of operations could be adversely affected.

In addition, we may require a long period of time to hire and train replacement personnel when personnel with technical expertise terminate their employment with us. We may also be required to increase our levels of employee compensation more rapidly than in the past to remain competitive in attracting and retaining personnel with technical expertise that our business requires. The loss of the services of such persons could have an adverse effect on our business, results of operations, cash flows and financial condition. For further information, see “Our Management” on page 167 of this Prospectus.

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

We may encounter problems in executing the orders in relation to our products, or executing it on a timely basis. Moreover, factors beyond our control or the control of our customers, including delays or failure to obtain necessary permits, authorizations, permissions and other types of difficulties or obstructions, may result in the postponement of the delivery of products or cause its cancellation. Further, since we do not execute contracts with our customers, the order could be cancelled or there could be changes in scope and / or scheduled delivery of the products. Accordingly, it is difficult to predict with certainty if, when, and to what extent we may be able to deliver the orders placed. Failure to deliver products on time could lead to customers delaying or refusing to pay the amount, in part or full, which may adversely affect our business.

In addition, even where a delivery proceeds as scheduled, it is possible that the contracting parties may default or otherwise fail to pay amounts owed. Except as disclosed in “*Outstanding Litigation And Material Development*” on page 254, we have not experienced any material delay, reduction in scope, cancellation, execution difficulty, delay or default in payment with regard to the orders placed with us, or any material disputes with customers in respect of any of the foregoing, any such adverse event in the future could materially harm our cash flow position and income. Any delay, modification, cancellation of order by our large customers may have material adverse effect on our financial condition and results of operations.

***13. We generate a substantial portion of revenue from West Bengal. Any adverse developments affecting our operations in the West Bengal could have an adverse impact on our revenue and results of operations.***

Our Company has presence across 31 States and Union territory among which, our revenue is concentrated in the one State i.e.; West Bengal. We generated almost 77.18 %, 77.57 % and 75.61 % of the Total Revenue generated for the financial year ended March 31, 2025, 2024 and 2023 respectively.

Such geographical concentration of our business in the West Bengal region heightens our exposure to adverse developments related to competition, as well as economic and demographic changes in the region, which may adversely affect our business prospects, financial conditions and results of operations.

Factors such as competition, culture, regulatory regimes, business practices and customs, industry needs, transportation, in other markets where we may expand our operations may differ from those in West Bengal region, and our experience in the West Bengal region may not be applicable to other markets. In addition, as we enter new markets and geographical areas, we are likely to compete not only with national players, but also local players who might have an established local presence, are more familiar with local regulations, business practices and industry needs, have stronger relationships with suppliers, dealers, relevant government authorities, or are in a stronger financial position than us, all of which may give them a competitive advantage over us. Our inability to expand into areas outside West Bengal market may adversely affect our business prospects, financial conditions and results of operations.

***14. There are certain discrepancies and non-compliances noticed in some of our corporate records relating to forms filed with the Registrar of Companies.***

Our Company has delayed in complying with certain statutory provisions under Companies Act 2013, for instance delayed in filling Financial Statement in Form SH-6 in the year 1995, 2004, Appointment of auditor in ADT-1 in

the year 2017 with additional fees. Further, as mentioned in below table there were non-compliances and discrepancies in filing with RoC.

Sr. No.	Discrepancies in Filing	Corrective Actions Advised
1	In E-form AOC-4 XBRL for FY 2019-2020, 2020-21 and 2021-22 Consolidated Balance Sheet was applicable to the Company. However, in the said eform AOC-4 XBRL applicability is marked as not applicable and Consolidated Financial Statement is not attached to the said eform.	The Company has filed e-form GNL-1 dated 27th December, 2024 and the form is pending for approval. Application of compounding of offence under section 441 of the Companies Act, 2013 for the violation of Section 129 of the Companies Act, 2013 vide dated 27.12.2024
2.	In e-form PAS-3 Board Resolution is not attached, premium amount is mentioned in the said form but in attachment list of allottees, premium amount is not mentioned and the total number of amount has been calculated as Rs. 10 per share in attachment attached as list of allottees for March 30, 2013.	The Company will file further e-forms with due care attaching all the relevant facts and figure.
3.	Form SH-4 is not traceable for FY 2018, 2020 and 2023.	The Company will take due care of records and reliance of transfer is placed due to Board Resolution.

Since the Company was incorporated in 1992, under the provisions of the Companies Act, 1956, it is difficult to retrieve and/ or trace all secretarial records since incorporation as certified by Twinkle Pandey, Practicing Company Secretary dated December 28, 2024. Although, as on date of filing this Prospectus, our Company has maintained appropriate system and has updated its corporate records such as minutes, statutory forms, registers and documents as required under Companies Act, 2013; while there has been no impact on our financial condition or any statutory or regulatory proceedings initiated in this regard as of the date of this Prospectus; there can be no assurance that any deficiencies in our internal controls and compliances will not arise, or that the regulator will not initiate proceeding against us or will not impose penalty on us or that we will be able to implement, and continue to maintain, adequate measures to rectify or mitigate any future deficiencies in our internal controls, in a timely manner or at all. Further, to improve our secretarial compliances we have appointed Sweta Agarwal as Company Secretary and Compliance Officer.

**15. There have been several instances of delay/ default in payment of statutory dues and filing of statutory returns by our Company in the past.**

There have been several instances of delay/ default in payment of statutory dues including EPF payments and filing of GST returns by our Company in the past which were not material in nature and the same were regularised subsequently by payments and filing of return with interest and penalty. For the last three Fiscals there has been generally delay in depositing undisputed statutory dues such as Employee Provident Fund, Tax deducted at source, Income Tax, Good and Service Tax etc. due to several reasons including liquidity issues.

Following are the details of delays in the payments of EPF in the last 3 FYs:

Sr No.	Months	Due Date	Date Of Payment	Days of Delay	Reasons For Delay
1	Aug	15/09/2024	17/09/2024	2	Portal Issue
2	May	15/06/2023	16/06/2023	1	Portal Issue
3	Jan	15/02/2023	16/02/2023	1	Portal Issue

Following are the details of delays in the payments of Tax deducted at source, Good and Service Tax in the last 3 FYs:

Financial Year	Return Type	Total no. of Establishment	Establishment With Delayed Filings	State	Period of filing	Due Date	Payment Dates	Period of Delay (in days)	Reason
2022-2023	GST R-1	2	1	West Bengal	September	11/10/2021	12/10/2021	01	Due to Site issues

GST					
Due Date	Date of Filing	Delay in Filing	Reference No.	Tax Period	Reason for Delay
20/01/2025	22/01/2025	2	AB191224175389Q	Dec-24	Invoice mismatches, or errors in data

Though these delays have been regularised, we cannot assure you that there will be no default or delay in future in payment of such statutory dues. Further, we cannot assure that we will not be subject to any legal proceeding or regulatory actions, including monetary penalties by respective statutory authorities on account of such delay in payments or filing of returns, which may adversely affect our business, financial condition, and reputation.

**16. Our net cash flows from operating, activities have been negative in some years in the past. Any negative cash flow in the future may affect our liquidity and financial condition.**

We have, in the past, experienced negative net cash flows in operating activities for FY 2023, 2024 and negative cash flows in investing activities for FY 2024, 2023, and negative cash flow in financing activities in FY 2025 and 2024. Such negative cash flows from operating activities for FY 2024, 2023 were mainly attributable to change in working capital consist of increase in other non-financial assets. Negative cash flows in investing activities for FY 2023 and 2024 were mainly attributable to purchase of fixed assets, interest income and capital advance.

The detailed break up of cash flows is summarized in below mentioned table and our Company has reported negative cash flow in certain financial years and which could affect our business and growth:

(Rs. In Lakhs)

Particulars	For the period ended March 2025	For the period ended March 2024	For the period ended March 2023
Net cash flow from Operating activities	578.53	(50.25)	(1,281.97)
Net cash from investing activities	29.97	(1.08)	(150.39)
Net cash from financing activities	(798.26)	(40.09)	1,716.39

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

**17. We have working capital requirements. If we experience insufficient cash flows to make required payments on our debt or fund working capital requirements, there may be an adverse effect on our results of operations.**

Our business requires significant amount of working capital and major portion of our working capital is utilized towards debtors and inventories. Any delay in processing our payments by our customers may increase our working capital requirement. Further, if a customer defaults in making payments for a product on which we have devoted significant resources, it could affect our profitability and liquidity and decrease the capital reserves that are otherwise available for other uses. Our Company's working capital requirements (i.e., sum of trade receivables and inventory, as reduced by trade payables as on March 31, 2025, March 31, 2024 and March 31, 2023 was ₹ 9469.81 Lakhs, ₹ 8401.39 Lakhs and ₹ 7102.71 Lakhs respectively. As on March 31, 2025, our Company had sanctioned working capital facilities aggregating to ₹ 4600.00 Lakhs and outstanding working capital facilities aggregating to ₹ 5,317.84 Lakhs (fund based). Balance in Cash Credit Loan account in excess of sanctioned limit are due to excess issue of Cheques. Our net working capital days for Fiscals 2025, Fiscals 2024, Fiscal 2023 were 99 days, 141 days and 133 days respectively. We may have a higher inventory level at our facilities due to various



factors such as, delay in deliveries to the customers, natural disasters, pandemic, government-imposed restrictions, etc.

All of these factors may result, in increase in the amount of receivables, inventory and short-term borrowings. If we decide to raise additional funds through the incurrence of debt, our interest and debt repayment obligations will increase, and could have a significant effect on our profitability and cash flows and we may be subject to additional covenants, which could limit our ability to access cash flows from operations. Any issuance of equity, on the other hand, could result in a dilution of your shareholding. Accordingly, continued increases in our working capital requirements may have an adverse effect on our financial condition and results of operations. In addition, we cannot assure you that the budgeting of our working capital requirements for a particular year will be accurate. While there have been no instances of inaccurate budgeting of working capital requirements in the Fiscals 2025, 2024 and 2023, there may be situations where we may under-budget our working capital requirements, which may lead to delays in arranging additional working capital requirements, loss of reputation, levy of liquidated damages and can cause an adverse effect on our cash flows.

The results of operations of our business are dependent on our ability to effectively manage our inventory and trade receivables. To effectively manage our trade receivables, we must be able to accurately evaluate the credit worthiness of our customers and ensure that suitable terms and conditions are given to them in order to ensure our continued relationship with them. However, if our management fails to accurately evaluate the terms and conditions with our customers, it may lead to write-offs bad debts and/ or delay in recoveries which could lead to a liquidity crunch, thereby adversely affecting our business and results of operations. A liquidity crunch may also result in increased working capital borrowings and, consequently, higher finance cost which will adversely impact our profitability.

Our inability to maintain sufficient cash flow, credit facility and other sourcing of funding, in a timely manner, or at all, to meet the requirement of working capital or pay out debts, could adversely affect our financial condition and result of our operations. In the event we are not able to recover our dues from our trade receivables or sell our inventory, we may not be able to maintain our Sales level and thus adversely affecting our financial health.

For further details of working capital requirements, please refer to the chapter titled "*Objects of the Issue*" on page 90 of this Prospectus.

***18. Our Company does not have any listed peer companies for comparison of performance and therefore, investors must rely on their own examination of accounting ratios of our Company for the purposes of investment in the Issue.***

Business models of some of the listed companies which undertake certain business, which may be considered similar to our business are not comparable to our business model based on (i) percentage of contribution made by their business activities to the total revenue of these listed companies; and (ii) nature and extent of activities in diverse sectors undertaken by these listed companies. Therefore, there are no listed companies that may be considered as the peer group of our Company. Therefore, investors must rely on their own examination of accounting ratios of our Company for the purposes of investment in the Issue.

***19. Our inability to accurately forecast demand for our products and manage our inventory may have an adverse effect on our business, financial condition, results of operations and cash flows.***

The results of operations of our business are dependent on our ability to effectively manage our inventory and stocks. To effectively manage our inventory, we must be able to accurately estimate customer demand and supply requirements and trade inventory accordingly. If our management has misjudged expected customer demand it could adversely impact the results by causing either a shortage of products or an accumulation of excess inventory. Further, if we fail to sell the inventory, we may be required to dispose off our inventory or pay our suppliers without new purchases, or create additional vendor financing, which could have an adverse impact on our income and cash flows. We estimate our sales based on the forecast, demand and requirements and also on the customer specifications. Natural disasters such as earthquakes, extreme climatic or weather conditions such as floods or droughts may adversely impact the supply of our products and local transportation. Should our supply of our products be disrupted, we may not be able to procure an alternate source of supply in time to meet the demands of our customers. Such disruption to supply would materially and adversely affect our business, profitability and reputation. The following table sets forth details on our inventory levels, as per our Restated Financial Information, as of and for the years indicated.

Particulars	Fiscal 2025	Fiscal 2024	Fiscal 2023
Inventory (₹ in Lakhs)	5584.36	8,050.72	6,459.23
Inventory holding days	135	219	165

In the past we have not experienced any instances of disruptions to the delivery of product to our customer occurred for reasons such as poor handling, transportation bottlenecks which could have led to delayed or lost deliveries or damaged products and disrupt supply of these products, but there is not guarantee that these instances will not happen in future to improve our line capability, we try to stock our inventory. An optimal level of inventory is important to our business as it allows us to respond to customer demand effectively. If we overstock inventory, our capital requirements will increase and we will incur additional financing costs. If we under-stock inventory, our ability to meet customer demand and our operating results may be adversely affected. Any mismatch between our planning and actual consumer consumption could lead to potential excess inventory or out-of-stock situations, either of which could have an adverse effect on our business, financial condition and results of operation.

**20. Any IT system failures or lapses on part of any of our employees may lead to operational interruption, liabilities or reputational harm.**

The success of our businesses depends in part upon our ability to effectively deploy, implement and use information technology systems and advanced technology initiatives in a cost effective and timely basis. Our computer networks may be vulnerable to unauthorised access, computer hacking, computer viruses, worms, malicious applications and other security problems caused by unauthorised access to, or improper use of, systems by our employees, subcontractors or third-party vendors. While we have not faced any such failure in the past 3 fiscal. Any systems failure or security breach or lapse on our part or on the part of our employees and other ecosystem participants that results in the release of user data could harm our reputation and brand and, consequently, our business, in addition to exposing us to potential legal liability. Any such legal proceedings or actions may subject us to significant penalties and negative publicity, require us to change our business practices, increase our costs and severely disrupt our business.

**21. Our Business is dependent on network of wholesalers. Our top ten wholesalers contribute about 14.15%, 17.49% & 16.96% of our revenues from operations for the year ended March 31, 2025, March 31, 2024 and March 31, 2023. Any loss of business from one or more of them may adversely affect our revenues and profitability.**

We sell our product to network of wholesalers. We had a network of 1397, 893 and 886 wholesalers in the Fiscal 2025, Fiscal 2024 and Fiscal 2023. Our top ten customers contribute to a substantial portion of our revenues for March 31, 2025, March 31, 2024 and March 31, 2023. Out of top 10 customers 3 customers have been associated with us for more than 3 years. The table below sets forth details of revenue generated from our largest customer, top 5 customers and top 10 customers for our products for Fiscal 2025, 2024 and 2023 of our revenue from operations.

(₹ In Lakhs)

Period	Revenue from Largest Customer (₹ in Lakhs)	% Contribution of largest customer to revenue from operations	Revenue from Top 5 Customers (₹ in Lakhs)	% Contribution of top 5 to revenue from operations	Revenue from Top 10 Customers (₹ in Lakhs)	% Contribution of top 10 to revenue from operations
Fiscal 2025	565.87	2.09%	2345.00	8.66%	3930.63	14.15%
Fiscal 2024	590.70	2.68%	2416.04	10.98%	3850.56	17.49%
Fiscal 2023	519.99	2.66%	2034.25	10.41%	3312.00	16.96%

However, the composition and revenue generated from these clients might change as we continue to add new customers in normal course of business. Any decline in our quality standards, growing competition and any change

in the demand for our products by these customers may adversely affect our ability to retain them. We believe we have maintained good and long-term relationships with our customers. However, there can be no assurance that we will continue to have such a long-term relationship with them. Also, any delay or default in payment by these customers may adversely affect our business, financial condition and results of operations. We cannot assure that we shall generate the same quantum of business, or any business at all, from these customers, and loss of business from one or more of them may adversely affect our revenues and profitability.



**22. There are certain outstanding legal proceeding involving our Promoter and Promoter Entities which may adversely affect our business, financial condition and results of operations.**

There are certain proceedings pending at different levels of adjudication before various authorities, enquiry officers and appellate forums. Such proceedings could divert management time, attention and consume financial resources in their defence. Further, an adverse judgment in some of these proceedings could have an adverse impact on our business, financial condition and results of operations. A summary of the outstanding proceedings against our Company and Group Companies as disclosed in this Prospectus, to the extent quantifiable, have been set out below:


<b>Name of the Entity</b>	<b>Criminal Proceedings</b>	<b>Tax Proceedings</b>	<b>Statutory or Regulatory Proceedings</b>	<b>Disciplinary actions by the SEBI or Stock Exchanges against our Promoters</b>	<b>Material Civil Litigation</b>	<b>Aggregate Amount</b>
<b>Company</b>						
By the Company	5,66,678.00	-	-	-	-	5,66,678.00
Against the Company	-	4,37,86,598.00	-	-	-	4,37,86,598.00
<b>Directors</b>						
By the Director	-	-	-	-	38,27,948.00	38,27,948.00
Against the Director	-	7,960.00	-	-	-	7,960.00
<b>Promoter</b>						
By the Promoter	-	-	-	-	-	-
Against the Promoter	-	7,960.00	-	-	-	7,960.00
<b>Group Companies</b>						
By the Group Companies	-	-	-	-	-	-
Against the Group Companies	-	37,749.00	-	-	-	37,749.00
<b>KMP &amp; SMP</b>						
By the KMP & SMP	-	-	-	-	-	-
Against KMP & SMP	-	-	-	-	-	-

For further details, please refer to section titled "Outstanding Litigation and Material Developments" beginning on page 254 of this Prospectus.

**23. We may not be able to prevent unauthorised use of trademarks obtained/ applied for by third parties, which may lead to the dilution of our goodwill.**

We have obtained trademark registrations of our brands, including “”, “”, “VANDANA SULTAN” and “VANDANA” under class 25 under the Trade Marks Act, 1999 (“Trade Marks Act”), any unauthorized use of our trademarks, by unrelated third parties may damage our reputation and brand. Preventing trademark infringement, particularly in India, is difficult, costly and time-consuming. The measures we take to protect our trademarks may not be adequate to prevent unauthorized use by third parties, which may affect our brand and in turn adversely affect our business, financial condition, results of operations and prospects.



Further, we have not obtained trademark for logo  and is not the legal owner of the logo. Hence, we do not enjoy the statutory protections accorded to a registered trademark and are subject to the various risks arising out of the same, including but not limited to infringement or passing off our name and logo by a third party. The registration of any trademark is a time-consuming process, and there can be no assurance that any such registration will be granted as and when applied. In the absence of such registration, competitors or other companies may challenge the validity or scope of our intellectual property. These trademarks are integral to our business, and the loss of any of these intellectual property rights could have a material adverse effect on our business.

Further, we cannot assure you that any application for registration of our trademark in future by our Company will be granted by the relevant authorities in a timely manner or at all. Our efforts to protect our intellectual property may not be adequate and may lead to erosion of our business value and our operations could be adversely affected. We may need to litigate in order to determine the validity of such claims and the scope of the proprietary rights of others. Any such litigation could be time consuming and costly and the outcome cannot be guaranteed. We may not be able to detect any unauthorized use or take appropriate and timely steps to enforce or protect our intellectual property. For further details please refer to chapter titled “Government and Other Approvals” beginning on page 261 of this Prospectus.

**24. Our financing agreements contain covenants that limit our flexibility in operating our business. Our inability to meet our obligations, including financial and other covenants under our debt financing arrangements could adversely affect our business, results of operations and financial condition.**

As on March 31 2025, our total outstanding indebtedness was ₹ 6902.13 Lakhs which includes secured and unsecured borrowings. For details on our borrowings, please refer to chapter titled “Financial Indebtedness” beginning from page no. 238 of this Prospectus. Our ability to meet our debt service obligations and repay our outstanding borrowings will depend primarily on the cash generated by our businesses. Further, our financing agreements contain certain restrictive covenants that limit our ability to undertake certain types of transactions, any of which could adversely affect our business and financial condition. We are required to obtain prior approval from our lenders for, among other things, but not limited to effecting any change in the management/Board of the Company, declaration of dividend, capital structure of the Company; undertake any new project, implement any scheme of expansion or acquire fixed assets, enter into borrowing arrangement either secured or unsecured with any other bank/financial institution/Company or otherwise, formulate any scheme of amalgamation, acquisition, merger, or reconstruction etc. We have applied to our lenders for No Objection Certificate (NOC) for our proposed Initial Public offer, for which their NOC is received.

Additionally, our financing agreements are secured by our movable, immovable or intangible assets (whether existing or future), goods and work-in-progress (whether existing or future) and by personal guarantees of our Promoter. Such financing agreements enable the lenders to cancel any outstanding commitments, accelerate the repayment, exercise cross default provisions and enforce their security interests on the occurrence of events of default such as a breach of financial covenants, failure to obtain the proper consents, failure to perfect security as specified and such other covenants that are not cured. It is possible that we may not have sufficient funds upon such an acceleration of our financial obligations to pay the principal amount and interest in full. Further, if we are forced to issue additional equity to the lenders, ownership interest of the existing shareholders in our Company

will be diluted. It is also possible that future financing agreements may contain similar or more onerous covenants and may also result in higher interest cost. If any of these events were to occur, our business, results of operations and financial condition may be adversely affected.

***25. Our business is dependent on our operating facility in Kolkata. The loss or shutdown of our facilities could have a material adverse effect on our business, financial condition and results of operations.***

Our facility at Kolkata are subject to operating risks, such as shutdowns due to the breakdown or failure of equipment, power supply or processes, performance below expected levels of output or efficiency, adequate utilisation rates, obsolescence of equipment, labour disputes, strikes, lockouts, industrial accidents, disruption by extremist groups, or any other reason, and the need to comply with the directives and regulations of the Government of India (“GoI”) and relevant state government authorities. We are heavily reliant on floor workers at our unit, including those workers who are hired on a daily wage / per piece basis and are not on a fixed payroll. Our inability to continue to procure such services or any disputes with this group of labour would severely affect our operations and may cause an under-utilisation of our capacities or a total shut down.

Our operations involve a significant degree of integration, and our results of operations are dependent on the successful operation of each facility. Although we take precautions to minimize the risk of any significant operational problems at our facilities, our business, financial condition, results of operations and prospects may be adversely affected by any disruption of operations at our facilities.

***26. Our Statutory Auditors have included certain remarks for Fiscal 2025 in their reporting under the Companies (Auditors’ Report) Order, 2020 and Standalone Auditors Report.***

Our Statutory Auditors have included the following observations for Fiscals 2025 in their reporting under the Companies (Auditors’ Report) Order, 2020 for our Company and our Associate. There are no reservation, qualifications or adverse remarks in the respective audit reports which have not been given effect to in the Restated Consolidated Financial Information. However, the following observations under the Companies (Auditors’ Report) Order, 2020 and Standalone Auditors Report for Fiscal 2025 have been included in the relevant reports, for the periods indicated:

- a. In respect of other than ongoing projects, the Company does have an unspent Corporate Social Responsibility (CSR) amount of Rs. 97,170 which is required to be transfer to a Fund specified in Schedule VII to the Companies Act, 2013 before the date of this report and within a period of six months of the expiry of the financial year in compliance with second proviso to sub-section (5) of section 135 of the said Act.
- b. the remuneration paid by the Company to its directors during the year was in accordance with the provisions of Section 197 of the Act, except that the remuneration paid to one of the Non-Executive Directors subsequent to the Company’s conversion into a public company exceeded the limits prescribed under the said section. The Company is in the process of taking appropriate steps to regularize the excess remuneration.

There can be no assurance that any similar observations will not form part of the audit reports on our financial statements for future fiscal periods, or that such observations will not affect our financial results in future fiscal periods. Investors should consider these observations in evaluating our financial condition, results of operations and cash flows. Any such observations on our financial statements in the future may also adversely affect the trading price of the Equity Shares.

***27. Our insurance coverage may not adequately protect us against all material hazards, which may adversely affect our business, results of operations and financial condition.***

We believe that the insurance coverage maintained, would reasonably cover all normal risks associated with the operation of our business, however, there can be no assurance that any claim under the insurance policies maintained by us will be met fully, in part or on time. In the event, we suffer loss or damage that is not covered by insurance or exceeds our insurance coverage, our results of operations and cash flow may be adversely affected. Further, our Company is required to renew these insurance policies from time to time and in the event, we fail to renew the insurance policies within the time period prescribed in the respective insurance policies or not obtain at all, our Company may face significant uninsured losses. If our Company suffers a large uninsured loss or if any insured loss suffered, significantly exceeds our insurance coverage, our business, financial condition and results of operations may be adversely affected. As of March 31, 2025, our insured assets was ₹ 6031.40 Lakhs and our

insurance cover as a percentage of the total Insurable Assets of our Company was 95.46 %. For more details, please refer to the chapter titled “*Our Business*” on page 131 of this Prospectus.

***28. If any new products or brands that we launch are not as successful as we anticipate, our business, results of operations and financial condition may be adversely affected.***

We currently operate under a brand ‘Vandana’ and ‘Tanaya’ but intend to expand our product portfolio. We may launch additional brands in the future in order to effectively market a wider range of apparel or other products. However, we cannot assure you that any new products or brands we launch will be successful or find traction with our customers or retail partners, or that we will be able to recover costs we incurred in developing such products and brands. If the products and brands that we launch are not as successful as we anticipate, our brand equity may suffer and our business, results of operations and financial condition may be adversely affected. Further, such expanded product offerings place a strain on our management, operational and financial resources, as well as our information systems.

***29. Our sales are subject to seasonal variations that could result in fluctuations in our results of operations.***

As an apparel manufacturer, we see an increase in our business before Durga Pooja, Diwali and regional festive. We are therefore impacted by seasonal variations in sales volumes, which may cause our revenues to vary between different quarters in a Fiscal. Our results of operations and cash flows across quarters in a Fiscal may not be comparable and any such comparisons may not be meaningful or may not be indicative of our annual financial results or our results in any future quarters or periods. On the basis of the trend in last 3 Fiscal, our Company generate major revenue in quarter IV due to festivity.

Fluctuations in the apparel retail market affect our inventory. In addition, the cyclical nature of the apparel business requires us to carry a significant amount of inventory, especially prior to peak selling seasons when we build up our inventory levels. As a result, we will be vulnerable to demand and pricing shifts and to suboptimal selection and timing of merchandise production. If sales do not meet expectations, too much inventory may lower planned margins. Our brand image may also suffer if customers believe we are no longer able to offer the latest fashion. The occurrence of these events could adversely affect our cash flows, financial condition and business operations.

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

Our business operations require us to obtain and renew, from time to time, certain approvals, licenses, registrations and permits under central, state and local government rules in India, generally for carrying out our business and for our manufacturing facilities. Some of these approvals are granted for a limited duration. While we are required to obtain a number of approvals for legally conducting our business operations and we shall submit the applications for renewal of such approvals, as and when required, during the course of our business operations, we cannot assure you that we will be able to obtain approvals in respect of such applications, or any application made by us in the future. If we fail to obtain such registrations and licenses or renewals, in a timely manner, we may not then be able to carry on certain operations of our business, which may have an adverse effect on our business, financial condition and results of operations. For details, see “*Government Approvals*” on page 261 of this Prospectus.

We have submitted certain applications to various regulatory authorities seeking approvals and licenses. For details, please refer ‘Pending Approvals’ under the section titled “*Government Approvals*” of this Prospectus. There can be no assurance that the relevant authorities will issue such permits or approvals to us or that they will be issued on time. Further, these permits, licenses and approvals are subject to several conditions and we cannot assure you that we will be able to continuously meet the conditions, which may lead to cancellation, revocation or suspension of relevant permits/licenses/approvals.

***31. Unsecured loans availed by our Company.***

Our Company has currently availed unsecured loans from certain lenders. As on April 30, 2025, we had outstanding unsecured loan of ₹ 1013.71 Lakhs. If on timely basis, we are unable to procure such financing, we may not have adequate working capital to maintain the desired inventory level. As a result, it may materially and

adversely affect our business, cash flows, financial condition and results of operations. For further details on financing arrangements entered into by our Company, see "Financial Indebtedness" on page 238 of this Prospectus.

***32. Any failure in our quality control processes may have an adverse effect on our business, results of operations and financial condition.***

Our products may contain quality issues or undetected errors or defects, especially when first introduced or when new products are developed, resulting from the design or manufacture of the product or raw materials used in the product. We experience sales returns and quality compensation regularly in our normal course of business. We have implemented quality control processes and regularly conduct inspections of raw materials sourced from suppliers, job workers and finished products manufactured by us based on our internal quality standards. However, we cannot assure you that our quality control processes will not fail or the quality tests and inspections conducted by us will be accurate at all times. Any shortcoming in the raw materials procured by us or in the production of our products due to failure of our quality assurance procedures, negligence, human error or otherwise, may damage our products and result in deficient products.

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

The market in which our Company is doing business is highly and increasingly competitive and unorganised, and our results of operations and financial condition are sensitive to, and may be materially adversely affected by competitive pricing and other factors. Competition may result in pricing pressures, reduced profit margins, lost market share or a failure to grow our market share, any of which could substantially harm our business and results of operations. The apparel segment which we cater to is fragmented and continues to be dominated by unorganised suppliers. We compete primarily on the basis of quality, customer satisfaction and marketing. We believe that in order to compete effectively, we must continue to maintain our reputation, be flexible and prompt in responding to rapidly changing market demands and customer preferences, and offer customer a wide variety of fabrics at competitive prices. There can be no assurance that we can effectively compete with our competitors in the future, and any such failure to compete effectively may have a material adverse effect on our business, financial condition and results of operations.

***34. Our inability to effectively manage our growth or to successfully implement our business plan and growth strategies could have an adverse effect on our business, results of operations and financial condition. The success of our business will depend greatly on our ability to effectively implement our business and growth strategies.***

Our growth strategies require us to develop and strengthen relationships with existing customers for our business who may drive high volume orders on an ongoing basis. To remain competitive, we seek to increase our business from existing customers and by adding new customers, as well as expanding into new geographical markets.

Our success in implementing our growth strategies may be affected by:

- our ability to maintain the quality of our services;
- our ability to increase our geographic presence;
- the general condition of the global economy (particularly of India and the other markets that we currently or may operate in);
- our ability to compete effectively with existing and future competitors,
- changes in the Indian or international regulatory environment applicable to us.

Many of these factors are beyond our control and there is no assurance that we will succeed in implementing our strategies. While we have successfully executed our business strategies in the past, there can be no assurance that we will be able to execute our strategies on time and within our estimated budget, or that our expansion and development plans will increase our profitability.

Any of these factors could adversely impact our results of operations. We expect our growth strategies to place significant demands on our management, financial and other resources and require us to continue developing and improving our operational, financial and other internal controls. Our inability to manage our business and growth strategies could have a material adverse effect on our business, financial condition and profitability.

***35. If we are subject to any fraud, theft, or embezzlement by our employees or job workers, it could adversely affect our reputation, results of operations and financial condition. We could be harmed by employee misconduct or***

***errors that are difficult to detect and any such incidences could adversely affect our financial condition, results of operations and reputation.***

Our business and the industry we operate in is subject to incidents of vendor/ dealer/ employee fraud, theft, or embezzlement. While there have been certain instances where our employees have engaged in pilferage of our products, however, none of these instances have been material or had any financial impact on our operations. Although we have set up various security measures such as deployment of supervisor and operational processes such as periodic stock taking and have obtained relevant insurance in relation to the same, and are also entitled to recover shortages from our employees, there can be no assurance that we will not experience any fraud, theft, employee negligence, loss in transit or similar incidents in the future or be able to successfully claim under such insurance policies on the occurrence of any such events, which could adversely affect our reputation, results of operations and financial condition.

Employee misconduct or errors could expose us to business risks or losses, including regulatory sanctions and cause serious harm to our reputation and goodwill of our Company. There can be no assurance that we will be able to detect or deter such misconduct. Moreover, the precautions we take to prevent and detect such activity may not be effective in all cases. Our employees and agents may also commit errors that could subject us to claims and proceedings for alleged negligence, as well as regulatory actions on account of which our business, financial condition, results of operations and goodwill could be adversely affected.

***36. Any failure or significant weakness of our internal controls system could cause operational errors or incidents of fraud, which would adversely affect our profitability and reputation***

We are responsible for establishing and maintaining adequate internal measures commensurate with the size and complexity of operations. Our internal audit functions make an evaluation of the adequacy and effectiveness of internal controls on an ongoing basis so that business units adhere to our policies, compliance requirements and internal circular guidelines. While we periodically test and update, as necessary, our internal controls systems, 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 guarantee effective internal controls in all circumstances. Given the size of our operations, it is possible that errors may repeat or compound before they are discovered and rectified.

Our management information systems and internal control procedures that are designed to monitor our operations and overall compliance may not identify every instance of non-compliance or every suspicious transaction. If internal control weaknesses are identified, our actions may not be sufficient to correct such internal control weakness. Failures or material errors in our internal controls systems may lead to deal errors, pricing errors, inaccurate financial reporting, fraud and failure of critical systems and infrastructure.

Such instances may also adversely affect our reputation, business and results of operations. There can also be no assurance that we would be able to prevent frauds in the future or that our existing internal mechanisms to detect or prevent fraud will be sufficient. Any fraud discovered in the future may have an adverse effect on our reputation, business, results of operations and financial condition. For further details, please see section — Outstanding Litigation and Material Developments on page 254.

***37. The determination of the Price Band is based on various factors and assumptions and the Issue Price of the Equity Shares may not be indicative of the market price of the Equity Shares after the Issue.***

The determination of the Price Band is based on various factors and assumptions and will be determined by us in consultation with the Lead Manager. Furthermore, the Offer Price of the Equity Shares will be determined by us in consultation with the Lead Manager through the Book Building Process. These will be based on numerous factors, including factors as described under “Basis for Issue Price” beginning on page 102 and may not be indicative of the market price for the Equity Shares after the Offer.

In addition to the above, the current market price of securities listed pursuant to certain previous initial public offerings managed by the Lead Manager is below their respective issue price. For further details, see “Other Regulatory and Statutory Disclosures – Price information of past issues handled by the Lead Manager” on page 265. The factors that could affect the market price of the Equity Shares include, among others, broad market trends, our financial performance and results post-listing, and other factors beyond our control. We cannot assure you that an active market will develop or sustained trading will take place in the Equity Shares or provide any assurance regarding the price at which the Equity Shares will be traded after listing.



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

Our Company have entered certain related party transactions with our Promoters, members of the promoter group, Directors and our Group Companies in the past which are in compliance with applicable provisions of Companies Act, 2013 and all other applicable laws. For details, please see “Annexure - VII Restated Statement of Related Party Disclosures of Restated Financial Statements” under the chapter titled “Restated Financial Statements” beginning on page 222 of this Prospectus. While our Company believes that all such transactions have been conducted on the arm’s length basis and in compliance of the Companies Act, 2013, 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.

We set out below the percentage of the related party transactions in terms of revenue for the financial year ended Fiscal 2025, Fiscal 2024 and Fiscal 2023.

Particulars	Fiscal 2025	Fiscal 2024	Fiscal 2023
Revenue From Operation	27,080.25	22010.8	19524.14
Related Party Transactions	3085.00	2655.05	1082.83
Related party Transactions percentage to the revenue	11.40 %	12.06 %	5.55 %

Further, it is likely that we may enter 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.

**39. We have contingent liabilities and our financial condition could be adversely affected if any of these contingent liabilities materialize.**

As of March 31, 2025, we had disclosed the following contingent liabilities in the Restated Consolidated Financial Information:

Particulars	(Rs in Lakhs)		
	As at 31.03.2025	As at 31.03.2024	As at 31.03.2023
Claims against the company not acknowledged as Debts	Unascertainable	Unascertainable	Unascertainable
Bank Guarantee (Financial)	NIL	NIL	NIL
Bank Guarantee (Performance)	NIL	NIL	NIL
Income Tax Demand	405.19	NIL	NIL
TDS Demand	NIL	NIL	NIL
Sales Tax Demand	NIL	NIL	NIL
Other moneys for which the Company is contingently liable	NIL	NIL	NIL
Commitments (to the extent not provided for)	NIL	NIL	NIL
Estimated amount of contracts remaining to be executed on capital account and not provided for	NIL	NIL	NIL
Uncalled liability on shares and other investments partly paid	NIL	NIL	NIL
Other commitments	NIL	NIL	NIL
<b>Total</b>	<b>405.19</b>	<b>0.00</b>	<b>0.00</b>

Our contingent liabilities may materialize. We also cannot assure you that we will not incur an increase in contingent liabilities in the future. If any of these contingent liabilities materialize or if at any time, we are compelled to pay all or a material proportion of these contingent liabilities, our financial condition and results of operation may be adversely affected.

**40. Health, safety, and environmental matters, including compliance with environmental laws and remediation of contamination, could result in substantially increased capital requirements and operating costs.**

Our Company's business and operations are subject to laws and regulations relating to health, safety and the environment. These laws and regulations concern the discharge, emission, storage, handling and disposal of a variety of substances that may be used in or result from our operations, and the investigation and remediation of contamination or other environmental restoration. The risks of substantial costs and liabilities related to these laws and regulations are an inherent part of our Company's business, and future conditions and contamination may develop, arise or be discovered that create substantial environmental compliance, remediation or restoration liabilities and costs. Other developments, such as increased requirements of environmental, health and safety laws and regulations, increasingly strict enforcement thereof by governmental authorities, and claims for damages to property or injury to persons resulting from the environmental, health or safety impacts our Company's operations or past contamination, could prevent or restrict some of our Company's operations, require the expenditure of significant funds to bring our Company into compliance, involve the imposition of clean up requirements and give rise to civil or criminal liability.

While our Company has taken the necessary approvals under the applicable laws there can be no assurance that any regulatory enforcement or private claim will not be levied against our Company in the future which may have a material adverse effect on our Company's business, financial condition, or results of operations. If production at one of our Company's facilities is partially or wholly prevented due to this type of sanction, our Company's business could suffer significantly, and its results of operations and financial condition could be materially and adversely affected. For details in relation to the applicable laws and material approvals taken by our Company in relation to its business, see 'Key Regulations and Policies' and 'Government and Other Approvals' beginning on pages 153 and 261, respectively.

***41. Our funding requirements and the proposed deployment of Net Proceeds are not appraised by any independent agency, which may affect our business and results of operations.***

We intend to use the Net Proceeds for the purposes described in '*Objects of the Issue*' on page 90 of this Prospectus. Our funding requirements are based on management estimates and our current business plans and has not been appraised by any bank or financial institution. The deployment of the Net Proceeds will be at the discretion of our Board. We may have to reconsider our estimates or business plans due to changes in underlying factors, some of which are beyond our control, such as interest rate fluctuations, changes in input cost, inability to identify suitable location for our stores at favourable terms and other financial and operational factors. Accordingly, prospective investors in the Offer will need to rely upon our management judgement with respect to the use of proceeds. If we are unable to deploy the proceeds of the Offer in a timely or an efficient manner, it may affect our business and results of operations.

***42. There is no monitoring agency appointed by our Company and the deployment of funds are at the discretion of our Management and our Board of Directors, though it shall be monitored by the Audit Committee.***

As per SEBI (ICDR) Regulations, 2018, as amended from time to time, appointment of monitoring agency is required only for Issue size above Rs. 50.00 Crores. Since this Issue Size is less than Rs. 50.00 Crores, our Company has not appointed any monitoring agency for this Issue. Hence, we have not appointed a monitoring agency to monitor the utilization of Issue proceeds. However, the audit committee of our Board will monitor the utilization of Issue proceeds.

Further, our Company shall inform about material deviations in the utilization of Issue proceeds to the NSE and shall also simultaneously make the material deviations / adverse comments of the audit committee public.

***43. There may be potential conflicts of interest if our Promoters or Directors get involved in any business activities that compete with or are in the same line of activity as our business operations.***

We benefit from our relationship with our Promoters and our success depends upon the continuing services of our Promoters who have been responsible for the growth of our business and is closely involved in the overall strategy, direction and management of our business. Our Promoters have been actively involved in the day-to-day operations and management. Accordingly, our performance is heavily dependent upon the services of our Promoters. If our Promoters are unable or unwilling to continue in his present position, we may not be able to replace them easily or at all. Our Promoters, have over the years-built relations with various customers and other persons who are form part of our stakeholders and are connected with us. The loss of their services could impair

our ability to implement our strategy, and our business, financial condition, results of operations and prospects may be materially and adversely affected.

***44. Our success largely depends upon the knowledge and experience of our Promoters, Directors, our Key Managerial Personnel and Senior Management as well as our ability to attract and retain personnel with technical expertise. Any loss of our Promoter, Directors, Key Managerial Personnel, Senior Management or our ability to attract and retain them and other personnel with technical expertise could adversely affect our business, financial condition and results of operations.***

Our success largely depends upon the knowledge and experience of our Promoters, Directors, Key Managerial Personnel and Senior Management as well as our ability to attract and retain skilled personnel. Any loss of our Promoter, Directors, Key Managerial Personnel and Senior Management or our ability to attract and retain them and other skilled personnel could adversely affect our business, financial condition and results of operations. We depend on the management skills and guidance of our Promoter for development of business strategies, monitoring their successful implementation and meeting future challenges. Further, we also significantly depend on the expertise, experience and continued efforts of our Key Managerial Personnel and Senior Management. Our future performance will depend largely on our ability to retain the continued service of our management team. If one or more of our Key Managerial Personnel or Senior Management are unable or unwilling to continue in his or her present position, it could be difficult for us to find a suitable or timely replacement and our business, financial condition and results of operations could be adversely affected.

In addition, we may require a long period of time to hire and train replacement personnel when personnel with technical expertise terminate their employment with us. We may also be required to increase our levels of employee compensation more rapidly than in the past to remain competitive in attracting and retaining personnel with technical expertise that our business requires. The loss of the services of such persons could have an adverse effect on our business, results of operations, cash flows and financial condition.

There is significant competition for management and other skilled personnel in our industry in which we operate, and it may be difficult to attract and retain the personnel we require in the future. There can be no assurance that our competitors will not offer better compensation packages, incentives and other perquisites to such skilled personnel. If we are not able to attract and retain talented employees as required for conducting our business, or if we experience high attrition levels which are largely out of our control, or if we are unable to motivate and retain existing employees, our business, financial condition and results of operations may be adversely affected. For further information, see “Our Management” on page 167 of this Prospectus.

***45. In addition to normal remuneration or benefits and reimbursement of expenses, some of our directors and key managerial personnel are interested in our Company to the extent of their shareholding and dividend entitlement in our Company.***

Our Directors, Key Managerial Personnel (“KMP”) and Senior Managerial Personnel (“SMP”) are interested in our Company to the extent of remuneration paid to them for services rendered and reimbursement of expenses payable to them. In addition, some of our Directors and KMP may also be interested to the extent of their shareholding and dividend entitlement in our Company. For further information, see “Capital Structure” and “Our Management” on pages 71 and 167, respectively, of this Prospectus.

***46. None of our Directors possess experience of being on the board of any listed company.***

None of our Directors possess experience of being on the board of any listed company and accordingly, may not be adequately well-versed with the activities or industry practices undertaken by the listed company. We cannot assure you that this lack of adequate experience will not have any adverse impact on the management and operations of our Company. Further, our Company will also be subject to compliance requirements under the SEBI Listing Regulations and other applicable law post listing of the Equity Share on the Stock Exchanges. Our Board is capable of efficiently managing such compliance requirements including by engaging professionals having expertise in managing such compliances.

***47. We have not commissioned an industry report for the disclosures made in the chapter titled “Industry Overview” and made disclosures on the basis of the data available on the internet.***

We have not commissioned an industry report, for the disclosures which need to be made in the chapter titled “Industry Overview” of this Prospectus. We have made disclosures in the said chapter on the basis of the relevant industry related data available online. We cannot assure you that any assumptions made are correct or will not change and, accordingly, our position in the market may differ from that presented in this Prospectus. 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. Further, the industry data mentioned in this Prospectus or sources from which the data has been collected are not recommendations to invest in our Company. Accordingly, investors should read the industry related disclosure in this Prospectus in this context.

***48. We have not made any alternate arrangements for meeting our capital requirements for the Objects of the Issue. Further we have not identified any alternate source of financing the ‘Objects of the Issue’.***

Any shortfall in raising / meeting the same could adversely affect our growth plans, operations, and financial performance. As on date, we have not made any alternate arrangements for meeting our capital requirements for the objects of the Issue. We meet our capital requirements through our owned funds and internal accruals. Any shortfall in our net owned funds, internal accruals and our inability to raise debt in future would result in us being unable to meet our capital requirements, which in turn will negatively affect our financial condition and results of operations. Further we have not identified any alternate source of funding and hence any failure or delay on our part to raise money from this Offer or any shortfall in the Offer Proceeds may delay the implementation schedule and could adversely affect our growth plans. For further details, please refer to the chapter titled “Objects of the Issue” beginning on page no. 90 of this Prospectus.

***49. The continuing effect of the COVID-19 pandemic on our business and operations is highly uncertain and cannot be predicted.***

An outbreak of COVID-19 was recognized as a pandemic by the WHO on March 11, 2020. In response to the COVID-19 outbreak, the governments of many countries, including India, have taken preventive or protective actions such as imposing country-wide lockdowns, as well as restrictions on travel and business operations. Since May 2020 many of these measures have been lifted. We proactively engaged with our clients to reassure them and to demonstrate our commitment to restart our operations and to build confidence in the safety protocols deployed at our stores. Further, the lockdown was again imposed by the government in some parts of India during April 2021, which was partially relaxed in June 2021, during this period of lockdown and relaxation, our stores were partially operational. If we do not respond appropriately to the pandemic, or if customers did not perceive our response to be adequate, we could suffer damage to our reputation and our brand, which could adversely affect our business in the future.

We cannot predict the degree to, or the time period over, which our business will be affected by the COVID-19 outbreak. For example, this pandemic could necessitate further lockdowns, resulting in significant additional effects on our revenue, financial condition and results of operations. There are numerous uncertainties associated with the COVID-19 outbreak, including the number of individuals who will become infected, availability of a vaccine or a cure that mitigates the effect of the virus, the extent of the protective and preventative measures imposed by governments and whether the virus' impact will be seasonal, among others. Consequently, there may be adverse effects of this pandemic on our short-term business operations and our financial results may be impacted.

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

Our Company intends to deploy and utilize Net Proceeds raised pursuant to the Initial Public Offer in the manner set out in the section titled “Objects of the Issue” on page no. 90 in the Prospectus. In accordance with SEBI LODR Regulations and other applicable provisions, we cannot undertake any variation in the utilization of the Net Proceeds as disclosed in this Prospectus without obtaining the approval of shareholders of our Company through a special resolution. In the event of any such, we may not be able to obtain the approval of the shareholders of our Company in a timely manner, or at all. Any delay or inability in obtaining such approval of the shareholders of our Company may adversely affect our business or operations and it may also lead to delay in deployment of funds as per the schedule of implementation as disclosed in objects section titled “Objects of the Issue” on page no. 90 in the Prospectus. In light of these factors, we may not be able to undertake variation of objects of the Offer

to use any unutilized proceeds of the Issue, if any, even if such variation is in the interest of our Company. This may restrict our Company's ability to respond to any change in our business or financial condition by redeploying the unutilized portion of Net Proceeds, if any, which may adversely affect our business and results of operations.

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

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

**EXTERNAL RISK FACTORS**

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

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

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

Taxes and other levies imposed by the Central or State Governments in India that affect our industry include:

- Custom duties on imports of raw materials and components;
- Goods and Service Tax

These taxes and levies affect the cost and prices of our products and therefore demand for our product. An increase in any of these taxes or levies, or the imposition of new taxes or levies in the future, may have a material adverse effect on our business, profitability and financial condition.

***54. 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.

***55. We cannot guarantee the accuracy or completeness of facts and other statistics with respect to India, the Indian economy and industry in which we operate contained in the Prospectus.***

While facts and other statistics in the Prospectus relating to India, the Indian economy and the industry in which we operate has been based on various web site data and IBEF that we believe are reliable, we cannot guarantee the quality or reliability of such materials. While we have taken reasonable care in the reproduction of such information, industry facts and other statistics have not been prepared or independently verified by us or any of

our respective affiliates or advisors and, therefore we make no representation as to their accuracy or completeness. These facts and other statistics include the facts and statistics included in the chapter titled “Industry Overview” beginning on page 112 of this Prospectus. Due to possibly flawed or ineffective data collection methods or discrepancies between published information and market practice and other problems, the statistics herein may be inaccurate or may not be comparable to statistics produced elsewhere and should not be unduly relied upon. Further, there is no assurance that they are stated or compiled on the same basis or with the same degree of accuracy, as the case may be, elsewhere.

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

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

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

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

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

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

***59. 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.

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

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

***61. 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 in India, 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.

**RISKS RELATED TO OUR EQUITY SHARES AND EQUITY SHARE HOLDERS**

***62. Our Promoters, together with our Promoter Group, will continue to retain majority shareholding in our Company after the proposed Initial Public Issue, which will allow them to exercise significant control over us. We cannot assure you that our Promoters and Promoter Group members will always act in the best interests of the Company.***

After the completion of our Initial Public Issue, our Promoters, along with our Promoter Group members, will hold, approximately 73.39 % of our post issue paid up equity capital of our Company. As a result, our Promoters will continue to exercise significant control over us, including being able to control the composition of our Board and determine matters requiring shareholder approval or approval of our Board. Our Promoters may take or block actions with respect to our business, which may conflict with our interests or the interests of our minority shareholder. By exercising their control, our Promoters could delay, defer or cause a change of our control or a change in our capital structure, delay, defer or cause a merger, consolidation, takeover or other business combination involving us, discourage or encourage a potential acquirer from making a tender offer or otherwise attempting to obtain control of our Company. We cannot assure you that our Promoters and Promoter Group members will always act in our Company's or your best interests. For further details, please refer to the chapters titled "Capital Structure" and "Our Promoter and Promoter Group", beginning on page no. 71 and 182 respectively, of this Prospectus.

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

We may retain all our future earnings, if any, for use in the operations and expansion of our business. As a result, we may not declare dividends in the foreseeable future. Any future determination as to the declaration and payment of dividends will be at the discretion of our Board of Directors and will depend on factors that our Board of Directors deem relevant, including among others, our results of operations, financial condition, cash requirements, business prospects and any other financing arrangements. Accordingly, realization of a gain on 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 188 of this Prospectus.

***64. Sale of Equity Shares by our Promoter or other significant shareholder(s) may adversely affect the trading price of the Equity Shares.***

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

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

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

***66. Investors may be subject to Indian taxes arising out of capital gains on sale of Equity Shares.***

Under current Indian tax laws, unless specifically exempted, capital gains arising from the sale of equity shares in an Indian company are generally taxable in India. Any gain realized on the sale of listed equity shares on a stock exchange held for more than 12 months will not be subject to capital gains tax in India if STT has been paid on the transaction. STT will be levied on and collected by a domestic stock exchange on which the equity shares are sold. It is pertinent to note that pursuant to the Finance Bill, 2017, it has been proposed, that with effect from April 1, 2017, this exemption would only be available if the original acquisition of equity shares was chargeable to STT. The Central Government is expected to, however notify the transactions which would be exempt from the application of this new amendment. Any gain realized on the sale of equity shares held for more than 12 months, which are sold other than on a recognized stock exchange and on which no STT has been paid, will be subject to long term capital gains tax in India. Further, any gain realized on the sale of listed equity shares held for a period of 12 months or less will be subject to applicable short-term capital gains tax in India. Capital gains arising from the sale of the equity shares will be exempt from taxation in India in cases where the exemption is provided under a treaty between India and the country of which the seller is resident, subject to the availability of certain documents. Generally, Indian tax treaties do not limit India's ability to impose tax on capital gains. As a result, residents of other countries may be liable for tax in India as well as in their own jurisdiction on a gain upon the sale of the Equity Shares. For more details, please refer to "Statement of Tax Benefits" on page no. 110 of this Prospectus.

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

Prior to this Issue, there has been no public market for our Equity Shares. Alacrity Securities Limited is acting as Market Maker for the Equity Shares of our Company. However, the trading price of our Equity Shares may fluctuate after this Issue due to a variety of factors, including our results of operations and the performance of our business, competitive conditions, general economic, political and social factors, the performance of the Indian and global economy and significant developments in India's fiscal regime, volatility in the Indian and global securities market, performance of our competitors, the Indian Capital Markets, changes in the estimates of our performance or recommendations by financial analysts and announcements by us or others regarding contracts, acquisitions, strategic partnerships, joint ventures, or capital commitments. In addition, if the stock markets experience a loss of investor confidence, the trading price of our Equity Shares could decline for reasons unrelated to our business, financial condition or operating results. The trading price of our Equity Shares might also decline in reaction to events that affect other companies in our industry even if these events do not directly affect us. Each of these factors, among others, could materially affect the price of our Equity Shares. There can be no assurance that an active trading market for our Equity Shares will develop or be sustained after this Issue, or that the price at which our Equity Shares are initially offered will correspond to the prices at which they will trade in the market subsequent to this Issue. For further details of the obligations and limitations of Market Makers, please refer to the section titled "General Information – Details of the Market Making Arrangement for this Issue" on page no. 68 of this Prospectus.

***68. Investors bear the risk of fluctuations in the price of Equity Shares and there can be no assurance that a liquid market for our Equity Shares will develop following the listing of our Equity Shares on the Stock Exchanges.***

There has been no public market for our Equity Shares prior to the Issue. The price may not necessarily be indicative of the market price of our Equity Shares after the Issue is completed. You may not be able to re-sell your Equity Shares at or above the Offer price and may as a result lose all or part of your investment.

Our Equity Shares are expected to trade on Emerge Platform of NSE after the Issue, but there can be no assurance that active trading in our Equity Shares will develop after the Offer, or if such trading develops that it will continue. Investors may not be able to sell our Equity Shares at the quoted price if there is no active trading in our Equity Shares.

The price at which our Equity Shares will trade at after the Issue will be determined by the marketplace and may be influenced by many factors, including:

- Our financial condition, results of operations and cash flows;
- The history of and prospects for our business;
- An assessment of our management, our past and present operations, and the prospects for as well as timing of our future revenues and cost structures; and
- The valuation of publicly traded companies that are engaged in business activities similar to ours;
- quarterly variations in our results of operations;
- results of operations that vary from the expectations of securities analysts and investors;
- results of operations that vary from those of our competitors;



- changes in expectations as to our future financial performance, including financial estimates by research analysts and investors;
- a change in research analysts' recommendations;
- announcements by us or our competitors of significant acquisitions, strategic alliances, joint operations, or capital commitments;
- announcements of significant claims or proceedings against us;
- new laws and government regulations that directly or indirectly affect our business;
- additions or departures of Key Management Personnel;
- changes in the interest rates;
- fluctuations in stock market prices and volume; and general economic conditions.

The Indian stock markets have, from time to time, experienced significant price and volume fluctuations that have affected market prices for the securities of Indian companies. As a result, investors in our Equity Shares may experience a decrease in the value of our Equity Shares regardless of our financial performance or prospects.

## **SECTION IV – INTRODUCTION**

### **SUMMARY OF FINANCIAL INFORMATION**

*The following tables set forth the summary financial information derived from the Restated Consolidated Summary Financial Information as of the end of and for the Fiscal ended March 31, 2025, March 31, 2024 and March 31, 2023.*

*The summary financial information presented below should be read in conjunction with “Financial Information” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” beginning on pages 189 and 240, respectively.*

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

**N R VANDANA TEX INDUSTRIES LIMITED**  
**(FORMERLY KNOWN AS : N.R.DESIGN CENTRE PVT LTD)**  
**220, M.G. ROAD, KOLKATA - 700 007**  
**CIN: U17299WB1992PLC055341**

**RESTATED CONSOLIDATED STATEMENT OF ASSETS & LIABILITIES**

(Amount in Rs. Lakhs, unless stated otherwise)

Particulars	Annexure V Note	As at 31.03.2025	As at 31.03.2024	As at 31.03.2023
<b>Equity and liabilities</b>				
<b>Shareholders' funds</b>				
Share capital	2	1,709.69	326.28	290.27
Reserves and surplus	3	1,993.07	2,516.97	1,763.52
		<b>3,702.76</b>	<b>2,843.25</b>	<b>2,053.79</b>
<b>Non-current liabilities</b>				
Long-term borrowings	4	1,523.51	2,769.03	2,826.56
Deferred tax liabilities (net)	5	15.47	13.10	12.54
Long-term provisions	6	17.21	15.65	12.14
		<b>1,556.19</b>	<b>2,797.78</b>	<b>2,851.24</b>
<b>Current liabilities</b>				
Short-term borrowings	7	5,378.62	4,128.48	3,681.80
Trade payables	8		696.80	904.36
- total outstanding dues of micro and small enterprises		261.64		
- total outstanding dues other than micro and small enterprises		8,885.91	7,231.15	6,746.75
Other current liabilities	9	218.88	514.99	494.76
Short-term provisions	6	289.59	142.25	63.02
		<b>15,034.64</b>	<b>12,713.67</b>	<b>11,890.69</b>
<b>Total</b>		<b>20,293.59</b>	<b>18,354.70</b>	<b>16,795.72</b>
<b>Assets</b>				
<b>Non-current assets</b>				
Property, plant and equipment	10	573.90	615.00	660.07
Intangible assets		-	-	-
Capital work-in-progress		-	-	-
Non-current investments	11	467.88	435.58	425.09
Long-term loans and advances	12	10.00	11.79	1.79
Other non-current assets				
		<b>1,051.78</b>	<b>1,062.37</b>	<b>1,086.95</b>
<b>Current assets</b>				
Inventories	13	5,584.36	8,050.72	6,459.23
Trade receivables	14	12,854.27	7,860.58	8,144.59
Cash and bank balances	15	115.98	305.75	397.17
Short-term loans and advances	12	138.95	399.70	283.67
Other current assets	16	548.25	675.58	424.11
		<b>19,241.81</b>	<b>17,292.33</b>	<b>15,708.77</b>
<b>Total</b>		<b>20,293.59</b>	<b>18,354.70</b>	<b>16,795.72</b>

**Note:**

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

As per our report of even date attached

**For and on behalf of the Board of Directors**

**For J.B.S & Company**  
**Chartered Accountants**

**PRABHU LOHIA**  
S/D

**NARAIN PRASAD LOHIA**  
S/D

**GYANESH LOHIA**  
S/D  
**Chief Financial Officer**  
**(Whole Time Director)**

**FRN No. 323734E**

**Managing Director**  
**DIN No.**  
**02621416**

**Director**  
**DIN No.**  
**00452515**

**DIN No.**  
**02621425**

S/D  
**CA Sudhanshu Sen**  
**M.No : 306354**  
**Partner**

S/D

**SWETA AGARWAL**  
**Company Secretary**  
**Membership No : A31918**

**Place: Kolkata**  
**Date: 17/05/2025**  
**UDIN : 25306354BMOXZC8325**

**N R VANDANA TEX INDUSTRIES LIMITED**  
**(FORMERLY KNOWN AS : N.R.DESIGN CENTRE PVT LTD)**  
**220, M.G. ROAD, KOLKATA - 700 007**  
**CIN: U17299WB1992PLC055341**

**RESTATED CONSOLIDATED STATEMENT OF PROFIT & LOSS**

(Amount in Rs. Lakhs, unless stated otherwise)

Particulars	Annexure V Note	For the year ended 31.03.2025	For the year ended 31.03.2024	For the year ended 31.03.2023
<b>Revenue</b>				
Revenue from operations	17	27,080.25	22,010.80	19,524.14
Other income	18	29.97	10.42	36.02
<b>Total Income</b>		<b>27,110.22</b>	<b>22,021.22</b>	<b>19,560.16</b>
<b>Expenses</b>				
Cost of materials consumed	19	15,499.45	13,523.01	14,403.37
Purchase of stock-in-trade		-	-	-
Changes in Inventories of Finished Goods	20	1,937.05	(367.19)	(2,557.64)
Manufacturing Expenses	21	6,011.20	5,854.51	5,373.16
Employee benefits expense	22	378.08	319.81	315.68
Finance costs	23	802.88	784.29	698.36
Depreciation and amortisation expense	10	41.10	49.51	51.84
Other expenses	24	1,326.50	1,295.16	1,012.78
<b>Total expenses</b>		<b>25,996.26</b>	<b>21,459.10</b>	<b>19,297.55</b>
<b>Profit before exceptional and extraordinary items and taxes</b>		<b>1,113.96</b>	<b>562.12</b>	<b>262.61</b>
<b>Exceptional and Extraordinary Items</b>		-	-	-
<b>Profit Before Tax</b>		<b>1,113.96</b>	<b>562.12</b>	<b>262.61</b>
<b>Tax expense</b>				
Current tax		287.43	141.18	62.40
Deferred tax (credit)/charge		2.38	0.56	14.24
Earlier Year Taxes		(3.06)	1.47	18.74
<b>Profit for the period / year</b>		<b>827.21</b>	<b>418.91</b>	<b>167.23</b>
Share of Profit/ (Loss) of associates		<b>32.30</b>	<b>10.49</b>	<b>12.71</b>
<b>Profit/(Loss) for the period</b>		<b>859.51</b>	<b>429.40</b>	<b>179.94</b>
<b>Earnings per equity share of face value of Rs. 10 each</b>				
(1) Basic (in Rs.)	27	<b>5.03</b>	<b>2.56</b>	<b>1.18</b>
(2) Diluted (in Rs.)	27	<b>5.03</b>	<b>2.56</b>	<b>1.18</b>

**Note:**

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

**For and on behalf of the Board of Directors**

As per our report of even date attached

**For J.B.S & Company**  
Chartered Accountants

**FRN No. 323734E**

S/D  
CA Sudhanshu Sen  
M.No : 306354  
Partner

**PRABHU LOHIA**  
S/D

Managing Director  
DIN No.  
02621416

**NARAIN PRASAD LOHIA**  
S/D

Director  
DIN No.  
00452515

**GYANESH LOHIA**  
S/D  
Chief Financial Officer  
(Whole Time Director)  
DIN No.  
02621425

S/D

**SWETA AGARWAL**  
Company Secretary  
Membership No : A31918

Place: Kolkata  
Date: 17/05/2025  
UDIN : 25306354BMOXZC8325

**N R VANDANA TEX INDUSTRIES LIMITED**  
**(FORMERLY KNOWN AS : N.R.DESIGN CENTRE PVT LTD)**  
**220, M.G. ROAD, KOLKATA - 700 007**  
**CIN: U17299WB1992PLC055341**

**Restated Consolidated Statement of Cash Flows**

(Amount in Rs. Lakhs, unless stated otherwise)

Particulars	As at		
	2025	2024	2023
<b>A. Cash flow from operating activities</b>			
Profit before tax, as restated	1,113.96	562.12	262.61
Adjustments for :			
Depreciation	41.10	49.51	51.84
Finance Costs	802.88	784.29	698.36
Profit on Sale of Fixed Assets	-	-	(1.37)
Provision for Gratuity	2.65	3.96	3.73
Interest Income	(29.97)	(8.35)	(12.65)
<b>Operating profit before working capital changes</b>	<b>1,930.62</b>	<b>1,391.53</b>	<b>1,002.52</b>
<b>Changes in working capital:</b>			
Inventories	2,466.36	(1,591.49)	(2,832.19)
Trade & Other Receivables	(4,442.89)	(83.49)	(809.69)
Trade & Other Payables	782.31	319.44	1,438.54
<b>Cash generated from/ (utilised in) operations</b>	<b>736.40</b>	<b>35.99</b>	<b>(1,200.83)</b>
Less : Income tax paid	157.87	86.24	81.14
<b>Net cash flow generated from/ (utilised in) operating activities (A)</b>	<b>578.53</b>	<b>(50.25)</b>	<b>(1,281.97)</b>
<b>B. Cash flow from investing activities</b>			
Purchase of Fixed Assets	-	(9.43)	(166.69)
Capital Advance	-	-	-
Sale of Fixed Assets	-	-	3.60
Sale of Investment	-	-	0.05
Interest Income	29.97	8.35	12.65
(Increase)/Decrease in Fixed Deposits			
<b>Net cash flow utilised in investing activities (B)</b>	<b>29.97</b>	<b>(1.08)</b>	<b>(150.39)</b>
<b>C. Cash flow from financing activities</b>			
Long Term Borrowings (Net)	(1,245.52)	297.52	1,031.22
Short Term Borrowings (Net)	1,250.14	446.68	1,383.53
Finance Costs	(802.88)	(784.29)	(698.36)
<b>Net cash flow generated from/ (utilised in) financing activities (C)</b>	<b>(798.26)</b>	<b>(40.09)</b>	<b>1,716.39</b>
<b>Net (decrease)/ increase in cash &amp; cash equivalents (A+B+C)</b>	<b>(189.76)</b>	<b>(91.43)</b>	<b>284.04</b>
Cash and cash equivalents at the beginning of the period/	305.75	397.17	113.13
<b>Cash and cash equivalents at the end of the period/ year (Refer Annexure V Note(15))</b>	<b>115.98</b>	<b>305.75</b>	<b>397.17</b>

**Note:**

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

The Cash Flow Statement has been prepared under indirect method as set out in Accounting Standard 3, 'Cash Flow Statements' notified under Section 133 of the Companies Act, 2013.

**For and on behalf of the Board of Directors**

As per our report of even date attached

**For J.B.S & Company**  
**Chartered Accountants**

**PRABHU LOHIA**  
S/D

**NARAIN PRASAD LOHIA**  
S/D

**GYANESH LOHIA**  
S/D

**FRN No. 323734E**

**Managing Director**

**Director**

**Chief Financial Officer**  
**(Whole Time Director)**

S/D

**DIN No.**  
**02621416**

**DIN No.**  
**00452515**

**DIN No.**  
**02621425**

**CA Sudhanshu Sen**  
**M.No : 306354**  
**Partner**

S/D

**SWETA AGARWAL**  
**Company Secretary**  
**Membership No : A31918**

**Place: Kolkata**  
**Date: 17/05/2025**

**UDIN : 25306354BMOXZC8325**

## THE ISSUE

<b>PRESENT ISSUE IN TERMS OF THIS PROSPECTUS</b>	
<b>Equity Shares Offered through Public Issue<sup>(1)(2)</sup></b>	61,98,000* Equity Shares of face value of ₹ 10 each fully paid up for cash at price of ₹ 45/- (including a Share premium of ₹35 per Equity Share) per Share aggregating to ₹ 2789.10 Lakhs.
<b>Out of which:</b>	
<b>Issue Reserved for the Market Makers</b>	3,12,000 Equity Shares having face value of ₹ 10 each for cash at a price of ₹ 45/- (including a Share premium of ₹35 per Equity Share) per share aggregating to ₹ 140.40 Lakhs.
<b>Net Issue to the Public</b>	58,86,000 Equity Shares having face value of ₹ 10 each for cash at a price of ₹ 45/- (including a Share premium of ₹ 35/- per Equity Share) per share aggregating to ₹ 2648.70 Lakhs.
<b>Out of which*</b>	
<b>A. QIB Portion<sup>(3)(4) (5)</sup></b>	Not more than 29,37,000 Equity Shares of ₹10 each for cash at a price of ₹ 45/- (including a Share premium of ₹ 35/- per Equity Share) per share aggregating to ₹1321.65 Lakhs
<b>Of which</b>	
i) Anchor Investor Portion	17,61,000 Equity Shares having face value of ₹ 10 each for cash at a price of ₹ 45/- (including a Share premium of ₹ 35/- per Equity Share) per share aggregating to ₹ 792.45 Lakhs
ii) Net QIB Portion (assuming Anchor Investor Portion is fully subscribed)	11,76,000 Equity Shares having face value of ₹ 10 each for cash at a price of ₹ 45/- (including a Share premium of ₹ 35/- per Equity Share) per share aggregating to ₹ 529.20 Lakhs
<b>B. Non-Institutional Applicants</b>	Not less than 8,85,000 Equity Shares having face value of ₹ 10 each for cash at a price of ₹ 45/- (including a Share premium of ₹ 35/- per Equity Share) per share aggregating to ₹ 398.25 Lakhs
<b>Of which</b>	
(a) one third of the portion available to non-institutional investors shall be reserved for applicants with application size of more than two lots and up to such lots equivalent to not more than ₹10 lakhs;	2,97,000 Equity Shares of face value ₹10/- each
(b) two third of the portion available to non-institutional investors shall be reserved for applicants with application size of more than ₹10 lakhs	5,88,000 Equity Shares of face value ₹10/- each
<b>C. Individual Investor Portion</b>	Not less than 20,64,000 Equity Shares of ₹10 each for cash at a price of ₹ 45/- (including a Share premium of ₹ 35/- per Equity Share) per share aggregating to ₹ 928.80 Lakhs
<b>Pre and Post – Issue Equity Shares</b>	
<b>Equity Shares outstanding prior to the Issue</b>	1,70,96,809 Equity Shares of face value of ₹10 each
<b>Equity Shares outstanding after the Issue</b>	2,32,94,809 Equity Shares of face value ₹10 each
<b>Use of Net Proceeds by our Company</b>	Please see the chapter titled <b>“Objects of the Issue”</b> on page 90 of this Prospectus.

\*Subject to basis of allotment.

### Notes:

1. The Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time. This Issue is being made by our company in terms of Regulation of 229 (2) of SEBI ICDR Regulations read

with Rule 19(2)(b)(i) of SCRR wherein not less than 25% of the post – issue paid up equity share capital of our company are being offered to the public for subscription.

2. The Issue has been authorized by the Board of Directors vide a resolution passed at its meeting held March 13, 2025 and by the Shareholder of our Company, vide a special resolution passed pursuant to applicable provisions of Companies Act, 2013 at the Extra Ordinary General Meeting held on March 17, 2025.
3. The SEBI ICDR Regulations permit the issue of securities to the public through the Book Building Process, which states that, not less than 15 % of the Net Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35 % of the Net Issue shall be available for allocation on a proportionate basis to Individual Bidders and not more than 50% of the Net Issue shall be allotted on a proportionate basis to QIBs, subject to valid Bids being received at or above the Issue Price. Accordingly, we have allocated the Net Issue i.e. not more than 50% of the Net Issue to QIB and not less than 35% of the Net Issue shall be available for allocation to Individual Investors and not less than 15% of the Net Issue shall be available for allocation to Non-institutional bidders
4. Under-subscription, if any, in the QIB Portion would not be allowed to be met with spill-over from other categories or a combination of categories. Subject to valid Bids being received at or above the Issue Price, under-subscription, if any, in any category, except in the QIB Portion, would be allowed to be met with spill-over from any other category or combination of categories of Bidders at the discretion of our Company in consultation with the Book Running Lead Manager and the Designated Stock Exchange, subject to applicable laws.

Provided (a) One third of the portion available to non-institutional investors shall be reserved for applicants with an application size of more than two lots and up to such lots equivalent to not more than ₹10 lakhs; (b) Two-thirds of the portion available to non-institutional investors shall be reserved for applicants with an application size of more than ₹10 lakhs. Provided that the unsubscribed portion in either of the sub-categories specified in clauses (a) or (b) may be allocated to applicants in the other sub-category.

Our Company may, in consultation with the Book Running Lead Manager, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription in the Anchor Investor Portion, the remaining Equity Shares shall be added to the QIB Portion. Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Issue Price. However, if the aggregate demand from Mutual Funds is less than 5% of the Net QIB Portion, the balance Equity Shares available for allotment in the Mutual Fund Portion will be added to the Net QIB Portion and allocated proportionately to the QIB Bidders (other than Anchor Investors) in proportion to their Bids.

5. In the event of over-subscription, allotment shall be made on a proportionate basis, subject to valid Bids received at or above the Issue Price. Allocation to investors in all categories, except the Individual Investor Portion, shall be made on a proportionate basis subject to valid bids received at or above the Issue Price. The allocation to each Individual Investor shall not be less than the minimum Bid Lot, and subject to availability of Equity Shares in the Individual Investor Portion, 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 investors applying in initial public offerings opening on or after May 1, 2022, where the application amount is up to ₹ 5 lakhs, shall use UPI. Individual investors bidding under the Non- Institutional Portion bidding for more than ₹ 2 lakhs and up to ₹ 5 lakhs, 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.

For further details, please refer section titled “Issue Procedure” beginning on page 292 of this Prospectus.

## GENERAL INFORMATION

### Brief Summary:

Our company was originally incorporated and registered as a Private Limited Company under Companies Act, 1956 in the name and style of N.R. Design Centre Private Limited vide certificate of incorporation dated May 04, 1992 bearing registration number 21-55341 issued by the Registrar of Companies, West Bengal. Further, the name of our Company was changed to “N R Vandana Tex Industries Private Limited” and a fresh certificate of incorporation dated May 31, 2024 was issued by Registrar of Companies, Central Processing Centre. Pursuant to a resolution passed by our Board on June 03, 2024 and a resolution passed by our shareholders on June 07, 2024, our Company was converted into a public limited company. Consequently, the name of our company was changed to ‘N R Vandana Tex Industries Limited’, and a fresh certificate of incorporation consequent upon conversion to public company issued by Registrar of Companies, Central Processing Centre on August 13, 2024.

For details of incorporation, change in name and registered office of our Company, see the chapter titled “*History and Certain Corporate Matters*” beginning on pg 163 of this Prospectus.

### Company Registration Number and Corporate Identity Number

The registration number and corporate identity number of our Company are as follow:

Particulars	Number
Company Registration Number:	055341
Corporate Identity Number	U17299WB1992PLC055341

### Registered Office & Corporate Office of our Company

Registered Office of our Company
220, Mahatma Gandhi Road, Barabazar, Kolkata, Kolkata, West Bengal – 700007, India

### Registrar of Companies

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

Address:	Nizam Palace, 2nd MSO Building, 2nd Floor, 234/4, A.J.C.B. Road, Kolkata - 700020, West Bengal
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### Board of Directors of our Company

The following table sets out the details of our Board as on the date of this Prospectus:

Sr. No.	Name of director	Designation	DIN	Address
1.	Prabhu Lohia	Managing Director	02621416	106 A Block F, Humayan Kabir Sarani, New Alipore, Kolkata - 700053, West Bengal, India
2.	Gyanesh Lohia	Whole Time Director & CFO	02621425	106 A-Block-F, Humayan Kabir Sarani, New Alipore, Kolkata - 700053, West Bengal, India.
3.	Narain Prasad Lohia	Non-Executive Director	00452515	106 A Block F, Humayan Kabir Sarani, New Alipore, Kolkata - 700053, West Bengal, India.
4.	Bharghav Samirbhai Vyas	Non-Executive Independent Director	07210146	64, Devmandir Society, B/H Ghanshyam Complex, Chandlodiya, Ahmedabad – 382481, Gujarat, India.
5.	Vandana Nahata	Non-Executive Independent Director	08765790	18, Block-A, Floor-6 <sup>th</sup> , Mukhram Kanoria Road, Golabari Howrah - 711101, West Bengal, India.

For further details of our Board of Directors, see “*Our Management*” on page 167 this Prospectus.



## **Chief Financial Officer**

### **Gyanesh Lohia**

**Address:** 220, Mahatma Gandhi Road, Barabazar, Kolkata, Kolkata, West Bengal – 700007, India

**Telephone No.:** +91 9331281999

**E-mail:** [cs@vandanafashion.com](mailto:cs@vandanafashion.com)

## **Company Secretary and Compliance Officer**

### **Sweta Agarwal**

**Address:** 220, Mahatma Gandhi Road, Barabazar, Kolkata, Kolkata, West Bengal – 700007, India

**Telephone No.:** +91 9331281999

**E-mail:** [cs@vandanafashion.com](mailto:cs@vandanafashion.com)

## **Investor Grievances:**

Applicants can contact the Compliance Officer, the BRLM or the Registrar to the Issue in case of any pre-Issue or post-Issue related problems, such as non-receipt of letters of Allotment, non-credit of Allotted Equity Shares in the respective beneficiary account, non-receipt of refund orders and non-receipt of funds by electronic mode etc. All complaints, queries or comments received by Stock Exchange / SEBI shall be forwarded to the BRLM, who shall respond to the same.

Applicants may contact the BRLM for complaints, information or clarifications pertaining to the Issue.

All grievances may be addressed to the Registrar to the Issue with a copy to the relevant Designated Intermediary with whom the ASBA Form was submitted. The Applicant should give full details such as name of the sole or first Applicant, ASBA Form number, Applicant DP ID, Client ID, PAN, date of the ASBA Form, address of the Applicant, number of the Equity Shares applied for and the name and address of the Designated Intermediary where the ASBA Form was submitted by the Applicant.

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

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

### **Book Running Lead Manager**

#### **Marwadi Chandarana Intermediaries Brokers Private Limited**

X-change Plaza, Office no. 1201 to 1205, 12th Floor, Building No. 53E, Zone-5, Road 5E,

Gift City, Gandhinagar - 382355, Gujarat, India

**Telephone:** 022 – 69120027

**Email ID:** [mb@marwadichandarana.com](mailto:mb@marwadichandarana.com)

**Investor Grievance E-mail:** [mbgrievances@marwadichandarana.com](mailto:mbgrievances@marwadichandarana.com)

**Website:** [ib.marwadichandanagroup.com](http://ib.marwadichandanagroup.com)

**Contact Person:** Radhika Maheshwari / Jigar Desai

**SEBI Registration Number:** INM000013165

### **Statutory Auditor of our Company**

#### **M/s J B S & Co.**

**Address:** 60, Bentinck Street, 4th Floor, Kolkata, West Bengal-700069

**Telephone:** (033) 22826809

**Email ID:** [jbs\\_company@rediffmail.com](mailto:jbs_company@rediffmail.com)

**Firm registration number:** 323734E

**Peer Review No:** 015434

**Contact Person:** CA Sudhanshu Sen

### Changes in auditors during the last three years

Except as stated below, there has been no change in the Statutory Auditors of our company during the three years preceding the date of this Prospectus:

Name of Auditor	Date of Change	Reason for Change
<b>S N Kedia &amp; Associates</b> <b>Address:</b> 46, B B Ganguly Street, 4th Floor, Room No. 11, Kolkata - 700012, West Bengal, India <b>Contact Person:</b> CA S N Kedia <b>Email Id:</b> admin@snkedia.com <b>Membership No.:</b> 054075 <b>Firm Registration No.:</b> 319025E	September 30, 2022	Appointed for a term of 5 FYs
	May 15, 2023	Resigned from the Company due to some personal reasons.
<b>J.B.S. &amp; Company</b> <b>Address:</b> 60, Bentinck Street, 4 <sup>th</sup> Floor, Kolkata – 700069, West Bengal, India <b>Contact Person:</b> CA Dillip Shaha <b>Email Id:</b> jbs.company@yahoo.com <b>Membership No.:</b> 312458 <b>Firm Registration No.:</b> 323734E	May 22, 2023	Initially appointed on May 22, 2023 as an auditor of the Company due to resignation of erstwhile auditor CA S N Kedia. Thereafter, re-appointed on September 30, 2023 for a term of 5 FYs.

### Legal Counsel to the Issue

#### JR Legal

**Address:** 106A, 1st Floor, Vikas Building, 11\* Bank Street, Fort, Mumbai-400 001

**Contact Person:** Jayesh Rathod

**Tel:** 022-35779180

**Email:** rathod.jayesh825@gmail.com

### Registrar to the Issue

#### Cameo Corporate Services Limited

**Address:** Subramanian Building, No.1, Club House Road, Chennai 600 002, India

**Contact Person:** Mr. K. Sreepriya

**Tel:** 044 - 40020700/ 28460390

**Email:** ipo@cameoindia.com

**Investor grievance e-mail:** investor@cameoindia.com

**Website:** www.cameoindia.com

**SEBI registration number:** INR000003753

### Banker(s) to the Issue / Refund Bank (s) / Sponsor Bank

#### HDFC Bank Limited

**Address:** FIG- OPS Department – Lodha, I Think Techno Campus O-3 Level, Next to Kanjurmarg Railway Station, Kanjurmarg (East) Mumbai – 400042 Maharashtra India

**Contact Person:** Eric Bacha / Sachin Gawade / Pravin teli / Siddhart Jadhav / Tushar Gavankar

**Tel:** +91 22 30752927/28/2914

**Fax number:** NA

**Email:** [siddharth.jhadav@hdfcbank.com](mailto:siddharth.jhadav@hdfcbank.com), [sachin.gawade@hdfcbank.com](mailto:sachin.gawade@hdfcbank.com), [eric.bacha@hdfcbank.com](mailto:eric.bacha@hdfcbank.com), [tushar.gavankar@hdfcbank.com](mailto:tushar.gavankar@hdfcbank.com), [pravin.teli2@hdfcbank.com](mailto:pravin.teli2@hdfcbank.com)

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

**SEBI registration number:** INBI00000063

### Syndicate Members

#### Marwadi Chandarana Intermediaries Brokers Private Limited

X-change Plaza, Office no. 1201 to 1205, 12th Floor, Building No. 53E, Zone-5, Road 5E, Gift City, Gandhinagar - 382355, Gujarat, India

**Telephone:** 022 – 69120027

**Email ID:** [mb@marwadichandarana.com](mailto:mb@marwadichandarana.com)

**Investor Grievance E-mail:** [mbgrievances@marwadichandarana.com](mailto:mbgrievances@marwadichandarana.com)  
**Website:** [ib.marwadichandanagroup.com](http://ib.marwadichandanagroup.com)  
**Contact Person:** Radhika Maheshwari / Jigar Desai  
**SEBI Registration Number:** INM000013165

#### **Bankers to our Company**

##### **HDFC Bank**

**Address:** Burrabazar Branch  
**Contact Person:** Mr. Mainak Saha  
**Tel:** 9832199167  
**Email:** [mainak.saha@hdfcbank.com](mailto:mainak.saha@hdfcbank.com)

#### **Designated Intermediaries**

##### ***Self-Certified Syndicate Banks and SCSBs enabled for UPI Mechanism***

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

Applications through the UPI Mechanism in the Offer can be made only through the SCSBs mobile applications (apps) whose name appears on the SEBI website. A list of SCSBs and mobile application, which are live for applying in public issues using UPI Mechanism is provided as Annexure 'A' to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019. The list is available on the website of SEBI at [www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43](http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43) and updated from time to time and at such other websites as may be prescribed by SEBI from time to time

##### ***Syndicate SCSB Branches***

In relation to Bids (other than Bids by Anchor Investors) submitted under the ASBA process 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 ([www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes&intmId=35](http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes&intmId=35)) and 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](http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes&intmId=35), as updated from time to time

##### ***Registered Brokers***

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

##### ***Registrar and Share Transfer Agent***

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 website of SEBI ([www.sebi.gov.in](http://www.sebi.gov.in)) at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>, 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 name and contact details, is provided on the website of SEBI ([www.sebi.gov.in](http://www.sebi.gov.in)) at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>, as updated from time to time.

## **Experts to the Issue**

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

Our company has received a written consent dated May 21, 2025 from our Statutory Auditor, namely J.B.S. & Company, Chartered Accountants, to include their names as required under section 26(1) of the companies Act, 2013 read with SEBI ICDR Regulations, in this Red Herring Prospectus/ Prospectus, and as an “Expert” as defined under section 2(38) of the Companies Act, 2013 (and not under the U.S. Securities Act) to the extent and in their capacity as Peer Reviewed Auditor, and in respect of their (a) examination report for the financial year ended March 31, 2025, financial year ended March 31, 2024 and March 31, 2023 on the restated financial statements dated May 17, 2025 (b) report dated May 21, 2025 on the statement of possible tax benefits available to our Company and its Shareholders.

Additionally, our company has also received a written consent dated May 15, 2025 from Chartered Engineer, namely M/s Debabrata Ghosh in their capacity as Chartered Engineer, in connection with manufacturing facilities to include their name as required under section 26(1) of the companies Act, 2013 read with SEBI ICDR Regulations, in this Red Herring Prospectus/ Prospectus, and as an “Expert” as defined under section 2(38) read with Section 26(5) of the Companies Act, 2013 (and not under the U.S. Securities Act).

## **Statement of inter-se allocation of responsibilities**

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

## **IPO Grading**

No credit rating agency registered with SEBI has been appointed in respect of obtaining grading for the Issue.

## **Monitoring Agency**

As the Net Proceeds of the Issue will be less than ₹50.00 Crores, under the SEBI ICDR Regulations, it is not required that a monitoring agency be appointed by our Company.

## **Appraising Entity**

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

## **Credit Rating**

As this is an Issue consisting only of Equity Shares, there is no requirement to obtain credit rating for the Issue.

## **Debenture Trustee**

As this is an Issue consisting of Equity Shares, the appointment of a debenture trustee is not required.

## **Green Shoe Option**

No green shoe option is contemplated under the Issue.

## **Filing of Draft Red Herring Prospectus/ Red Herring Prospectus/ Prospectus with the SEBI/ ROC**

A copy of the Prospectus has been filed with the Emerge platform of National Stock Exchange of India Limited where the Equity Shares are proposed to be listed.

The Draft Red Herring Prospectus will not be filed with SEBI, nor will SEBI issue any observation on the Offer Document in terms of Regulation 246 (2) of SEBI ICDR Regulations. However, pursuant to sub regulation (5) of

Regulation 246 of the SEBI ICDR Regulations, the copy of the Red Herring Prospectus/ Prospectus shall be furnished to the Board in soft copy.

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

A copy of the Red Herring Prospectus/ Prospectus along with the material contracts and documents required to be filed under Section 26 and 32 of the Companies Act, 2013 will also be filed with the RoC, Kolkata at Nizam Palace, A.J.C.B. Road, Kolkata, West Bengal and through the electronic portal at [www.mca.gov.in](http://www.mca.gov.in)

### **Book Building Process**

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

- Our Company;
- The Book Running Lead Manager in this case being Marwadi Chandarana Intermediaries Brokers Private Limited
- The Syndicate Member(s) who are intermediaries registered with SEBI/ registered as brokers with NSE Ltd. and eligible to act as Underwriters. The Syndicate Member(s) will be appointed by the Book Running Lead Manager;
- The Registrar to the Issue and;
- The Designated Intermediaries and Sponsor bank

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

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

In terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, all the investors (except Anchor Investors) applying in a public issue shall use only Application Supported by Blocked Amount (ASBA) process for application providing details of the bank account which will be blocked by the Self Certified Syndicate Banks (SCSBs) for the same. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018, Individual Investors applying in public issue may use either Application Supported by Blocked Amount (ASBA) facility for making application or also can use UPI as a payment mechanism with Application Supported by Blocked Amount for making application. For details in this regards, specific attention is invited to the chapter titled ***“Issue Procedure”*** beginning on 292 of the Prospectus.

All Bidders, except Anchor Investors, are mandatorily required to use the ASBA process for participating in the Issue by providing details of their respective ASBA Account in which the corresponding Bid Amount will be blocked by the SCSBs and Sponsor Bank, as the case may be. The Individual Bidders shall participate through the ASBA process by either (a) providing the details of their respective ASBA Account in which the corresponding Bid Amount will be blocked by SCSBs; or (b) through the UPI Mechanism. Non-Institutional Investors with an application size of up to ₹ 5.00 Lakhs shall use the UPI Mechanism and shall also provide their UPI ID in the Bid cum Application Form submitted with Syndicate Members, Registered Brokers, Collecting Depository

Participants and Registrar and Share Transfer Agents. Anchor Investors are not permitted to participate in the Offer through the ASBA process. Pursuant to SEBI ICDR Master Circular read with SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022 (to the extent not rescinded by the SEBI ICDR Master Circular in relation to the SEBI ICDR Regulations) all individual bidders in initial public offerings whose application sizes are up to ₹ 5.00 Lakhs shall use the UPI Mechanism.

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

For further details on the method and procedure for Bidding, please see section entitled **“Issue Procedure”** on 292 of this Prospectus.

#### **Illustration of the Book Building and Price Discovery Process:**

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

<b>Bid Quantity</b>	<b>Bid Amount (₹)</b>	<b>Cumulative Quantity</b>	<b>Subscription</b>
500	24	500	16.67%
1,000	23	1,500	50.00%
1,500	22	3,000	100.00%
2,000	21	5,000	166.67%
2,500	20	7,500	250.00%

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

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

- Check eligibility for making a Bid (see section titled **“Issue Procedure”** on 292) of this Prospectus;
- Ensure that you have a demat account and the demat account details are correctly mentioned in the Bid cum Application Form;
- Ensure correctness of your PAN, DP ID and Client ID mentioned in the Bid cum Application Form. Based on these parameters, the Registrar to the Issue will obtain the Demographic Details of the Bidders from the Depositories.
- Except for Bids on behalf of the Central or State Government officials, residents of Sikkim and the officials appointed by the courts, who may be exempt from specifying their PAN for transacting in the securities market, for Bids of all values ensure that you have mentioned your PAN allotted under the Income Tax Act in the Bid cum Application Form. The exemption for Central or State Governments and officials appointed by the courts and for investors residing in Sikkim is subject to the Depository Participant’s verification of the veracity of such claims of the investors by collecting sufficient documentary evidence in support of their claims.
- Ensure that the Bid cum Application Form is duly completed as per instructions given in this Prospectus and in the Bid cum Application Form.

#### **WITHDRAWAL OF THE ISSUE**

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

If our Company withdraws the Issue any time after the Bid/ Issue Opening Date but before the allotment of Equity shares, a public notice will be issued by our Company within two (2) Working Days of the Bid/ Issue Closing Date, providing reasons for not proceeding with the Issue. The notice of withdrawal will be issued in the same newspapers where the pre- Issue advertisements have appeared, and the Stock Exchange will also be informed promptly. The BRLM, through the Registrar to the Issue, will instruct the SCSBs and Sponsor Bank (in case of II's using the UPI Mechanism) to unblock the ASBA Accounts within one (1) working Day from the day of receipt of such instruction.

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

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

### Underwriting Agreement

The Company and the Book Running Lead Manager to the Issue hereby confirm that the Issue will be 100% Underwritten by the underwriter Marwadi Chandarana Intermediaries Brokers Private Limited.

Pursuant to the terms of the Underwriting Agreement dated May 16, 2025 entered into by Company, Underwriter, the obligations of the Underwriter are subject to certain conditions specified therein. The Details of the Underwriting commitments are as under:

Details of the Underwriter	Number of Equity Shares to be Underwritten	Amount Underwritten (₹ in Lakhs)	% of the total Issue size Underwritten
Marwadi Chandarana Intermediaries Brokers Private Limited	61,98,000*	2789.10	100 %

*\*Includes 3,12,000 Equity Shares of the Market Maker Reservation Portion which are to be subscribed by the Market Maker, Alacrity Securities Limited in its own account in order to claim compliance with the requirements of Regulation 261 of the SEBI (ICDR) Regulations, 2018, as amended.*

*The above-mentioned is indicative underwriting and will be finalised after determination of Issue Price and Basis of Allotment and subject to the provisions of the SEBI ICDR Regulations.*

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 underwriting obligations in full. The above-mentioned Underwriters are registered with SEBI under Section 12(1) of the SEBI Act or registered as broker with the Stock Exchange

The Board, at its meeting held on May 16, 2025, has accepted and entered into the Underwriting Agreement mentioned above on behalf of our Company. Allocation among the Underwriters may not necessarily be in proportion to their underwriting commitment. As per Regulation 260(2) of SEBI (ICDR) Regulations, 2018, the Book Running Lead Manager has agreed to underwrite to a minimum extent of 15% of the Issue out of its own account.

### Market Maker

#### Details of Market Making Arrangement for this Issue

Our Company and the BRLM has entered into a Market Making Agreement dated May 16, 2025 with the following Market Maker, to fulfil the Market Making obligations under this Issue:

<b>Name</b>	Alacrity Securities Limited
<b>Correspondence Address</b>	101, Hari Darshan, B-wing, Bhogilal Fadia Road, Kandivali West, Mumbai, Maharashtra India 400067

<b>Tel No.</b>	+91 9594499983
<b>E-mail</b>	<a href="mailto:alacritysec@gmail.com">alacritysec@gmail.com</a>
<b>Contact Person</b>	Kishore V Shah
<b>SEBI Registration No.</b>	INZ000215936
<b>Market Maker Registration No.</b>	NSE/MEM/1086/09098

In accordance with Regulation 261 of the SEBI ICDR Regulations, we have entered into an agreement with the Book Running Lead Manager and the Market Maker (duly registered with NSE to fulfil the obligations of Market Making) dated May 16, 2025 to ensure compulsory Market Making for a minimum period of three years from the date of listing of equity shares offered in this Issuer.

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 NSE 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 shall be required to provide a 2-way quote for 75% of the time in a day. The same shall be monitored by the Stock Exchange. Further, the Market Maker shall inform the Stock Exchange in advance for each and every black out period when the quotes are not being offered by the Market Maker.
2. The minimum depth of the quote shall be ₹ 1,00,000. However, the Investors with holdings of value less than ₹ 1,00,000 shall be allowed to offer their holding to the Market Maker in that scrip provided that he sells his entire holding in that scrip in one lot along with a declaration to the effect to the selling broker.
3. The Inventory Management and Buying/Selling Quotations and its mechanism shall be as per the relevant circulars issued by SEBI and Emerge Platform of NSE from time to time.
4. Execution of the order at the quoted price and quantity must be guaranteed by the Market Maker, for quotes given by him.
5. There would not be more than five Market Maker for the Company's Equity Shares at any point of time and the Market Maker may compete with other Market Maker for better quotes to the investors.
6. The shares of the company will be traded in continuous trading session from the time and day the company gets listed on Emerge Platform of NSE and market maker will remain present as per the guidelines mentioned under NSE and SEBI circulars.
7. 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.
8. The Market Maker shall have the right to terminate said arrangement by giving one month notice or on mutually acceptable terms to the Lead Manager, who shall then be responsible to appoint a replacement Market Maker.

In case of termination of the above-mentioned Market Making agreement prior to the completion of the compulsory Market Making period, it shall be the responsibility of the Lead Manager to arrange for another Market Maker(s) in replacement during the term of the notice period being served by the Market Maker but prior to the date of releasing the existing Market Maker from its duties in order to ensure compliance with the requirements of Regulation 261 of the SEBI (ICDR) Regulations. Further the Company and the Lead Manager reserve the right to appoint other Market Maker(s) either as a replacement of the current Market Maker or as an additional Market Maker subject to the total number of Designated Market Makers does not exceed 5 (five) or as specified by the relevant laws and regulations applicable at that particular point of time.

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



10. **Punitive Action in case of default by Market Maker:** Emerge Platform of NSE will monitor the obligations on a real time basis and punitive action will be initiated for any exceptions and / or non-compliances. Penalties/ fines may be imposed by the Exchange on the Market 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.
11. 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.
12. 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.
13. Pursuant to SEBI Circular number CIR/MRD/DSA/31/2012 dated November 27, 2012, limits on the upper side for Markets Makers during market making process has been made applicable, based on the Issue size and as follows:

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

The SEBI Circular bearing reference no: CIR/MRD/DP/ 02/2012 dated January 20, 2012, has laid down that for issue size up to ₹ 250 Crores, the applicable price bands for the first day shall be:

- i. In case equilibrium price is discovered in the Call Auction, the price band in the normal trading session shall be 5% of the equilibrium price.
- ii. In case equilibrium price is not discovered in the Call Auction, the price band in the normal trading session shall be 5% of the issue price.

Additionally, the securities of the Company will be placed in SPOS and would remain in Trade for Trade settlement for first 10 days from commencement of trading. The following spread will be applicable on the SME platform.

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

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

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

## CAPITAL STRUCTURE

Set forth below are the details of the Equity Share capital of our Company as on the date of this Prospectus:

(₹ in Lakhs except share data)

Sr. No.	Particulars	Aggregate nominal value (in ₹)	Aggregate value at Issue Price* (in ₹)
<b>A.</b>	<b>Authorized Share Capital</b>		
	2,35,00,000 Equity Shares of face value of ₹ 10/- each	2350.00	-
<b>B.</b>	<b>Issued, Subscribed and Paid-up share Capital before the Issue</b>		
	1,70,96,809 Equity Shares of face value of ₹ 10/- each	1709.68	7,693.56
<b>C.</b>	<b>Present Issue in terms of this Prospectus</b>		
	Fresh Issue of 61,98,000 Equity Shares of face value of ₹ 10 /- each aggregating up to ₹ 2789.10 Lakhs <sup>(1) (2)</sup>	619.80	2,789.10
	<i>Which Comprises of:</i>		
<b>D.</b>	<b>Reservation for Market Maker portion</b>		
	3,12,000 Equity Shares of face value of ₹ 10/- each	31.20	140.40
<b>E.</b>	<b>Net Issue to the Public</b>		
	58,86,000 Equity Shares of face value of ₹ 10/- each	588.60	2,648.70
<b>F.</b>	<b>Issued, Subscribed and Paid-up share Capital after the Issue</b>		
	2,32,94,809 Equity Shares of face value of ₹ 10/- each*	2329.48	10,482.66
<b>G.</b>	<b>Securities Premium Account</b>		
	Before the Issue (as on date of this Prospectus) as on March 31, 2025		675.25
	After the Issue		2844.55

\* Subject to the Basis of Allotment.

- The present Issue has been authorised pursuant to a resolution of our Board dated March 13, 2025 and by Special Resolution passed under applicable provisions of the Companies Act, 2013 at an Extra-Ordinary General Meeting of our shareholders held on March 17, 2025.
- Allocation to all categories shall be made on a proportionate basis subject to valid Applications received at or above the Offer Price. Under subscription, if any, in any of the categories except QIB, 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 Stock Exchange. Such inter-se spill-over, if any, would be affected in accordance with applicable laws, rules, regulations and guidelines. For detailed information on the Net Offer and its allocation various categories, please refer chapter titled “The Issue” on 55 of this Prospectus.

For details of changes to our Company’s authorized share capital in the last 10 years, see “History and Certain Corporate Matters - Amendments to our Memorandum of Association” on page 163.

## NOTES TO THE CAPITAL STRUCTURE

### 1. Equity Share Capital History of our Company

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

Date of allotment	Details of Allottees	Nature of Allotment	Face value (₹)	Issue price (including Premium if applicable (₹)	Nature of consideration	No. of shares allotted	Cumulative number of Equity Shares
May 04, 1992	Narain Prasad Lohia-100	Initial Subscription to our Memorandum of Association	10.00	10.00	Cash	300	300
	Krishan Kumar Lohia-100						
	Ram Kumar Lohia-100						
August 14, 1992	Hari Kishan Tiwari-6000	Further Allotment	10.00	10.00	Cash	1,88,600	1,88,900
	Ram Sukh Verma-5000						
	Brahmamoy Banarjee-6500						
	Rajesh Kumar Ladha-5000						
	Dilip Ranjan Sarkhel-15000						
	Mrityunjoy Dutta-15000						
	Sudhendhu Bhattacharjee-10000						
	Amalendu Bhattacharya-10000						
	Abhijit Guha-5000						
	Navin Daga-5000						
	Shib Prasad Adhikary-10000						
	Beni Prasad Pachisia-7500						
	Vandana Lohia-19100						
	Aradhana Lohia-16500						
	Prabhu Lohia-14500						
	Gyanesh Lohia-15000						
	Anant Lohia-15000						
	Prathana Lohia-8500						
February 07, 1994	Sudhendhu Bhattacharjee- 10000	Further Allotment	10.00	10.00	Cash	3,60,000	5,48,900
	Amalendu Bhattacharya-10000						
	Shib Prasad Adhikary-10000						
	Beni Prasad Pachisia-10000						
	Sujit Ghosal-3000						
	Moti Lal Agrahari-8000						
	Sukh Dev Chowbey-6500						
	Shiv shankar Tiwari-10000						
	Sachinanda Dutta-8500						
	Dilip Kumar Dan-7500						

Date of allotment	Details of Allottees	Nature of Allotment	Face value (₹)	Issue price (including Premium if applicable) (₹)	Nature of consideration	No. of shares allotted	Cumulative number of Equity Shares
	Prem Narayan Tiwari-6000						
	Anil Gupta-5000						
	Arun Khedwal-5000						
	Samir Kumar Ganguly-10000						
	Om Prakash Singh-10000						
	Brizanand Lal-7500						
	Rama Shankar Mishra-8000						
	Kailash Tamrakar-5000						
	Himanshu Banerjee-10000						
	Ramawtar Daga-20000						
	Sukhendra Nath Sarkar-10000						
	Nemai Chand Adhikary-10000						
	Suresh Agarwal-10000						
	Manoj Jain-40000						
	Manish Jain-20000						
	Sulabh Trading Pvt Ltd-50000						
	Cluster heavy Engg. Pvt. Ltd.-50000						
March 31, 1994	Prabhu Lohia -3000	Further Allotment	10.00	10.00	Cash	4,900	5,53,800
	Gyanesh Lohia -1800						
	Ram Kumar Lohia & others (HUF)-100						
April 20, 1994	Ram Nivas Lohia-100	Further Allotment	10.00	10.00	Cash	300	5,54,100
	Girdhari Lal Ram Niwas-100						
	Ritesh Lohia-100						
April 27, 1994	Rama Devi Lohia -100	Further Allotment	10.00	10.00	Cash	100	5,54,200
July 08, 1994	Narain Kumar Sureka -100	Further Allotment	10.00	10.00	Cash	100	5,54,300
July 11, 1994	Padma Devi Sureka -100	Further Allotment	10.00	10.00	Cash	100	5,54,400
July 12, 1994	Suman Sureka-100	Further Allotment	10.00	10.00	Cash	100	5,54,500
July 27, 1994	Anjani Surekha-100	Further Allotment	10.00	10.00	Cash	100	5,54,600

Date of allotment	Details of Allottees	Nature of Allotment	Face value (₹)	Issue price (including Premium if applicable (₹)	Nature of consideration	No. of shares allotted	Cumulative number of Equity Shares
September 02, 1994	Vandana Lohia-3600	Further Allotment	10.00	10.00	Cash	66,700	6,21,300
	Araadhana Lohia-6,700						
	Prathana Lohia - 6400						
	Pratius Commercial Pvt Ltd-50,000						
March 30, 1995	Ram Niwas Lohia- 8000	Further Allotment	10.00	10.00	Cash	3,66,800	9,88,100
	Ritesh Lohia-7500						
	Ranjana Chand Gotia-32200						
	Dhanpati Jain-25500						
	Satya Narayan Jain-23900						
	Saroj Chand Gotia-30600						
	Bhagwani Devi Lohia-31,600						
	Prabhu Lohia-1,900						
	Gyanesh Lohia-4,700						
	Anant Lohia-4,300						
	Ram Narayan Satya Narayan Huf-20,100						
	Gobindram Narain Prasad Huf-28,500						
	Krishna Kumar Prabhu Dayal Huf-19,000						
	Prathana Lohia- 800						
	Ram Kumar Lohia & Others HUF-22,500						
	Maple Food Product Ltd-20,000						
	Visual Film Pvt Ltd-30,000						
	Manjushree Agencies Ltd-30,000						
	Shivram Commerce Pvt Ltd-20,000						
	Vandana Lohia-5700						
March 01, 1997	Bimla Bubna-10,000	Further Allotment	10.00	10.00	Cash	10,000	9,98,100
March 28, 2003	Topmark Properties Ltd -60000	Further Allotment	10.00	25.00	Cash	2,00,000	11,98,100
	Stenly Securities Ltd-24000						
	Rahul Trexim Pvt Ltd-16000						
	RNP Finvest Pvt Ltd -20000						
	Scope Commodeal Pvt Ltd -40000						
	Hoonghly Vinimay Pvt Ltd -40000						
April 05,	Shashi Inv & Fin Ltd -36,000	Further	10.00	10.00	Cash	1,64,000	13,62,100

Date of allotment	Details of Allottees	Nature of Allotment	Face value (₹)	Issue price (including Premium if applicable) (₹)	Nature of consideration	No. of shares allotted	Cumulative number of Equity Shares
2004	Triveni Ind Resources Ltd -20,000 Rocky Marketing Pvt Ltd -14,000 Sagar Tradlink Pvt Ltd -20,000 Sunshine Trakon Pvt Ltd-20,000 Universal Multimedia Ltd -20,000 Radiom Fin & Credit Co Ltd -10,000 Vijay path commodities pvt ltd -24,000	Allotment					
September 01, 2005	Kanika Lohia	Further Allotment	10.00	10.00	Cash	100	13,62,200
February 25, 2009	Bittu Trading Private Limited -15,000 Nilamber Trade Link Private Limited -10,000 Om Sons Traders Private Limited -10,000 Jai Bhawani Carrier Private Limited - 5,000 Platinum Vanijya Private Limited -10,000 Sakar Sales Private Limited -10,000 Neelkamal Heights Private Limited -10,000 East Coast Realtors Private Limited -10,000 Destiny Heights Private Limited -10,000	Further Allotment	10.00	100.00	Cash	90,000	14,52,200
March 30, 2013	Omsons Traders Private Limited -60,000 Tristar Infrabuild Private Limited -60,000 Virtual Suppliers Private Limited -40,000 Wise Construction Private Limited -60,000 Nilambar Tradelink Private Limited 72,000 Inland Sales Private Limited -80,000 Flora Commotrade Private Limited -28,000 Urjita Commerce Private Limited -1,40,000 Idani Trading Private Limited -1,28,000 Aditya Fashions Private Limited -1,20,000 Colorunion International Private Limited -1,04,000 Dev Share Trading Private Limited -40,000 Aristo Media & Entertainment Private Limited - 1,68,000 Hazoor Township Developers Private Limited -	Further Allotment	10.00	25.00	Cash	11,64,000	26,16,200

Date of allotment	Details of Allottees	Nature of Allotment	Face value (₹)	Issue price (including Premium if applicable) (₹)	Nature of consideration	No. of shares allotted	Cumulative number of Equity Shares
	64,000						
July 08, 2013	Narain Prasad Lohia-57,000	Further Allotment	10.00	10.00	Cash	2,86,500	29,02,700
	Krishan Kumar Lohia – 87,500						
	Gyanesh Lohia – 1,42,000						
January 22, 2024	Kaberi Sales Private Limited-2,44,817	Conversion of Loan into Equity	10.00	100.00	Other than Cash	3,60,050	32,62,750
	Vandana Finvest Private Limited-1,15,233						
October 16, 2024	Usha Kiran Lohia- 11,71, 936 Kanika Lohia- 11,52,432 Prabhu Lohia- 34,21,892 Prabhu Lohia HUF-4,07,464 Gyanesh Lohia-13,62,100 Gobindram Narain Prasad (HUF)-3,43,440 Meghna Lohia-9,75,624 Gyanesh Lohia HUF-3,94,744 Narain Prasad Lohia-24,10,440 Ambika Devi Lohia-6,67,376 Kaberi Sales Private Limited-10,38,024 Vandana Finvest Private Limited-4,88,587	Bonus Issue**	10.00	-	Other than Cash	1,38,34,059	1,70,96,809

*\*\*As certified by the Statutory Auditors pursuant to their certificate dated December 28, 2024, the Company had a surplus in the share premium account (free reserves) of 2393.26 Lakhs, appearing in the audited financial statement of the Company as on June 30, 2024, which was adequate for the issuance of bonus shares of the Company, since the Company capitalized a sum of ₹ 1383.41 Lakhs of its share premium account as on June 30, 2024 to allot 1,38,34,059 Equity Shares of ₹ 10.00 each, under a bonus issue in the ratio of 424:100 Equity Shares (i.e.; each member will be entitled for 424 Bonus shares against 100 shares held by them in the Company). Such Equity Shares have not been issued by utilization of revaluation reserves of the Company and have been issued to only those shareholders which were the existing shareholders of the Company on October 04, 2024 being the record date for the bonus issue.*

*Note: The secretarial records for certain past transfers of Equity Shares made by our Company could not be traced as the relevant information was not available in the records maintained by our Company, the Ministry of Corporate Affairs at the MCA Portal and the RoC. Accordingly, we have relied on the corporate records available with the Company, search report dated December 28, 2024 prepared by Twinkle Pandey, Independent practicing company secretary (PCS Search Report), and Capital Structure certified by their certificate dated December 28, 2024. For details of risks arising out of missing or untraceable past secretarial records of our Company, see “Risk Factors – 14 - There are certain discrepancies and non-compliances noticed in some of our corporate records relating to forms filed with the Registrar of Companies.” on page 35 of this Prospectus.*

All equity shares issued by our Company from the date of incorporation of our Company till the date of filing of this Prospectus have been made in compliance with Companies Act, 2013 or Companies Act 1956, as applicable.

**3. History of preference share capital of our Company**

Our Company has not issued any Preference Share Capital in the past.

**4. Issue of Shares for consideration other than cash, bonus issues or out of revaluation reserves**

Except as set out below, our Company has not issued Equity Shares for consideration other than cash, bonus issues or out of revaluation reserves.

<b>Date of Allotment</b>	<b>Nature of Allotment</b>	<b>No. of Equity Shares Allotted</b>	<b>Face value (₹)</b>	<b>Issue price (₹)</b>	<b>Reason for allotment and Benefits accrued to our Company</b>
January 22, 2024	Conversion of loan into equity	3,60,050	10.00	Nil	Conversion of loan into equity
October 16, 2024	Bonus Issue	1,38,34,059	10.00	Nil	Capitalization of Reserves

**5. Equity Shares allotted in terms of any schemes of arrangement**

Our Company has not allotted any Equity Shares pursuant to any schemes of arrangement approved under Sections 391 to 394 of the Companies Act, 1956 or Sections 230-232 of the Companies Act, 2013, as applicable.

**6. Equity Shares allotted at a price lower than the offer price in the last year**

The offer price shall be determined by our Company in consultation with the Lead Manager, after the Bid / Offer Closing Date. Other than the allotment of Equity Shares on October 16, 2024 pursuant to a bonus issue, our Company has not issued any Equity Shares at a price which may be lower than the Offer Price, during a period of one year preceding the date of this Prospectus.

7. Our Company has not issued any shares pursuant to an Employee Stock Option Scheme. Our company doesn't have any Employee stock option scheme ("ESOP")/ Employee Stock purchase scheme ("ESPS") for our employees and we do not intent to allot any shares to our employees under ESOP and ESPS from the proposed issue. As and when options are granted to our employees under the ESOP scheme, our Company shall comply with the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021.
8. All transactions in Equity Shares by our Promoter and members of our Promoter group between the date of filing of this Prospectus and the date of closing of the Issue shall be reported to the Stock Exchanges within 24 hours of such transactions.



## 9. Shareholding Pattern of our Company:

Set forth is the shareholding pattern of our Company as on the date of this Prospectus:

Cate gory (I)	Category of shareholder (II)	No. of sharehol ders (III)	No. of fully paid-up Equity Shares held (IV)	No. of par tly paid -up Equ ity Sha res hel d (V)	No. of shares underly ing Deposit ory Receipt s (VI)	Total No. of Equity Shares held (VII) =(IV)+(V)+(VI)	Sharehol ding as a % of total number of Equity Shares (calculat ed as per SCRR,1 957) (VIII) as a % of (A+B+C 2)	Number of Voting Rights held in each class of securities (IX)				No. of Equ ity sha res und erly ing outs tan din g as a con vert ible secu ritie s (inc ludi ng war rant s) (X)	Shareholdin g, as a % assuming full conversion of convertible securities (as a percentage of diluted Equity Share capital) (XI)= (VII)+(X) As a % of (A+B+C2)	Number of locked in Equity Shares (XII)		No. of Equity Shares pledged or otherwise encumbered (XIII)		No. of Equity Shares held in dematerializ ed form (XIV)
								Number of Voting Rights			Total as a % of (A+B+C)			No. (a)	As a % of total Equit y Share s held (b)	No. (a)	As a % of total Equit y Share s held (b)	
								Class (Equity Equity Shares)	Cla ss (Ot hers )	Total								
(A)	Promoter and Promoter Group	12	1,70,96,809	-	-	1,70,96,809	100.00	1,70,96,809	-	1,70,96,809	100.00	-	1,70,96,809	-	-	-	-	1,70,96,809
(B)	Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

(C)	Non-Promoter-Non-Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C1)	Shares underlying DRs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C2)	Shares held by Employee Trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	<b>Total</b>	<b>12</b>	<b>1,70,96,809</b>	-	-	<b>1,70,96,809</b>	<b>100.00</b>	<b>1,70,96,809</b>	-	<b>1,70,96,809</b>	<b>100.00</b>	-	<b>1,70,96,809</b>	-	-	-	-	<b>1,70,96,809</b>

10. **Other details of Shareholding of our Company**

(a) As on the date of the filing of this Prospectus, our Company has 12 Shareholders of Equity Shares.

S. No.	Name of the Shareholders	Number of Equity Shares held	Percentage of the pre- Issue Equity Share capital (%)
1.	Narain Prasad Lohia	29,78,940	17.42
2.	Ambika Lohia	8,24,776	4.82
3.	Usha Kiran Lohia	14,48,336	8.47
4.	Kanika Lohia	14,24,232	8.33
5.	Prabhu Lohia	42,28,942	24.74
6.	Gyanesh Lohia	16,83,350	9.85
7.	Gobindram Narain Prasad HUF	4,24,440	2.48
8.	Meghna Lohia	12,05,724	7.05
9.	Gyanesh Lohia HUF	4,87,844	2.85
10.	Prabhu Lohia HUF	5,03,564	2.95
11.	Kaberi Sales Private Limited	12,82,841	7.50
12.	Vandana Finvest Private Limited	6,03,820	3.53
	<b>Total</b>	<b>1,70,96,809</b>	<b>100.00</b>

(b) Set forth below is a list of Shareholders, holding 1% or more of the paid-up Equity Share capital of our Company as on the date of filing of this Prospectus:

S. No.	Name of the Shareholders	Number of Equity Shares held	Percentage of the pre- Issue Equity Share capital (%)
1.	Narain Prasad Lohia	29,78,940	17.42
2.	Ambika Lohia	8,24,776	4.82
3.	Usha Kiran Lohia	14,48,336	8.47
4.	Kanika Lohia	14,24,232	8.33
5.	Prabhu Lohia	42,28,942	24.74
6.	Gyanesh Lohia	16,83,350	9.85
7.	Gobindram Narain Prasad HUF	4,24,440	2.48
8.	Meghna Lohia	12,05,724	7.05
9.	Gyanesh Lohia HUF	4,87,844	2.85
10.	Prabhu Lohia HUF	5,03,564	2.95
11.	Kaberi Sales Private Limited	12,82,841	7.50
12.	Vandana Finvest Private Limited	6,03,820	3.53
	<b>Total</b>	<b>1,70,96,809</b>	<b>100.00</b>

Notes: Details as on May 30, 2025, being the date of this Prospectus.

(c) Set forth below is a list of Shareholders, holding 1% or more of the paid-up Equity Share capital of our Company as of ten days prior to filing this Prospectus:

S. No.	Name of the Shareholders	Number of Equity Shares held	Percentage of the pre- Issue Equity Share capital (%)
1.	Narain Prasad Lohia	29,78,940	17.42
2.	Ambika Lohia	8,24,776	4.82
3.	Usha Kiran Lohia	14,48,336	8.47
4.	Kanika Lohia	14,24,232	8.33
5.	Prabhu Lohia	42,28,942	24.74
6.	Gyanesh Lohia	16,83,350	9.85
7.	Gobindram Narain Prasad HUF	4,24,440	2.48
8.	Meghna Lohia	12,05,724	7.05
9.	Gyanesh Lohia HUF	4,87,844	2.85
10.	Prabhu Lohia HUF	5,03,564	2.95
11.	Kaberi Sales Private Limited	12,82,841	7.50
12.	Vandana Finvest Private Limited	6,03,820	3.53
	<b>Total</b>	<b>1,70,96,809</b>	<b>100.00</b>

Notes: Details as on May 20, 2025 being the date ten days prior to the date of this Prospectus

- (d) Set forth below is a list of Shareholders, holding 1% or more of the paid-up Equity Share capital of our Company as of one year prior to filing this Prospectus:

S. No.	Name of the Shareholders	Number of Equity Shares held	Percentage of the pre- Issue Equity Share capital (%)
1.	Narain Prasad Lohia	568500	3.33
2.	Ram Kumar Lohia	226200	1.32
3.	Usha Kiran Lohia	439400	2.57
4.	Kanika Lohia	208600	1.22
5.	Ram kumar lohia & others HUF	2,52,600	1.48
6.	Meghna Lohia	2,30,100	1.35
	<b>Total</b>	<b>1925400</b>	<b>11.00</b>

Notes: Details as on May 21, 2024 being the date one year prior to the date of this Prospectus

- (e) Set forth below is a list of Shareholders, holding 1% or more of the paid-up Equity Share capital of our Company as of two years prior to filing this Prospectus:

S. No.	Name of the Shareholders	Number of Equity Shares held	Percentage of the pre- Issue Equity Share capital (%)
1.	Prabhu Lohia	683050.00	4.00
2.	Narain Prasad Lohia	568500.00	3.33
3.	Gyanesh Lohia	321250.00	1.88
4.	Usha Kiran Lohia	276400.00	1.62
5.	Kanika Lohia	271800.00	1.59
6.	Kaberi sales Pvt Ltd	244817.00	1.43
7.	Meghna Lohia	230100.00	1.35
	<b>Total</b>	<b>2595917.00</b>	<b>15.18</b>

Notes: Details as on May 30, 2023, being the date two years prior to the date of this Prospectus

11. There will be no further issue of capital, whether by way of issue of bonus shares, preferential allotment, right issue or in any other manner during the period commencing from the date of the Prospectus until the Equity Shares of our Company have been listed or application money unblocked on account of failure of Issue. Further, our Company does not intend to alter its capital structure within six months from the date of opening of the offer, 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

## 12. Details of Shareholding of our Promoters and Promoter Group in the Company:

- a. As on the date of this Prospectus, our Promoters collectively hold 88,91,232 Equity Shares, equivalent to 52.01 % of the issued, subscribed and paid-up equity share capital of our Company, as set forth in the table below:

S. No	Name of the Shareholders	Pre-Issue		Post-Issue	
		No. of Equity Shares	Percentage of total Shareholding (%)	No. of Equity Shares	Percentage of total Shareholding (%) *
(A) Promoters					
1.	Narain Prasad Lohia	29,78,940	17.42	29,78,940	12.79
2.	Prabhu Lohia	42,28,942	24.74	42,28,942	7.23
3.	Gyanesh Lohia	16,83,350	9.85	16,83,350	18.15
Total (A)		88,91,232	52.01	88,91,232	38.17
(B) Promoter Group					

S. No	Name of the Shareholders	Pre-Issue		Post-Issue	
		No. of Equity Shares	Percentage of total Shareholding (%)	No. of Equity Shares	Percentage of total Shareholding (%) *
(A) Promoters					
4.	Ambika Lohia	8,24,776	4.82	8,24,776	3.54
5.	Usha Kiran Lohia	14,48,336	8.47	14,48,336	6.22
6.	Kanika Lohia	14,24,232	8.33	14,24,232	6.11
7.	Gobindram Narain Prasad HUF	4,24,440	2.48	4,24,440	1.82
8.	Meghna Lohia	12,05,724	7.05	12,05,724	5.18
9.	Gyanesh Lohia HUF	4,87,844	2.85	4,87,844	2.09
10.	Prabhu Lohia HUF	5,03,564	2.95	5,03,564	2.16
11.	Kaberi Sales Private Limited	12,82,841	7.50	12,82,841	5.51
12.	Vandana Finvest Private Limited	6,03,820	3.53	6,03,820	2.59
Total (B)		82,05,577	47.99	82,05,577	35.22
Total (A+B)		1,70,96,809	100.00	1,70,96,809	73.79

\* Subject to Basis of Allotment.

- b. All Equity Shares held by our Promoters are in dematerialized form as on the date of this Prospectus.

### 13. Capital Build-up in respect of Shareholding of our Promoters:

Set forth below is the build-up of the Shareholding of our Promoters in our Company since incorporation:

Date of Allotment / Transfer	Nature of acquisition (Allotment/ Acquired/ transfer)	No. of Equity Shares	Face value per Equity Share (₹)	Issue price/ Transfer price per Equity Share (₹)	% of the pre-Issue capital (%)	% of the post-Issue capital (%)
<b>1. Narain Prasad Lohia</b>						
Since Incorporation	Initial Subscriber to MOA	100	10.00	10.00	Negligible	Negligible
September 26, 1998	Transferred from Ranjana Chandgotia	30,000	10.00	10.00	0.18	0.13
	Transferred from Dhanpati jain	20,000			0.12	0.09
	Transferred from Saroj Chandgotia	20,000			0.12	0.09
	Transferred from Prabhu Lohia	3,000			0.02	0.01
	Transferred from Krishan Kumar Prabhu dayal HUF	18,000			0.11	0.08
January 03, 2003	Transferred from Dilip Ranjan Sarkhel	15,000	10.00	10.00	0.09	0.06
	Transferred from Mrityunjoy Dutta	15,000			0.09	0.06
	Transferred from Himanshu Banerjee	10,000			0.06	0.04
	Transferred from Sukhendra Nath sarkar	10,000			0.06	0.04
	Transferred from Nemai Chand	10,000			0.06	0.04

Date of Allotment / Transfer	Nature of acquisition (Allotment/ Acquired/ transfer)	No. of Equity Shares	Face value per Equity Share (₹)	Issue price/ Transfer price per Equity Share (₹)	% of the pre-Issue capital (%)	% of the post-Issue capital (%)
	Adhikary					
	Transferred from Suresh Agarwal	10,000			0.06	0.04
	Transferred from Samir Kumar Ganguly	10,000			0.06	0.04
	Transferred from Om Prakash Singh	10,000			0.06	0.04
September 21, 2009	Transferred from Omsons Traders Pvt Ltd	10,000	10.00	10.00	0.06	0.04
	Transferred from Bittu Trading Pvt Ltd	15,000			0.09	0.06
	Transferred from Nilamber Tradelink Pvt Ltd	10,000			0.06	0.04
	Transferred from Jai Bhawani Carriers Pvt Ltd	5,000			0.03	0.02
	Transferred from Shashi Investment & Finance Ltd	36,000			0.21	0.15
	Transferred from Triveni Indust Resources Ltd	20,000			0.12	0.09
	Transferred from Rocky Marketing Pvt Ltd	14,000			0.08	0.06
	Transferred from Platinum Vanijya Pvt Ltd	10,000			0.06	0.04
July 08, 2013	Further allotment	57,000	10.00	10.00	0.33	0.24
November 25, 2022	Transferred from Shyam Sundar Agarwala	1,43,900	10.00	10.00	0.84	0.62
	Transferred from Dhanpati Jain	46,700	10.00	10.00	0.27	0.20
	Transferred from Satyanarain Jain	19,800	10.00	10.00	0.12	0.08
October 16, 2024	Bonus Issue	24,10,440	10.00	Nil	14.10	10.35
<b>Total (A)</b>		<b>29,78,940</b>			<b>17.42</b>	<b>12.79</b>
<b>2. Gyanesh Lohia</b>						
August 14, 1992	Further allotment	15000	10.00	10.00	0.09	0.06
March 31, 1994	Further allotment	1800	10.00	10.00	0.01	0.01
March 30, 1995	Further allotment	4700	10.00	10.00	0.03	0.02
October 16, 1996	Transferred from Suman Surekha	100	10.00	10.00	Negligible	Negligible
	Transferred from Narayan Kumar Sureka	100	10.00	10.00	Negligible	Negligible

Date of Allotment / Transfer	Nature of acquisition (Allotment/ Acquired/ transfer)	No. of Equity Shares	Face value per Equity Share (₹)	Issue price/ Transfer price per Equity Share (₹)	% of the pre-Issue capital (%)	% of the post-Issue capital (%)
March 21, 1998	Transferred from Aradhana Lohia	5300	10.00	10.00	0.03	0.02
January 28, 1999	Transferred To Late Krishan Kumar Lohia	(10,000)	10.00	10.00	(0.06)	(0.04)
January 15, 2001	Transferred to Dhanpati Jain	(6900)	10.00	10.00	(0.04)	(0.03)
	Transferred to Satyanarain Jain	(10,000)	10.00	10.00	(0.06)	(0.04)
December 24, 2012	Transferred from Dhanpati Jain	10,000	10.00	10.00	0.06	0.04
July 08, 2013	Further Allotment	1,42,000	10.00	10.00	0.83	0.61
March 31, 2018	Transferred from Aristo Media & Entertainment Pvt Ltd	6,500	10.00	10.00	0.04	0.03
April 05, 2023	Transferred from Prabhu Lohia through gift deed	36,950	10.00	Nil	0.22	0.16
April 05, 2023	Transferred from Anant Lohia through gift deed	25,600	10.00	Nil	0.15	0.11
April 05, 2023	Transferred from Satya bhama Lohia through gift deed	1,00,100	10.00	Nil	0.59	0.43
October 16, 2024	Bonus Issue	13,62,100	10.00	Nil	7.97	5.85
<b>Total (B)</b>		<b>16,83,350</b>			<b>9.85</b>	<b>7.23</b>
<b>3. Prabhu Lohia</b>						
August 14, 1992	Further allotment	14,500	10.00	10.00	0.08	0.06
March 31, 1994	Further allotment	3,000	10.00	10.00	0.02	0.01
March 30, 1995	Further allotment	1,900	10.00	10.00	0.01	0.01
October 16, 1996	Transferred from Rama Devi Lohia	100	10.00	10.00	0.00	0.00
February 23, 1998	Transferred to Ranjana Chandgotia	(10,000)	10.00	10.00	(0.06)	(0.04)
March 23, 1998	Transferred from Vandana Lohia	1,300	10.00	10.00	0.01	0.01
September 26, 1998	Transferred To Narain Prasad Lohia	(3,000)	10.00	10.00	(0.02)	(0.01)
January 28, 1999	Transferred to Late Krishan Kumar Lohia	(7,700)	10.00	10.00	(0.05)	(0.03)
December 24, 2012	Transferred from Satyanarain Jain	74,800	10.00	10.00	0.44	0.32
March 31, 2018	Transferred from Aristo Media & Entertainment Pvt Ltd	6,500	10.00	10.00	0.04	0.03
March 31, 2019	Transferred From Wise Constructions Pvt Ltd	60,000	10.00	10.00	0.35	0.26
April 05, 2023	Transferred to Gyanesh Lohia via gift deed	(36,950)	10.00	Nil	(0.22)	(0.16)

Date of Allotment / Transfer	Nature of acquisition (Allotment/ Acquired/ transfer)	No. of Equity Shares	Face value per Equity Share (₹)	Issue price/ Transfer price per Equity Share (₹)	% of the pre-Issue capital (%)	% of the post-Issue capital (%)
	Transferred from Kanika Lohia via gift deed	1,63,000	10.00	Nil	0.95	0.70
	Transferred from Usha Kiran Lohia via gift deed	1,63,000	10.00	Nil	0.95	0.70
	Transferred from Ram Kumar Lohia & others HUF	2,52,600	10.00	Nil	1.48	1.08
June 04, 2024	Transferred from Krishan Kumar Prabhu Dayal HUF via gift deed	1,24,000	10.00	Nil	0.73	0.53
October 16, 2024	Bonus Issue	34,21,892	10.00	Nil	20.01	14.69
<b>Total (C)</b>		<b>42,28,942</b>			<b>24.74</b>	<b>18.15</b>
<b>Total (A) + (B) + (C)</b>		<b>88,91,232</b>			<b>52.01</b>	<b>38.17</b>

\* Subject to Basis of Allotment.

14. Except as disclosed in the table titled “Capital Build-up in respect of Shareholding of our Promoters” above, none of the Promoters, member of the Promoter Group, Directors of our Company nor any of their immediate relatives Equity Shares have acquired/ purchased / sold any securities of our Company within six months immediately preceding the date of filing of this Prospectus.

#### 15. Details of Promoter’s Contribution locked-in for Three Years

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

As on the date of this Prospectus, our Promoters hold 88,91,232 Equity Shares constituting 52.01 % of the Post Issued, subscribed and Paid up Equity Share Capital of our Company, which are eligible for the Promoters Contribution.

Our Promoters, Narain Prasad Lohia, Prabhu Lohia and Gyanesh Lohia, have given written consent to include 47,62,100 Equity Shares held by them and subscribed by them as part of Promoters Contribution constituting 20.44 % of the post issue Equity Shares of our Company. Our Promoters have agreed not to sell, transfer, charge, pledge or otherwise encumber in any manner the Promoters’ Contribution from the date of filing this Prospectus, until the expiry of the lock-in period specified above, or for such other time as required under SEBI ICDR Regulations, except as may be permitted, in accordance with the SEBI ICDR Regulations.

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

Date of allotment/ Transfer of the Equity Shares	No. of Equity Shares locked-in	Face value per share (₹)	Issue/ Acquisition / Transfer price per Equity Share (₹)	Nature of transaction	Post-Issue Shareholding (%)	Lock In Period
<b>Narain Prasad Lohia</b>						



Date of allotment/ Transfer of the Equity Shares	No. of Equity Shares locked-in	Face value per share (₹)	Issue/ Acquisition / Transfer price per Equity Share (₹)	Nature of transaction	Post-Issue Shareholding (%)	Lock Period In
October 16, 2024	16,50,000	10.00	Nil	Bonus Issue	7.08	3 years
<b>Prabhu Lohia</b>						
October 16, 2024	17,50,000	10.00	Nil	Bonus Issue	7.51	3 years
<b>Gyanesh Lohia</b>						
October 16, 2024	13,62,100	10.00	Nil	Bonus Issue	5.85	3 years
<b>Total</b>	<b>47,62,100</b>					

*\*Subject to Basis of Allotment*

The Minimum Promoter's Contribution has been brought into to the extent of not less than the specified minimum lot and has been contributed by the persons defined as '**Promoters**' under the SEBI (ICDR) Regulations, 2018. All Equity Shares that are being locked in are not ineligible for computation of Promoter's contribution in terms of Regulation 237 of the SEBI ICDR Regulations and are being locked in for 3 years as per Regulation 238(a) of the SEBI (ICDR) Regulations i.e., for a period of three years from the allotment of Equity Shares in this Issue. Equity Shares offered by the Promoter for the minimum Promoter's contribution are not subject to pledge.

The entire pre-issue shareholding of the Promoters, other than the Minimum Promoters contribution, which is locked in for three years, shall be locked in as follows;

- fifty percent. of promoters' holding in excess of minimum promoters' contribution shall be locked in for a period of two years from the date of allotment in the initial public offer; and
- remaining fifty percent. of promoters' holding in excess of minimum promoters' contribution shall be locked in for a period of one year from the date of allotment in the initial public offer.

Our Company undertakes that the Equity Shares that are being locked-in as Promoters Contribution are not and will not be ineligible for computation of Promoters Contribution in terms of Regulation 237 of the SEBI ICDR Regulation. In this connection, we confirm the following:

- The Equity Shares offered for Promoters' Contribution do not include Equity Shares acquired in the three immediately preceding years (a) for consideration other than cash involving revaluation of assets or capitalisation of intangible assets; or (b) resulting from a bonus issue of Equity Shares out of revaluation reserves or unrealised profits of our Company or from a bonus issuance of equity shares against Equity Shares, which are otherwise ineligible for computation of Promoters' Contribution.
- The Promoters' Contribution does not include any Equity Shares acquired during the immediately preceding one year at a price lower than the price at which specified securities are being offered to public in the initial public offer.
- Our Company has not been formed by the conversion of a partnership firm or a limited liability partnership firm into a company in the preceding one year and hence, no Equity Shares have been issued in the one year immediately preceding the date of this Prospectus pursuant to conversion from a partnership firm or a limited liability partnership firm; and
- The Equity Shares forming part of the Promoter's Contribution are not subject to any pledge.

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

## 16. Details of Locked-in for One Year:

In terms of Regulation 239 of the SEBI (ICDR) Regulations, 2018, the entire pre-issue equity share capital held by persons other than promoter constituting 82,05,577 Equity Shares shall be locked in for a period of one year

from the date of allotment of Equity Shares in this Issue except the Equity Shares allotted or to be allotted to our employees under ESOP Scheme 2018 pursuant to exercise of options held by such employees (whether current employees or not and including the legal heirs or nominees of any deceased employees or ex-employees).

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

#### **17. Transferability of Locked-In Equity Shares:**

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

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

#### **18. Other requirements in respect of lock-in**

Pursuant to Regulation 242 of the SEBI (ICDR) Regulations, Equity Shares held by the Promoters and locked-in, as mentioned above, may be pledged as collateral security for a loan with a scheduled commercial bank or a public financial institution or Systemically Important Non-Banking Financial Company or a deposit accepting housing finance company, subject to the following:

- a) With respect to the Equity Shares locked-in as Promoter's Contribution for three years from the date of Allotment, such pledge of the Equity Shares must be one of the terms of the sanction of the loan.
- b) With respect to the Equity Shares locked-in for one year from the date of Allotment, such pledge of the Equity Shares must be one of the terms of the sanction of the loan.

However, the relevant lock-in period shall continue post the invocation of the pledge referenced above, and the relevant transferee shall not be eligible to transfer to the Equity Shares till the relevant lock-in period has expired in terms of the SEBI (ICDR) Regulations.

In terms of Regulation 243 of the SEBI (ICDR) Regulations, 2018, Equity Shares held by our Promoter and locked-in, may be transferred to any member of our Promoter Group or a new promoter, subject to continuation of lock-in applicable with the transferee for the remaining period and compliance with provisions of the SEBI (Substantial Acquisition of shares and Takeovers) Regulations, 2011.

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

#### **19. Lock-in of Equity Shares Allotted to Anchor Investors**

50% 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 50% shall be locked-in for a period of

30 days from the date of Allotment.

20. Neither we, nor our Promoters, Promoter Group, Directors and the BRLM to this Issue have entered into any Buyback and/ or standby arrangements and/ or similar arrangements for the purchase of the Equity Shares being offered through the Issue from any person.
21. All Equity Shares issued pursuant to the Issue shall be fully paid-up at the time of Allotment and there are no partly paid-up Equity Shares as on the date of this Prospectus.
22. The BRLM and their associates do not hold any Equity Shares in our Company as on the date of filing of this Prospectus. The BRLM and its 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 or investment management services in respect with our Company for which they may in the future receive customary compensation.
23. The Lead Manager or Syndicate Members cannot apply in the Offer under the Anchor Investor Portion except for Mutual Funds sponsored by entities which are associates of the BRLM, or insurance companies promoted by entities which are associates of the Lead Manager or alternate investment funds or a FPI (other than individuals, corporate bodies and family offices) or pension funds sponsored by entities which are associates of the Lead Manager.
24. As on the date of this Prospectus, there are no outstanding warrants, options to be issued or rights to convert debentures, loans or other convertible instruments which would entitle Promoters or any shareholders or any other person any option to acquire our Equity Shares after this Initial Public Offer.
25. None of our Promoters or members of our Promoter Group will participate in the Offer.
26. Our Company has not raised any bridge loans which are proposed to be repaid from the proceeds of the Issue.
27. None of the Equity Shares held by our Promoter/ Promoter Group are pledged or otherwise encumbered.
28. An over-subscription to the extent of 10% of the Issue can be retained for the purpose of rounding off to the nearest integer during finalizing the allotment, subject to minimum allotment, which is the minimum application size in this Issue. Consequently, the actual allotment may go up by a maximum of 10% of the Issue, as a result of which, the post-issue paid up capital after the Issue would also increase by the excess amount of allotment so made. In such an event, the Equity Shares held by the Promoter and subject to 3 year lock- in shall be suitably increased; so as to ensure that 20% of the post Issue paid-up capital is locked in.
29. In case of over-subscription in all categories the allocation in the issue shall be as per the requirements of Regulation 253 of SEBI (ICDR) Regulations, 2018 and its amendments from time to time. Allocation to all categories shall be made on a proportionate basis subject to valid applications received at or above the Issue Price.

Under-subscription, if any, in the QIB Portion would not be allowed to be met with spill-over from other categories or a combination of categories. Subject to valid Bids being received at or above the Issue Price, undersubscription, if any, in any category, except in the QIB Portion, would be allowed to be met with spill-over from any other category or combination of categories of Bidders at the discretion of our Company in consultation with the BRLM and Designated Stock Exchange i.e. National Stock Exchange of India Limited. Such inter-se spill over, if any, would be effected in accordance with applicable laws, rules, regulations and guidelines.
30. At any given point of time, there shall be only one denomination of the Equity Shares, unless otherwise permitted by law. Our Company will comply with such disclosure and accounting norms as may be specified by SEBI from time to time.
31. No person connected with the Issue, including, but not limited to, our Company, the members of the Syndicate, or our Directors, shall offer any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise to any Bidder for making a Bid, except for fees or commission for services rendered in relation to the Issue.

32. Details of Equity Shares held by our Directors, Key Managerial Personnel, Senior Managerial Personnel, Promoter, Promoter Group as on the date of filling this Prospectus:

Sr. No.	Name of Director / KMP/ SMP/ Promoters/ Promoter Group	Number of Equity	% of the Pre – Issue Equity Share Capital
<b>Directors</b>			
1.	Narain Prasad Lohia	29,78,940	17.42
2.	Prabhu Lohia	42,28,942	24.74
3.	Gyanesh Lohia	16,83,350	9.85
4.	Bhargav Samirbhai Vyas	Nil	Nil
5.	Vandana Nahata	Nil	Nil
<b>KMP</b>			
1.	Sweta Agarwal	Nil	Nil
<b>SMP</b>			
1.	Aradhana Roy	Nil	Nil
2.	Debasish Dey	Nil	Nil
3.	Pawan Kumar Jalan	Nil	Nil
4.	Rohit Daruka	Nil	Nil

## SECTION V – PARTICULARS OF THE ISSUE

### OBJECTS OF THE ISSUE

The Issue comprises a fresh issue of 61,98,000<sup>^</sup> Equity Shares, aggregating up to ₹ 2789.10 lakh by our Company.

<sup>^</sup>*Subject to Basis of Allotment*

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

1. Funding working capital requirements of our Company;
2. Prepayment / Repayment of Loan
3. General corporate purposes

(Collectively, the “**Objects**”).

The main objects and objects incidental and ancillary to the main objects set out in the Memorandum of Association enable us: (i) to undertake our existing business activities and other activities set out therein; and (ii) to undertake the activities proposed to be funded from the Net Proceeds.

In addition to the above-mentioned Objects, our Company expects to receive the benefits of listing of the Equity Shares on the Stock Exchanges.

#### Requirement of Funds

The details of the proceeds from the Issue are summarized in the following table:

Particulars	Amount (₹ in lakhs)
Gross proceeds of the Issue	2789.10
(Less) Issue related expenses in relation to the Fresh Issue <sup>(1)</sup>	450.00
<b>Net Proceeds</b>	<b>2339.10</b>

(1) See “Issue Expenses” on page 98.

#### Requirement of funds and utilization of Net Proceeds

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

Particulars	Amount (₹ in lakhs)
Funding working capital requirements of our Company;	1628.00
Prepayment / Repayment of Loan	500.00
General corporate purposes	211.10
Net Issue Proceeds	2339.10

*The amount utilized for general corporate purposes shall not exceed 15% of the Gross Proceeds or ₹ 10.00 Crores; whichever is lower.*

#### Means of finance

We propose to fund the requirements of the Objects detailed above entirely from the Net Proceeds. Accordingly, we confirm that there is no requirement to make firm arrangements of finance to be made through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised through the Offer and existing identifiable internal accruals as required under Regulation 230(1)(e) the SEBI ICDR Regulations.

#### Details of Use of Issue Proceeds:

##### 1. Funding working capital requirements of our Company

We propose to utilise ₹ 1628.00 Lakhs from the Net Proceeds to fund the working capital requirements of our Company in Financial Year 2026. We have significant working capital requirements and we fund a majority of

our working capital requirements in the ordinary course of business from our existing equity, internal accruals and financing facilities from various banks, financial institutions and non-banking financial companies. As on March 31, 2025, our Company had total sanctioned limit of (fund & non fund based) working capital facilities of ₹ 4,600 Lakhs, and has utilized ₹ 5,317.84 Lakhs (fund based). Balance in Cash Credit Loan account in excess of sanctioned limit are due to excess issue of Cheques. For further information, see “*Financial Indebtedness*” and “*Financial Information*” on pages 238 and 189, respectively. Further, the funding of the incremental working capital requirements of our Company will help to a consequent increase in our profitability and in achieving the proposed targets as per our business plan.

### Existing and Estimated Working Capital Requirement

The details of our Company’s working capital requirement for the Financial Year ended 2025, Financial Year ended 2024 & 2023 derived from the restated consolidated financial statements, and the sources of funding of the same and estimated working capital requirements for Fiscal 2025 and 2026 and proposed funding of such working capital requirements are as set out in the table below:

(₹ in Lakhs)

Particulars	March 31, 2025	March 31, 2024	March 31, 2023
<b>Current assets</b>			
(a) Inventories	5,584.36	8,050.72	6,459.23
(i) Raw materials	1,774.40	2303.71	1079.41
(ii) Work-in-process			
(iii) Finished goods (other than those acquired for trading)	3,809.96	5,747.01	5,379.82
(b) Trade receivables	12,854.27	7860.58	8144.59
(c) Loans and advances	138.95	399.70	283.67
(d) Other current assets	548.25	675.58	424.11
<b>Total Current Assets (A)</b>	<b>19,125.83</b>	<b>16,986.58</b>	<b>15,311.30</b>
<b>Current liabilities</b>			
(a) Financial Liabilities			
(i) Trade payables	9,147.55	7,927.95	7,651.11
(ii) Lease liabilities			
(b) Other current liabilities	218.88	514.99	494.76
(c) Short term Provisions	289.59	142.25	63.02
<b>Total Current Liabilities (B)</b>	<b>9,656.02</b>	<b>8,585.19</b>	<b>8208.89</b>
<b>Net Working Capital Requirements (A-B)</b>	<b>9,469.81</b>	<b>8,401.39</b>	<b>7,102.71</b>
<b>Existing Funding Pattern</b>			
A. Short term Borrowings	5,378.62	4,128.48	3,681.80
B. Internal Accruals/Equity	4,207.17	4,272.91	3,420.91
<b>Total</b>	<b>9,649.81</b>	<b>8,401.39</b>	<b>7,102.71</b>

On the basis of our existing working capital requirements and the incremental working capital requirements, the details of the Company’s expected working capital requirements as at March 31, 2026 and funding of the same are as set out in the table below:

(₹ in Lakhs)

Particulars	Fiscal Year 2026
<b>Current assets</b>	
(a) Inventories	11,000
(i) Raw materials	4,000
(ii) Work-in-process	
(iii) Finished goods (other than those acquired for trading)	7,000
(b) Trade receivables	8,782.68
(d) Other current assets	1,695
<b>Total Current Assets (A)</b>	<b>21,477.68</b>
<b>Current liabilities</b>	
(i) Trade payables	7,800

Particulars	Fiscal Year 2026
(ii) Other financial liabilities	200.65
(b) Other current liabilities	400.00
(c) Short term Provisions	424.00
<b>Total Current Liabilities (B)</b>	<b>8,824.65</b>
<b>Net Working Capital Requirements (A-B)</b>	<b>12,653.03</b>
<b>Existing Funding Pattern</b>	
A. Short term Borrowings	4,600
B. Internal Accruals/Equity	6,425.03
C. IPO Proceeds	1,628.00
<b>Total</b>	<b>12,653.03</b>

#### Holding Period (Number of Days)

The table below contains the details of holding period (in number of days) for Financial Year 2023, 2024 & 2025 and the estimated holding period (in days) for the Fiscal 2026 and the assumptions based on which the working plan projections have been made and approved by our Board of Directors:

Particulars	Holding levels on the basis of	Fiscal year (Actuals)			Fiscal year (Projected)
		2023	2024	2025	2026
Trade receivables days	Revenue from operations	146	133	140	89
Inventory days	Cost of Materials consumed	165	219	161	119
Trade payables days	Cost of Materials consumed	178	211	201	131

(As certified by the auditor vide their certificate dated May 28, 2025 as annexure to working certificate dated May 21, 2025)

#### Key justification for holding levels

Key assumptions for working capital projections made by our Company:

S. No.	Particulars	Assumptions and Justifications
1	Inventory	<p>We are engaged in the business of manufacturing apparel, catering predominantly to wholesalers. Our operations require us to maintain a well-stocked inventory to address the demands of our diverse customer base and to ensure seamless business continuity. For the fiscal years ended FY 2023, FY 2024 and FY 2025, our inventory turnover days were 165, 219 and 135, respectively. This change was necessitated by the nature of our operations and the expanding product portfolio to cater to diverse markets.</p> <p>We estimate our inventory turnover days to reduce to 119 for the fiscal year ending FY 2026. This projected decrease aligns with our strategic initiatives to optimize inventory management.</p> <p>The nature of our business requires us to stock a wide range of SKUs across various product categories, including sarees, bedsheets, and kurti materials, to address seasonal demand spikes and cater to different occasions. Given the peak-season demand, especially around festivals and weddings, it is imperative to maintain sufficient inventory to mitigate supply chain disruptions and meet customer expectations.</p> <p>To address the need for efficient working capital management, the company has implemented several initiatives aimed at reducing inventory holding periods while ensuring operational efficiency:</p> <ol style="list-style-type: none"> <li><b>Reduced Lead Times:</b> We have streamlined the process from placing orders to receiving raw materials and manufacturing finished goods. This has been achieved through collaborations with reliable logistics partners and suppliers.</li> </ol>

S. No.	Particulars	Assumptions and Justifications
		<p>2. <b>Strategic Supplier Partnerships:</b> The company has formed healthy relationships with multiple suppliers under favorable terms and prompt payment practices, ensuring quick availability of raw materials. These arrangements minimize the need for holding excessive stock while maintaining production timelines.</p> <p>3. <b>Peak Season Preparedness:</b> While stocking levels increase during peak seasons, this is balanced by implementing a just-in-time inventory approach during off-peak periods, thereby optimizing storage costs.</p> <p>4. <b>SKU Rationalization:</b> A detailed analysis of high-performing and slow-moving SKUs has enabled us to focus on stocking items with maximum demand, reducing wastage and holding costs.</p> <p>The above measures reflect our proactive approach to inventory management. While the nature of our business necessitates holding a certain level of inventory, these initiatives ensure that we strike a balance between operational needs and financial efficiency. The projected working capital requirements account for these factors and are critical for the uninterrupted growth and smooth functioning of our operations.</p>
2	Trade Receivables	<p>Trade receivables constitute a significant component of our working capital requirements, given the nature of our business and our established relationships with wholesalers. Effective management of trade receivables is critical to maintaining liquidity while supporting business growth.</p> <p>For the fiscal years ended FY 2023, FY 2024 and FY 2025, our trade receivable days were 146, 133 and 102, respectively. We project this to decrease further to 89 days for the fiscal year ending FY 2026. This projected improvement is based on our strategic initiatives to optimize receivable management while aligning with anticipated growth in revenue. Our analysis considers historical trends, market dynamics, and the credit practices adopted by our peers within the industry.</p> <p><b>Basis for Projected Trade Receivable Days:</b></p> <p>1. <b>Revenue Growth and Established Market Presence:</b></p> <ul style="list-style-type: none"> <li>With a strong foothold in the market, our customer base is well-defined, allowing us to enforce revised credit policies without risking customer attrition.</li> <li>The projected growth in revenue will be complemented by efficient receivables management, ensuring that the increase in sales does not lead to a proportionate growth in outstanding receivables.</li> </ul> <p>2. <b>Implementation of Stringent Credit Norms:</b> The company has introduced a comprehensive credit strategy that involves:</p> <ul style="list-style-type: none"> <li>Detailed creditworthiness assessments for new customers.</li> <li>Regular monitoring of existing customers' payment patterns.</li> <li>Introduction of early payment incentives and stricter penalties for delayed payments.</li> </ul>



S. No.	Particulars	Assumptions and Justifications
		<p>These measures have already resulted in a reduction in receivable days from 146 in FY 2023 to 102 days as of March 31, 2025, and will continue to positively impact receivable management.</p> <p><b>3. Improved Cash Flow Management:</b> The company has focused on synchronizing collections with operational cash flows, enabling better planning and reducing reliance on external borrowings for working capital.</p> <p>As a result of these initiatives, we expect to achieve a significant reduction in trade receivable days despite projected increases in sales, highlighting the efficiency of our receivables management practices.</p>
3	Trade Payables	<p>Trade payables are a crucial component of our working capital cycle, enabling us to manage procurement efficiently while fostering strong supplier relationships. For the fiscal years ended FY 2023, FY 2024 and FY 2025, our trade payable days were 178, 211 and 183, respectively. We estimate this to reduce to 131 days for the fiscal year ending FY 2026.</p> <p><b>1) Strategic Supplier Relationships:</b></p> <ul style="list-style-type: none"> <li>Our management is committed to maintaining long-term, mutually beneficial relationships with suppliers by adhering to prompt payment schedules. This approach not only enhances trust but also secures favorable terms for future transactions.</li> <li>By ensuring timely payments, the company gains access to a pool of reputed manufacturers and suppliers, which is critical for sourcing high-quality raw materials.</li> </ul> <p><b>2) Improved Supplier Pricing:</b></p> <ul style="list-style-type: none"> <li>Prompt payment practices allow us to negotiate better pricing and avail early payment discounts, thereby directly contributing to improved profitability. These savings, in turn, support the company's growth and competitiveness in the market.</li> <li>Such favorable terms also mitigate the risk of supply chain disruptions, ensuring uninterrupted production and delivery schedules.</li> </ul> <p><b>3) Optimization of Purchase Processes:</b></p> <ul style="list-style-type: none"> <li>The reduction in trade payable days aligns with our strategy to streamline procurement processes, which involves: <ul style="list-style-type: none"> <li>Efficient planning to synchronize material requirements with production schedules.</li> <li>Minimizing delays in processing invoices and payments to suppliers.</li> <li>Establishing clear communication channels to resolve disputes and discrepancies promptly.</li> </ul> </li> </ul> <p>Despite a reduction in trade payable days from FY 2023 levels, the projected figure for FY 2026 131 days remains adequate to support the company's procurement cycle. This reduction reflects a strategic shift rather than financial strain, showcasing our proactive approach to supplier management.</p>

Notes: As certified by M/s J.B.S & Company, Chartered Accountants through their certificate dated May 21, 2025.

Our working capital is influenced by several factors, given the nature of our business and operational dynamics. Here are key factors affecting our working capital requirements:

**Business Cycle:** The apparel industry often experiences peak period during festivity. During these times, working capital needs may increase due to higher volumes. Further, fluctuation in demand by the customers leads to variable working capital requirement.

**Operating Cycle:** Our operating cycle have production time line of about 3-4 months. The longer the production cycle, the more working capital is tied up.

**Credit Policy:** Our clients enjoys credit period of 4-5 months, which leads to cash flow challenges, requiring more working capital to bridge the gap between production and incoming payments. We need to rely on credit or internal reserves to cover operational costs during such periods.

#### **Rationale for working capital Requirement:**

Working capital is essential for the smooth functioning of our business operations, particularly given the nature of our industry, where manufacturing, inventory management, and credit cycles are critical factors. Our working capital requirements have been carefully projected to reflect the anticipated growth in business operations and the need to maintain operational efficiency while adhering to prudent financial management practices.

#### **Key Components of Working Capital Requirement:**

- **Inventory Management**
  - **Strategic Inventory Levels:** The company operates in the apparel manufacturing industry, which necessitates stocking a diverse range of SKUs to cater to wholesalers' demands. Maintaining an optimal inventory ensures that we are well-positioned to meet peak-season demands and accommodate market fluctuations.
  - **Seasonal and Demand-Specific Stocking:** Given the seasonal nature of our business, we anticipate higher inventory levels during peak seasons. This stocking strategy ensures that we can cater to various customer needs, including specific occasions and regional preferences.
  - **Efficient Inventory Practices:** The company has implemented measures such as reducing lead times and partnering with suppliers offering quick turnaround times, which will gradually lower inventory days while maintaining readiness to meet demand.
- **Trade Receivables Management**
  - **Established Credit Norms:** With a strong market presence, the company has implemented stringent credit norms to optimize the receivables cycle without compromising customer relationships. These include early payment incentives and robust credit risk assessments.
  - **Projected Growth and Receivable Cycles:** Despite the expected growth in revenue, the company has strategically planned to reduce trade receivable days, showcasing effective receivable management practices that align with industry benchmarks.
- **Trade Payables Strategy**
  - **Supplier Relations:** To foster long-term relationships with suppliers and avail competitive pricing, the company has adopted a policy of prompt payments. This ensures uninterrupted material supply and positions the company as a preferred customer among reputed suppliers.
  - **Procurement Optimization:** Reduced payable days are part of a broader strategy to enhance supplier trust, secure better terms, and ensure material availability, contributing to overall operational efficiency.
- **Liquidity Management and Operational Efficiency**

- **Balancing Growth with Cash Flow:** The company has carefully balanced its working capital requirements to support anticipated growth while maintaining sufficient liquidity to manage day-to-day operations seamlessly.
- **Risk Mitigation:** By focusing on efficient working capital management, the company minimizes risks associated with delayed collections, overstocking, and supply chain disruptions, ensuring stability and sustainability.

### **Justification for Working Capital Projections**

1. **Revenue Growth Alignment:** The projections for inventory, receivables, and payables are closely aligned with the company's growth plans, ensuring that operational scalability does not strain financial resources.
2. **Operational Readiness:** Adequate working capital ensures that the company can meet its commitments, sustain supplier and customer relationships, and adapt to market changes without financial constraints.
3. **Regulatory Compliance:** The projections reflect prudent financial planning, demonstrating the company's commitment to maintaining transparency and adhering to the regulatory framework for IPO listing.

Without sufficient working capital, the company may face challenges in meeting short-term obligations, such as paying suppliers or employees, which can ultimately impact production and overall business performance. Additionally, having adequate working capital also allows company to take advantage of growth opportunities, manage seasonal fluctuations, and maintain a competitive edge in the market

### **2. Prepayment / repayment of Loan**

We avail majority of our fund based and non-fund based facilities in the ordinary course of business from various banks and financial institutions. For further information on the financial indebtedness availed of by our Company, see "*Financial Indebtedness*" beginning on page 238. As of April 30, 2025, we had outstanding total secured and unsecured borrowings (long term and short term) of ₹ 5,640.33 lakhs. The Board of Directors vide their resolution dated May 21, 2025 proposes to utilize an aggregate amount of ₹ 500.00 lakh from the Net Proceeds towards repayment/pre-payment, in full or in part, of certain borrowings availed of by our Company. The selection and extent of borrowings proposed to be prepaid and/or repaid by our Company as mentioned below is based on various commercial considerations including, among others, the interest rate of the relevant borrowings, prepayment charges, the amount of the borrowings outstanding, amount and nature of security provided and the remaining tenor of the borrowings. The aggregate amount to be utilized from the Net Proceeds towards prepayment or scheduled repayment of borrowings (including refinanced or additional borrowings availed, if any), in part or full, would not exceed ₹ 500.00 Lakh. The prepayment or scheduled repayment will help us reduce our outstanding indebtedness and debt servicing costs, assist us in maintaining a favourable debt to equity ratio and enable utilization of our internal accruals for further investment in business growth and expansion. In addition, the improvement in the debt to equity ratio of our Company is intended to enable us to raise further resources in the future to fund potential business development opportunities and plans to grow and expand our business in the future. The following table provides details of outstanding borrowings availed of by our Company as on April 30, 2025, which we propose to prepay or repay, in full or in part, from the Net Proceeds up to an aggregate amount of ₹500.00 Lakhs.

S r. N o.	Name of the Lender	Nature of Borrowing	Amt. Sanctioned	Principal Amount Outstanding as on April 30, 2025	Rate Of Interest (p.a.)	Tenor and Repayment Schedule / scheduled repayment date	Pre-Payment Clause (if any)	Whether the loan has been utilized for the purpose for which it has been availed	Purpose of raising Loan	Date of Sanction Letter	Date of Disbursement
1	Union Bank of India	Cash Credit	4,500.00*	2,998.00	EBL R+ 1.00 %	NA	NA	Yes	To meet the Working Capital Requirements	20-06-2025	20-06-2025

*Note: As certified by J.B.S & Company, Statutory Auditors vide their certificate dated May 21, 2025.*

*\*Note: The sanctioned amount is Rs. 4,500 Lakhs however disbursed amount is Rs. 3,000 Lakhs*

In compliance with Clause 9(A)(2)(b) of Part A of Schedule VI of the SEBI ICDR Regulations, the Statutory Auditors pursuant to their certificate dated May 21, 2025 have certified the utilization of the above-mentioned borrowings for the purposes such borrowings were availed for, as at April 30, 2025. For further information on the terms and conditions of these financing arrangements, see “*Financial Indebtedness*” beginning on page 238.

Given the nature of the borrowings and the terms of repayment or prepayment, the aggregate outstanding amounts under the borrowings may vary from time to time and our Company may, in accordance with the relevant repayment schedule, repay or refinance some of its existing borrowings prior to Allotment. Further, the amounts outstanding under the borrowings as well as the sanctioned limits are dependent on several factors and may vary with the business cycle of our Company with multiple intermediate repayments, drawdowns and enhancement of sanctioned limits. Further, our Company may also avail additional borrowings after the date of this Prospectus and/or draw down further funds under existing loans from time to time. Accordingly, in case any of the above loans are pre-paid or further drawn-down prior to the completion of the Offer, we may utilize the Net Proceeds towards scheduled repayment / pre-payment of such additional indebtedness as will be disclosed in the Prospectus.

In light of the above, if at the time of filing the Prospectus, any of the abovementioned loans are repaid in part or full or refinanced or if any additional credit facilities are availed or drawn down and if the terms of new loans are more onerous than the older loans or if the limits under the working capital borrowings are increased, then the table below shall be suitably revised to reflect the revised amounts or loans as the case may be which have been availed by our Company. However, the aggregate amount to be utilised from the Net Proceeds towards prepayment or repayment of borrowings (including refinanced or additional facilities availed, if any), in part or full, will not exceed ₹ 500.00 Lakh Accordingly, the table above shall be suitably revised at the time of filing the Prospectus to reflect the revised amounts or loans as the case may be which have been availed by our Company.

Our Company will approach the lenders after completion of this Offer for repayment/prepayment of the above borrowings. Further, we may be subject to the levy of pre-payment penalties or premiums, depending on the

facility being repaid/prepaid, the conditions specified in the relevant documents governing such credit facility and the amount outstanding/being pre-paid/repaid, as applicable. Payment of pre-payment penalty or premium, if any, shall be made by our Company from the Net Proceeds. If the Net Proceeds are insufficient to the extent required for making payments for such pre-payment penalties or premiums, such excessive amount shall be met from our internal accruals.

### 3. General Corporate Purpose

Our management, in accordance with the policies of our Board, will have flexibility in utilizing the proceeds earmarked for general corporate purposes. We intend to deploy the balance Net Proceeds aggregating ₹ 211.10 lakhs towards the general corporate purposes to drive our business growth. In accordance with the policies set up by our Board, we have flexibility in applying the remaining Net Proceeds, for general corporate purpose including but not restricted to, initial development costs for new products, meeting operating expenses, strengthening of our business development and marketing capabilities, meeting exigencies, which the Company in the ordinary course of business may not foresee or any other purposes as approved by our Board of Directors, subject to compliance with the necessary provisions of the Companies Act, 2013.

We confirm that any issue related expenses shall not be considered as a part of General Corporate Purpose. Further, we confirm that the amount for general corporate purposes, as mentioned in the Prospectus, shall not exceed 15% of the Gross Proceeds or ₹ 10.00 Crores whichever is lower raised by our Company through this Issue.

#### Issue related expenses

The total expenses of the Issue are estimated to be approximately ₹450.00 lakhs. The Issue related expenses primarily include fees payable to the Lead Manager and legal counsel, fees payable to the Auditors, brokerage and selling commission, underwriting commission, commission payable to Registered Brokers, RTAs, CDPs, SCSBs' fees, Sponsor Bank's fees, Registrar's fees, printing and stationery expenses, advertising and marketing expenses and all other incidental and miscellaneous expenses for listing the Equity Shares on the Stock Exchanges.

The break-up of the estimated Issue expenses is set forth below:

Activity	Estimated Expense * (₹ in lakhs )	As a % of total estimated Issue related expenses	As a % of Issue size
Issue management fees (including underwriting, brokerage and selling commission and payment to other Intermediaries such as Legal Advisors to the IPO, Consultants, Registrars, Auditors and other out of pocket expenses.)	400.00	88.89	14.34
Commission / processing fee for SCSBs, Sponsor Bank and Bankers to the Issue. Brokerage and selling commission and bidding charges for Members of the Syndicate, Registered Brokers, RTAs and CDPs. **	27.00	6.00	0.97
<b>Other Expenses</b>		-	-
• Listing fees, NSE, book building software fees and other regulatory expenses	5.00	1.11	0.18
• Printing and Stationery	0.50	0.11	0.02
• Advertising and Marketing expenses	7.50	1.67	0.27
• Miscellaneous	10.00	2.22	0.36
<b>Total estimated Issue expenses</b>	<b>450.00</b>	<b>100.00</b>	<b>16.13</b>

\* Issue expenses include taxes, where applicable. Issue expenses will be incorporated at the time of filing of the Prospectus. Issue expenses are estimates and are subject to change.

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

Portion for Individual Bidders^	0.1 % of the Amount Allotted (plus applicable taxes)
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Portion for Non-Institutional Bidders <sup>^</sup>	0.1 % of the Amount Allotted (plus applicable taxes)
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<sup>^</sup> Amount Allotted is the product of the number of Equity Shares Allotted and the Issue Price

No additional bidding charges shall be payable by the Company to the SCSBs on the applications directly procured by them. The selling commission payable to the SCSBs will be determined on the basis of the bidding terminal ID as captured in the bid book of NSE.

Processing fees payable to the SCSBs on the portion for Individual Bidder and Non-Institutional Bidders (excluding UPI Bids) which are procured by the members of the Syndicate / sub-Syndicate / Registered Broker / RTAs / CDPs and submitted to SCSB for blocking would be as follows:

Portion for Individual Bidders <sup>^</sup>	₹ 10.00 per valid Bid cum Application Form (plus applicable taxes)*
Portion for Non-Institutional Bidders <sup>^</sup>	₹ 10.00 per valid Bid cum Application Form (plus applicable taxes)*

\* For each valid application

Notwithstanding anything contained above, the total processing fee payable under this clause will not exceed ₹ 1,00,000 (plus applicable taxes) and in case if the total processing fees exceeds ₹ 1,00,000 lakhs (plus applicable taxes) then processing fees will be paid on pro-rata basis for portion of Individual Investors and Non-Institutional Investors, as applicable.

Brokerage, selling commission and processing/ uploading charges on the portion for Individual Investors and Non-Institutional Investors (excluding UPI Bids) which are procured by Members of the Syndicate (including their sub-Syndicate Members), RTAs and CDPs or for using 3-in-1 type accounts-linked online trading, demat & bank account provided by some of the Registered Brokers which are Members of the Syndicate (including their sub-Syndicate members) would be as follows:

Portion for Individual Bidders <sup>^</sup>	0.10 % of the Amount Allotted (plus applicable taxes)
Portion for Non-Institutional Bidders <sup>^</sup>	0.10 % of the Amount Allotted (plus applicable taxes)

<sup>^</sup> Amount Allotted is the product of the number of Equity Shares Allotted and the Issue Price

The selling commission payable to the Syndicate/sub-Syndicate members will be determined (i) for IIs, NIIs (up to ₹ 5 lakhs) on the basis of the application form number/series, provided that the application is also bid by the respective Syndicate/sub-Syndicate member. For clarification, if a Syndicate ASBA application on the application form number/series of a Syndicate/sub-Syndicate member, is bid by an SCSB, the selling commission will be payable to the SCSB and not the Syndicate/sub-Syndicate member; (ii) for NIIs (above ₹10 lakhs), Syndicate ASBA Form bearing SM code and sub-Syndicate code of the application form submitted to SCSBs for blocking of the fund and uploading on the exchange platform by SCSBs. For clarification, if a Syndicate ASBA application on the application form number / series of a Syndicate / sub-Syndicate member, is bid by an SCSB, the selling commission will be payable to the Syndicate / sub-Syndicate members and not the SCSB.

Selling commission payable to the Registered Brokers, RTAs and CDPs on the portion for Individual Investors, and portion for Non-Institutional Investors which are directly procured by the Registered Broker or RTAs or CDPs or submitted to SCSB for processing, would be as follows:

Portion for Individual Bidders <sup>^</sup>	₹ 10.00 per valid Bid cum Application Form (plus applicable taxes)*
Portion for Non-Institutional Bidders <sup>^</sup>	₹ 10.00 per valid Bid cum Application Form (plus applicable taxes)*

\* For each valid application.

Bidding charges of ₹ 10.00 (plus applicable taxes) shall be paid per valid Bid cum Application Form collected by the Syndicate, RTAs and CDPs (excluding applications made by Individual Investors using the UPI mechanism). The terminal from which the Bid has been uploaded will be taken into account in order to determine the total bidding charges. Further, in order to determine to which Registered Broker/RTA/CDP, the commission is payable, the terminal from which the bid has been uploaded will be taken into account.

*Bidding Charges payable to members of the Syndicate (including their sub-Syndicate Members) on the applications made using 3-in-1 accounts would be ₹ 10 plus applicable taxes, per valid application bid by the Syndicate (including their sub-Syndicate Members). Bidding charges payable to SCSBs on the QIB Portion and NIIs (excluding UPI Bids) which are procured by the Syndicate/sub-Syndicate/Registered Broker/RTAs/ CDPs and submitted to SCSBs for blocking and uploading would be ₹ 10 per valid application (plus applicable taxes).*

*The total processing fees payable to Syndicate (Including their Sub syndicate Members) as mentioned above will be subject to a maximum cap of ₹ 1,00,000 (plus applicable taxes). In case the total uploading charges/processing fees payable exceeds ₹ 1,00,000 (plus applicable taxes), then the amount payable to Members of the Syndicate (Including their Sub syndicate Members), would be proportionately distributed based on the number of valid applications such that the total uploading charges / processing fees payable does not exceed ₹ ₹ 1,00,000 (plus applicable taxes)*

*The Processing fees for applications using the UPI Mechanism would be as follows:*

<i>RTAs / CDPs/ Registered Brokers/Members of the Syndicate</i>	<i>₹ 10.00 per valid Bid cum Application Form (plus applicable taxes)</i>
<i>Sponsor Bank</i>	<i>₹ Nil per valid Bid cum Application Form* (plus applicable taxes)</i>  <i>The Sponsor Banks shall be responsible for making payments to the third parties such as remitter bank, NCPI and such other parties as required in connection with the performance of its duties under the SEBI circulars, the Syndicate Agreement and other applicable laws.</i>

*\* For each valid application.*

*All such commissions and processing fees set out above shall be paid as per the timelines in terms of the Syndicate Agreement and Cash Escrow and Sponsor Bank Agreement.*

*The total uploading charges/ processing fees payable to members of the Syndicate, RTAs, CDPs, and Registered Brokers as listed under will be subject to a maximum cap of ₹ 1,00,000 (plus applicable taxes). In case the total uploading charges/ processing fees payable exceeds ₹ 1,00,000 (plus applicable taxes), then the amount payable to Members of the Syndicate, RTAs, CDPs, Registered Brokers would be proportionately distributed based on the number of valid applications such that the total uploading charges / processing fees payable does not exceed ₹ 1,00,000 (plus applicable taxes)*

*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 issuing (opening on or after September 1, 2022) shall be processed only after application monies are blocked in the bank accounts of investors (all categories). Accordingly, Syndicate / sub-Syndicate Member shall not be able to Bid the Application Form above ₹ 5 lakhs and the same Bid cum Application Form need to be submitted to SCSB for blocking of the fund and uploading on the Stock Exchange bidding platform. To identify bids submitted by Syndicate / sub-Syndicate Member to SCSB a special Bid-cum-application form with a heading / watermark "Syndicate ASBA" may be used by Syndicate / sub-Syndicate Member along with SM code and broker code mentioned on the Bid-cum Application Form to be eligible for brokerage on allotment. However, such special forms, if used for IIB and NIB bids up to ₹ 5 lakhs will not be eligible for brokerage.*

*The processing fees for applications made by UPI Bidders using the UPI Mechanism may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with SEBI Circular No: SEBI/HO/CFD/DIL2/CIR/P/2021/570 dated June 02, 2021 read with SEBI Circular No: SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 and such payment of processing fees to the SCSBs shall be made in compliance with SEBI Circular No: SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022.*

#### **Interim use of the Net Proceeds**

Our Company, in accordance with the applicable law, policies established by our Board from time to time and in order to attain the Objects set out above, will have flexibility to deploy the Net Proceeds. Pending utilisation of the Net Proceeds for the purposes described in this section, our Company may temporarily invest the Net Proceeds in deposits in one or more scheduled commercial banks included in the Second Schedule of the Reserve Bank of

India Act, 1934, as may be approved by our Board. In accordance with Section 27 of the Companies Act, our Company confirms that, other than as specified in this section for the purposes of the Objects, it shall not use the Net Proceeds for buying, trading or otherwise dealing in equity securities or any equity linked securities.

#### **Appraising entity**

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

#### **Bridge financing facilities**

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

#### **Monitoring of utilisation of funds**

As the Net Proceeds of the Issue will be less than ₹ 500.00 lakhs, under the SEBI ICDR Regulations it is not mandatory for us to appoint a monitoring agency.

Further since we are not required to appoint monitoring agency and our Objects of the Issue includes Working Capital of more than ₹ 500.00 lakhs, in term of Regulation 262(5) and 262(6), we shall submit certificates by our Statutory Auditor to NSE Limited (Stock Exchange) while filing the quarterly financial results, for utilization of money raised through the public issue as well as for use of funds as working capital in the same format as disclosed in the offer document, till the proceeds raised for the said object are fully utilized.

In an issue where working capital is one of the objects of the issue and the amount raised for the said object exceeds five crore rupees, the issuer shall submit a certificate of the statutory auditor to SME exchange(s) while filing the quarterly financial results, for use of funds as working capital in the same format as disclosed in the offer document, till the proceeds raised for the said object are fully utilized.

#### **Variation in Objects**

In accordance with Section 13(8) and Section 27 of the Companies Act, 2013 and applicable rules, our Company shall not vary the objects of the Issue without our Company being authorized to do so by the Shareholders by way of a special resolution through postal ballot. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution (the "Postal Ballot Notice") shall specify the prescribed details as required under the Companies Act and applicable rules. The Postal Ballot Notice shall simultaneously be published in the newspapers, one in English, and one in the vernacular language of the jurisdiction where the Registered Office is situated. Our Promoter or controlling Shareholders will be required to provide an exit opportunity to such Shareholders who do not agree to the proposal to vary the objects, at such price, and in such manner, as may be prescribed by SEBI, in this regard.

#### **Other confirmations**

No part of the Net Proceeds will be utilized by our Company as consideration to our Promoters, members of our Promoter Group, our Directors, or Key Managerial Personnel, Senior Management or Group Companies. Our Company has not entered into or is not planning to enter into any arrangement / agreements with our Directors, our Promoters, the members of our Promoter Group, the Key Managerial Personnel or Senior Management in relation to the utilization of the Net Proceeds of the Issue. Further, except in the ordinary course of business, there is no existing or anticipated interest of such individuals and entities in the Objects of the Issue as set out above.



## BASIS FOR ISSUE PRICE

*The Price Band and the Issue Price will be determined by our Company in consultation with the BRLM on the basis of an assessment of market demand for the Equity Shares issued through the Book Building Process and on the basis of the qualitative and quantitative factors as described below. The face value of the Equity Shares of our Company is ₹10/- each and the Issue Price is 4.5 times of the face value.*

*Investors should read the following basis with the section titled “Risk Factors” and chapters titled “Restated Financial Statements”, “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and “Our Business” beginning on page 29, 189, 240 and 131 respectively, of this Prospectus to get a more informed view before making any investment decisions. The trading price of the Equity Shares of our Company could decline due to these risk factors and you may lose all or part of your investments.*

### Qualitative Factors

We believe that some of the qualitative factors and our strengths which form the basis for computing the Offer Price are:

- Wide Geographic Presence
- Strong Distribution Network
- Digital Sales Growth
- Product portfolio
- Supplier network enabling procurement at predictable and competitive pricing, leading to an overall efficient cycle
- Long Standing Relationship with job workers
- Experienced management team with a proven track record

For details of Qualitative factors please refer to the paragraph ‘Our Strengths’ in the chapter titled ‘Our Business’ beginning on page no. 131 of this Prospectus

### Quantitative Factors

The information presented in this chapter is derived from company’s Restated Financial Statements for the financial year ended March 31, 2025, March 31, 2024 and March 31, 2023 prepared in accordance with Indian Generally Accepted Accounting Principles. For more details on financial information, investors please refer the chapter titled “Restated Financial Statements” beginning on page 189 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:

#### 1. Adjusted Basic and Diluted Earnings Per Share (“EPS”)

As per Restated Financial Statements

Particulars	Basic & Diluted EPS	Weights
March 31, 2025	5.03	3
March 31, 2024	2.56	2
March 31, 2023	1.18	1
<b>Weighted Average</b>		<b>3.57</b>

Notes:

(1) Adjusted Basic and Diluted EPS is computed in accordance with Accounting Standard 20, notified under the Companies(Accounting Standards) Rules, 2006 (as amended) read with the requirements of SEBI ICDR Regulations.

(2) Basic and diluted EPS is calculated as Profit/(loss) for the year/period attributable to Equity shareholders divided by the adjusted weighted average number equity shares outstanding during the year/period.

2. **Price Earnings Ratio (“P/E”) in relation to the Issue Price of 45/- per share of ₹ 10/- each fully paid-up**

Particulars	P/E (number of times)
<b>Based on Restated Financial Statements</b>	
P/E ratio based on the Basic & Diluted EPS, as restated for FY 2024-25:	
At Floor Price	8.35
At Cap Price	8.95
P/E ratio based on the Weighted Average Basic & Diluted EPS:	
At Floor Price	11.76
At Cap Price	12.61
<b>Industry P/E Ratio*</b>	
Highest	NA
Lowest	NA
Average	NA

*\*Industry PE not applicable as there is no identified peers.*

3. **Return on Net worth (RoNW) As per Restated Financial Statements**

Particulars	RONW (%)	Weights
March 31, 2025	25.46%	3
March 31, 2024	17.07%	2
March 31, 2023	10.42%	1
<b>Weighted Average</b>		<b>20.16</b>

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

4. **Net Asset Value (NAV)**

*As per Restated Financial Statements – Post Bonus*

Financial Year	NAV (₹)
As on March 31, 2025	19.74
<b>After Issue</b>	
Issue Price*	26.46
Floor Price*	25.67
Cap Price*	26.46

*Note: NAV has been calculated as net worth divided by number of Equity Shares at the end of the year.*

5. **Comparison of Accounting Ratios with Industry Peers**

There are no listed companies in India that are engaged in a textile business segments in which we operate or of a comparable size to that of our Company. Accordingly, it is not possible to provide an industry comparison in relation to our Company.

6. **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 May 21, 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 M/s J.B.S & Company, Chartered Accountants, by their certificate dated May 21, 2025.

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 131 and 242 of this Prospectus, respectively. We have described and defined the KPIs, as applicable, in “*Definitions and Abbreviations*” on page 2 of this Prospectus.

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 Issue*” on page 90, 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.

### Key Performance Indicators of our Company

(₹ in Lakhs except percentages)

KPI	Financial year ended March 31,2025	Financial year ended March 31,2024	Financial year ended March 31,2023
Revenue from operation	27,080.25	22,010.80	19,524.14
Revenue Growth (%)	23.03	12.74	10.20
Revenue CAGR <sup>(1)</sup>	17.77%		
Total Income	27,110.22	22,021.22	19,560.16
Operating EBITDA <sup>(2)</sup>	1,927.97	1,385.50	976.79
Operating EBITDA Margin (%) <sup>(3)</sup>	7.12%	6.29%	5.00%
Restated profit for the period / year after tax ("PAT")	859.21	429.40	179.94
PAT Margin (%) <sup>(4)</sup>	3.17%	1.95%	0.92%
Net Worth <sup>(5)</sup>	3,375.46	2,515.95	1,726.50
Net Debt <sup>(6)</sup>	6,786.15	6,591.76	6,111.19
Net Debt to Operating EBITDA <sup>(7)</sup>	3.52	4.76	6.26
Net Debt to Equity (Gearing Ratio) <sup>(8)</sup>	2.01	2.62	3.54
Return on Equity(RoE)(%) <sup>(9)</sup>	26.26	17.54	9.16
Return on Capital Employed (RoCE)(%) <sup>(10)</sup>	18.08	13.82	11.22
EPS <sup>(11)</sup>	5.03	2.56	1.18
Operating Cash Flow <sup>(12)</sup>	578.53	(50.25)	(1,281.97)

**Notes:** As certified by M/s J.B.S & Company, Chartered Accountants through their certificate dated May 21, 2025

### Explanation of KPIS:

- (1) Revenue CAGR is calculated by dividing the Revenue from operation for the FY 2025 by the Revenue from operation for the FY 2023, raising it to the power of one divided by the number of compounding periods i.e. 2 years, and subtracting by one.
- (2) Operating EBITDA is calculated as Profit before tax +Depreciation+ Finance Cost – Other Income.
- (3) Operating EBITDA Margin is calculated as Operating EBITDA divided by Revenue from operation.
- (4) PAT Margin is calculated as PAT for the period/year divided by revenue from operations.
- (5) Net Worth is calculated by subtracting a company's Equity Shareholders fund and free reserves excluding capital reserves.
- (6) Net Debt is calculated as Short-term debt + Long-term debt – Cash and Cash Equivalents.
- (7) Net Debt to Operating EBITDA is calculated as Net Debt divided by Operating EBITDA.
- (8) Net Debt to Equity is calculated as Net Debt divided by Net Worth.
- (9) Return on Equity is ratio of Profit after Tax and Average Shareholder Equity.
- (10) Return on Capital Employed (RoCE) is calculated as EBIT divided by capital employed, which is defined as shareholders’ equity plus total borrowings [Current & Non – Current]

- (11) Diluted EPS is calculated as PAT divided by outstanding number of equity shares (Post bonus issue).
- (12) Operating Cash Flow is calculated as PBT +/- Adjustment of non-cash items +/- Adjustment of non-operating Profit and losses +/- Changes in Working Capital – Direct tax Paid.

*For details of our other operating metrics disclosed elsewhere in this Prospectus, see “Our Business” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on pages 131 and 240 respectively.*

***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***

<b>Metric</b>	<b>Explanation for the KPI</b>
Revenue from operations	Revenue from operations represents the scale of the business as well as provides information regarding the overall financial performance
Revenue Growth(%)	Revenue Growth (%) represents year-on-year growth of the business operation in terms of revenue generated by the company
Total Income	Total income represents the scale of the business as well as provides information regarding operating and non-operating income
Operating EBITDA	Operating EBITDA provides information regarding the operational efficiency of the business. It facilitates evaluation of year-on-year operating preformation of the business and excluded other income.
EBITDA	EBITDA provides a comprehensive view of the company's financial health as it considers all sources of the income.
PAT Margin (%)	PAT Margin (%) is an indicator of the overall profitability of the business and provided the financial benchmarking against peers as well as to compare against the historical performance of the business
Net worth	Net worth is an indicator of the company’s financial standing/ position as of a certain date. Net Worth is also known as Book Value or Shareholder's Equity'
Net Debt	Net Debt is a liquidity metric and it represents the absolute value of the borrowing net of cash and cash equivalents, bank balance other than cash and cash equivalents and current investments in the company.
Net Debt to operating EBITDA ratio	Net Debt to Operating EBITDA ratio enables the company to measure the ability and extent to which the company can cover the debt in comparison to the Operating EBITDA being generated by the Company.
Net Debt to Equity Ratio (Gearing Ratio)	Net Debt to Equity is a measure of the extent to the which the company can cover the debt and represents the debt position in comparison to the equity position. It helps evaluate the financial leverage.
Return on Equity (RoE)(%)	Return on Equity represents how efficiently the company generate profits from the shareholders’ funds.
Return on Capital Equity (RoCE)(%)	Return on Capital Employed represents how efficiently the company generates earnings before interest & tax form the capital employee.
EPS	EPS (Earning Per Share) represents the net profit generated per equity share and can be used to compare the performance against the peers or to assess the value of the shares.
Operating Cash flow	Operating Cash flow is a measure of the cash generated or used by a Company's Cop reoperations, excluding any financing or investing activity

***Comparison of KPI with Listed Industry Peers***

There are no listed companies in India that are engaged in a business segment in which we operate and size of the business similar to that of our Company accordingly it is not possible to provide an industry comparison in relation to our Company.

## 7. Justification for Basis for Issue price

### a. The price per share of our Company based on the primary/ new issue of shares (equity / convertible securities), excluding shares issued under ESOP/ESOS and issuance of bonus shares

There have been no issuance of Equity Shares or convertible securities during the 18 months preceding the date of this Prospectus, excluding the shares issued under the ESOP Schemes and issuance of bonus shares, where such issuance is equal to or more than 5% of the fully diluted paid-up share capital of the Company (calculated based on the pre-Issue capital before such transaction(s) and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of 30 days.

### b. The price per share of our Company based on the secondary sale / acquisition of shares (equity shares) or acquisition of equity shares or convertible securities (excluding gifts) involving any of the Selling Shareholders, members of the Promoter Group or other Shareholders with rights to nominate directors during the 18 months preceding the date of filing of the Prospectus, where the 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 (“Secondary Transactions”

There have been no secondary sale / acquisitions of Equity Shares, 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 the 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 the Company (calculated based on the pre-issue share 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 eligible transaction of our Company reported in (a) and (b) above in accordance with paragraph (9)(K)(4)(a) of the SEBI ICDR Regulations, the price per Equity Share of our Company based on the last five primary or secondary transactions in Equity Shares (secondary transactions where the Promoter/ Promoter Group entities or Shareholders having the right to nominate director on the Board are a party to the transaction) not older than 3 years prior to the date of filing of this Prospectus has been computed as under:

A. Primary Transaction						
Date of Allotment	Nature of Transaction	No. of Equity Shares	Cost per Equity Share	Total Cost	Cumulative amount paid for the Equity Shares	Cumulative No. of Equity Shares
October 16, 2024	Bonus Issue	1,38,34,059	-	-	-	1,38,34,059
January 22, 2024	Conversion of Loan into Equity	3,60,050	100	-	-	1,41,94,109
Weighted average cost of acquisition (Primary Transaction) (₹ per Equity Share)						Nil

<b>B. Secondary Transaction</b>						
<b>Name of the Acquirer</b>	<b>Date of Allotment / Transfer</b>	<b>nature of Allotment / transaction</b>	<b>Face Value</b>	<b>Offer Price</b>	<b>Number of Equity Shares Alloted</b>	<b>Total Consideration</b>
Transferred from Shyam Sundar Agarwala to Narain Prasad Lohia	November 25, 2022	Transfer	10	10	1,43,900	1439000
Transferred from Dhanpati Jain to Narain Prasad Lohia	November 25, 2022	Transfer	10	10	46,700	467000
Transferred from Satyanarain Jain to Narain Prasad Lohia	November 25, 2022	Transfer	10	10	19,800	198000
Transfer from Saroj Chand gotia to Ambika Lohia	November 25, 2022	Transfer	10	10	10,700	107000
Transferred from Anant Lohia through gift deed to Gyanesh lohia	April 05, 2023	Transfer by way of Gift	10	0	25,600	0
Transferred from Satya bhama Lohia through gift deed to Gyanesh Lohia	April 05, 2023	Transfer by way of Gift	10	0	1,00,100	0
Transferred to Gyanesh Lohia via gift deed by prabhu lohin	April 05, 2023	Transfer by way of Gift	10	0	36,950	0
Transferred from Kanika Lohia via gift deed to prabhu Lohia	April 05, 2023	Transfer by way of Gift	10	0	1,63,000	0
Transferred from Usha Kiran Lohia via gift deed to Prabhu Lohia	April 05, 2023	Transfer by way of Gift	10	0	1,63,000	0
Transferred from Ram Kumar Lohia & others HUF to Prabhu Lohia	April 05, 2023	Transfer by way of Gift	10	0	2,52,600	0
Transferred from Ram kumar lohia	April 05, 2023	Transfer by way of Gift	10	0	2,26,200	0
Transferred from Krishan Kumar Prabhu	June 04, 2024	Transfer by way of Gift	10	0	1,24,000	0

<b>B. Secondary Transaction</b>						
<b>Name of the Acquirer</b>	<b>Date of Allotment / Transfer</b>	<b>nature of Allotment / transaction</b>	<b>Face Value</b>	<b>Offer Price</b>	<b>Number of Equity Shares Alloted</b>	<b>Total Consideration</b>
Dayal HUF via gift deed to Prabhu Lohia						
Total					13,12,550	22,11,000
<b>Weighted Average Cost of Acquisition (Secondary Transaction) (₹ per Equity Share)</b>						<b>1.68</b>

*As certified by M/s JBS & Co. statutory auditors, vide their certificate dated May 30, 2025*

- d. The Floor Price is 4.2 times and the Cap Price is 4.5 times the weighted average cost of acquisition at which the Equity Shares were issued by our Company, or acquired or sold by the shareholders with rights to nominate directors are disclosed below:**

Based on the disclosures in (a) above, the weighted average cost of acquisition of Equity Shares as compared with the Issue Price is set forth below:

<b>Types of transactions</b>	<b>Weighted average cost of acquisition (₹ per Equity Share)</b>	<b>Floor Price (₹ 42/-)</b>	<b>Cap Price (₹ 45/-)</b>
Weighted average cost of acquisition of primary issuances as per paragraph 7(a) above	NA <sup>^</sup>	NA	NA
Weighted average cost of acquisition for secondary transactions as per paragraph 7(b) above	NA <sup>^^</sup>	NA	NA
Weighted average cost of acquisition of primary issuance as per paragraph 7(c) (A) above	Nil	Nil	Nil
Weighted average cost of acquisition of secondary transactions as per paragraph 7(c) (B) above	1.68	25.00	26.79

*As certified by M/s JBS & Co. statutory auditors, vide their certificate dated May 30, 2025*

<sup>^</sup>There were no primary / new issue of shares (equity/convertible securities).

<sup>^^</sup>There were no secondary sales / acquisition of shares (equity/ convertible securities) transactions in last 18 months from the date of this Prospectus, the detail as required under paragraph (b) above is thus applicable

- 8. Explanation for Issue Price being 26.79 times of weighted average cost of acquisition of secondary issuance price of Equity Shares (set out in 7(d) above) along with our Company's key performance indicators and financial ratios and in view of external factors for the financial year ended March 31, 2025, March 31, 2024 and March 31, 2023.**

- We generally sell our product through a network of wholesalers located at different locations of the country. As of March 31, 2025 spread across 31 states and union territories in India and through a channel of B2B e-commerce platform.
- As on March 31, 2025, we have established a distribution network that spans pan India. Our supply chain and logistics systems are designed to support efficient and timely distribution, meeting the needs of our customer base. We had a network of 1397, 893 and 886 wholesalers in the Fiscal 2025, Fiscal 2024 and Fiscal 2023.
- We distribute our products through several key digital platforms, including SOLV, Udaan, Bijnis, Jozzby and Ajio. This multi-platform approach ensures online visibility and accessibility, enabling us to reach a diverse customer base and optimize our sales operations.
- Our product portfolio is vast and versatile in women's apparel segment includes sarees and salwar suits and in home furnishing product segment includes bed sheets. Currently, our product catalogue lists more than 1500 different SKUs.
- We have been in the business of women's apparels for over three decades, our relationships with weavers/suppliers have been a core competitive strength for us.

- We manufacture our products with job workers, and a majority of them have been working with us for over 3 years.
  - For Fiscal ended March 31, 2025, March 31, 2024 and March 31, 2023 we have engaged with 229, 159 and 166 job workers.
9. We attribute our growth to the experience of our Promoters and senior management team. Our Promoters have cumulative experience of approximately 100 years in the apparel industry with more than 30 years in the saree business. They have been responsible in augmenting relationships with various stakeholders which has helped our Company expand by increasing its product portfolio on a continuous basis and which has contributed to the growth trajectory of our Company. ***The Issue Price is 4.5 times of the face value of the equity shares***

The face value of our share is ₹ 10/- per share and the Issue Price is of ₹ 45/- per share are 4.5 times of the face value. Our Company and in consultation with the Lead Manager believes that the Issue Price of ₹ 45/- per share for the Public Issue 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 29 of this Prospectus and the financials of our Company including important profitability and return ratios, as set out in the chapter titled “*Restated Financial Statements*” beginning on page 189 of this Prospectus.



## STATEMENT OF SPECIAL TAX BENEFIT

To,

The Board of Directors,  
**N R Vandana Tex Industries Limited**  
(Formerly known as N.R. Design Center Pvt Ltd)  
220, Mahatma Gandhi Road, Barabazar, Kolkata, 700007

**Re: Proposed initial public offering of equity shares of face value of Rs. 10 each (the “Equity Shares” and such offering, the “Offer”) of N R VANDANA TEX INDUSTRIES LIMITED (the “Company”)**

We, **J.B.S. & Company**, statutory auditors to the Company, Firm Registration Number 323734E, hereby confirm that there are ‘Nil’ special tax benefits available to the Company and its shareholders identified as per the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, pursuant to (i) the Income Tax Act, 1961, as amended by the Finance Act, 2023 and read with the rules, circulars and notifications issued in relation thereto; and (ii) applicable indirect taxation laws, as amended and read with the rules, circulars and notifications issued in connection thereto.

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

This certificate, is for your information and for inclusion in the draft red herring prospectus, red herring prospectus, prospectus and any other material used in connection with the Offer (together the “**Offer Documents**”) with the Securities and Exchange Board of India (“**SEBI**”) and BSE Limited (the “**Stock Exchanges**”) and subsequently the red herring prospectus and the prospectus with the Registrar of Companies, Kolkata at West Bengal (“**RoC**”), in accordance with the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (“**ICDR Regulations**”) may be prepared in connection with the Offer.

The aforesaid information contained herein and in **Annexure A** may be relied upon by the Book Running Lead Manager appointed pursuant to the Offer and may be submitted to the stock exchange, the Securities and Exchange Board of India, and any other regulatory or statutory authority in respect of the Offer and for the records to be maintained by the Book Running Lead Manager.

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

We undertake to update you in writing of any changes in the abovementioned position, until the date the Equity Shares issued pursuant to the Offer commence trading on the stock exchanges. In the absence of any communication from us till the Equity Shares commence trading on the stock exchanges, you may assume that there is no change in respect of the matters covered in this certificate.

Capitalized terms used herein, unless otherwise specifically defined, shall have the same meaning as ascribed to them in the Offer Documents.

Yours faithfully,  
For J B S & Company,  
Chartered Accountants  
Firm Registration Number: 323734E

CA Sudhanshu Sen  
(Partner)  
Membership Number: 306354  
UDIN: 25306354BMOXZ09534  
Date: 21-05-2025

### **Annexure to Statement of Special Tax Benefits**

Outlined below are the possible Special Tax Benefits available to the N R Vandana Tex Industries Limited (previously Known as N.R. Design Center Pvt Ltd) Company and its shareholders under the Income Tax Act, 1961 ('Act') as amended time to time, the Central Goods and Services Tax Act, 2017, the Integrated Goods and Services Tax Act, 2017, the State Goods and Services Tax Act as passed by respective State Governments from where the Company operates and applicable to the Company and 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 the Equity Shares particularly in view of the fact that certain recently enacted legislation may not have a direct legal precedent or may have different interpretation on the benefits, which an investor can avail.

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

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

The Company is not entitled to any Special Tax Benefits under the Act.

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

The Shareholders of the company are not entitled to any Special Tax Benefits under the Act

**Notes:**

1. All the above benefits are as per the current tax laws and will be available only to the sole / first name holder where the shares are held by joint holders.

No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to changes from time to time. We do not assume responsibility to update the views consequent to such changes. We shall not be liable to any claims, liabilities or expenses relating to this assignment except to the extent of fees relating to this assignment, as finally judicially determined to have resulted primarily from bad faith or intentional misconduct. We will not be liable to any other person in respect of this statement.

## SECTION VI – ABOUT THE COMPANY

### INDUSTRY OVERVIEW

*The information in this section has not been independently verified by us, the Lead Manager or any of our or their respective affiliates or advisors. The information may not be consistent with other information compiled by third parties within or outside India. Industry sources and publications generally state that the information contained therein has been obtained from sources it believes to be reliable, but their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured. Industry and government publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Industry and government sources and publications may also base their information on estimates, forecasts and assumptions which may prove to be incorrect. Accordingly, investment decisions should not be based on such information.*

### GLOBAL ECONOMIC OVERVIEW-

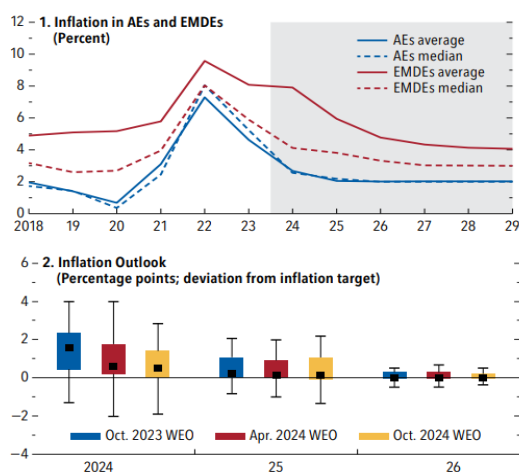
There has been little change in the global growth outlook since the April 2024 World Economic Outlook. Following the post pandemic rebound, the global projection for GDP growth has been hovering at about 3 percent, both in the short and the medium term.

Although bumps on the path to price stability are still possible, global headline inflation is projected to decrease further, from an average of 6.7 percent in 2023 to 5.8 percent in 2024 and 4.3 percent in 2025 in the baseline. Disinflation is expected to be faster in advanced economies—with a decline of 2 percentage points from 2023 to 2024 and a stabilization at about 2 percent in 2025—than in emerging market and developing economies, in which inflation is projected to decline from 8.1 percent in 2023 to 7.9 percent in 2024 and then fall at a faster pace in 2025 to 5.9 percent.

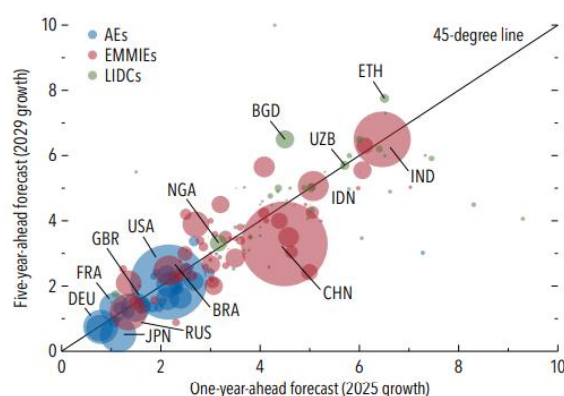
The decline in global inflation in 2024 and 2025 reflects a broad-based decrease in core inflation, unlike the situation in 2023, when headline inflation fell mainly because of lower fuel prices. Core inflation is expected to drop by 1.3 percentage points in 2024, following a 0.1 percentage point decrease in 2023, with advanced economies leading this decline. Factors contributing to lower core inflation include the delayed effect of tight monetary policies as well as diminishing pass-through effects from earlier declines in prices, especially in those for energy.

Overall, returning inflation to target is expected to take until 2025 in most cases. Although the pace of disinflation for the median economy has been faster than expected in October 2023, the dispersion across economies is now expected to be larger. Comparison of official inflation targets with the latest forecasts for a representative group of inflation-targeting advanced and emerging market economies suggests that annual average inflation will exceed targets (or the midpoints of target ranges) in more than three-quarters of these economies in 2025 (Figure 1.13). But a great deal of this reflects annual carryover effects from 2024. Inflation is expected to decline steadily on a sequential basis, and by the end of 2025, most economies are expected to be either at target or within a stone's throw of it.

**Figure 1.13. Inflation Outlook**



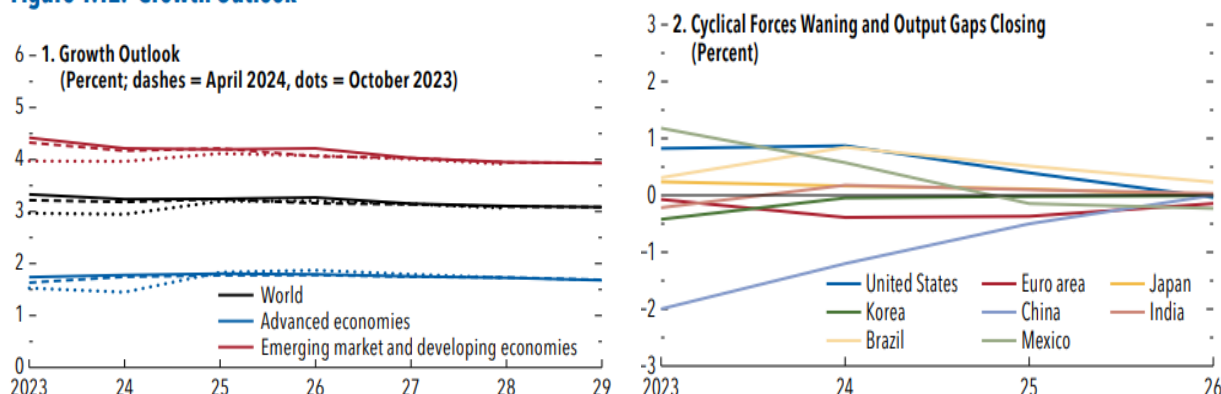
**Figure 1.14. Medium-Term Outlook**  
(Percent)



Global growth is expected to remain broadly flat— decelerating from 3.3 percent in 2023 to 3.1 percent by 2029— and is largely unchanged from World Economic Outlook forecasts in April 2024 and October 2023 (Tables 1.1 and 1.2; Figure 1.12).<sup>1</sup> Under the surface, however, offsetting revisions have brought major economies closer together as cyclical forces wane and GDP moves closer to potential. As inflation recedes, policy rates are expected to follow suit, preventing undue increases in real interest rates. Interest rates are expected to gradually descend toward their natural levels: the levels of risk-free real interest rates compatible with output at potential and inflation at target.

Although global revisions to the forecast since April have been minimal, offsetting shifts at the country group level reflect recent shocks and policies, most notably in emerging market and developing economies. Cuts in production and shipping of commodities (oil in particular), conflicts, and civil unrest have led to downward revisions to the regional outlooks for the Middle East and Central Asia and for sub-Saharan Africa. At the same time, surging demand for semiconductors and electronics, driven by significant investment in artificial intelligence, has fueled stronger growth in emerging Asia.

**Figure 1.12. Growth Outlook**



### **Growth Outlook: Emerging Markets Get Support from Asia**

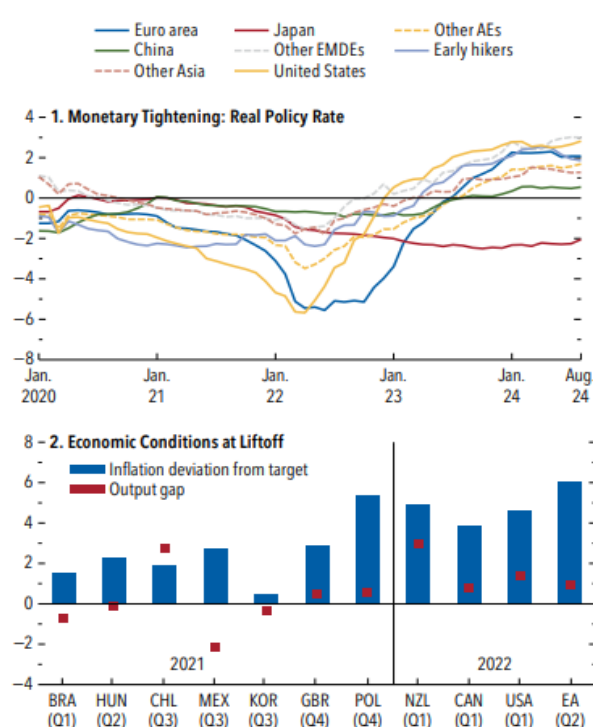
In a manner similar to that for advanced economies, the growth outlook for emerging market and developing economies is remarkably stable for the next two years, hovering at about 4.2 percent and steadying at 3.9 percent by 2029. And just as in advanced economies, offsetting dynamics are occurring between country groups. Compared with that in April, growth in emerging market and developing economies is revised upward by 0.1 percentage point for 2024, reflecting upgrades for Asia (China and India) that more than offset downgrades for sub-Saharan Africa and for the Middle East and Central Asia (Table 1.1).

- Emerging Asia's strong growth is expected to subside, from 5.7 percent in 2023 to 5.0 percent in 2025. This reflects a sustained slowdown in the region's two largest countries. In India, the outlook is for GDP growth to moderate from 8.2 percent in 2023 to 7 percent in 2024 and 6.5 percent in 2025, because pent-up demand accumulated during the pandemic has been exhausted, as the economy reconnects with its potential. In China, the slowdown is projected to be more gradual. Despite persisting weakness in the real estate sector and low consumer confidence, growth is projected to have slowed only marginally to 4.8 percent in 2024, largely thanks to better-than-expected net exports. Compared with that in April, the forecast has been revised upward by 0.2 percentage point in 2024 and 0.4 percentage point in 2025. Recent policy measures may provide upside risk to near-term growth.
- In contrast, growth in the Middle East and Central Asia is projected to pick up from an estimated 2.1 percent in 2023 to 3.9 percent in 2025, as the effect on the region of temporary disruptions to oil production and shipping are assumed to fade away. Compared with that in April, the projection has been revised downward by 0.4 percentage point for 2024, mainly the result of the extension of oil production cuts in Saudi Arabia and ongoing conflict in Sudan taking a large toll.

### **The Monetary Policy Reaction**

Faced with the pandemic, central banks worldwide initially adopted expansionary monetary policies aimed at stimulating economies and maintaining financial stability (Figure 2.8, panel 1). As broader inflationary pressures emerged, central banks transitioned to tightening policy. Although the tightening was broadly synchronized, its exact timing and pace varied across countries, depending on the impact of the shocks on individual economies, the timing of lockdowns and reopening, and initial conditions and institutional features. For example, commodity price increases after the start of the war in Ukraine led to terms-of-trade improvements for exporters, but to terms-of-trade deteriorations for importers. Central banks with a history of low and stable inflation had built policy credibility and could afford to “look through” seemingly transitory supply shocks for longer. In contrast, the presence of wage and price indexation mechanisms limited room to maneuver in many countries. Finally, variation in other policy settings, such as the size of fiscal stimulus or price-suppressing measures, motivated different monetary responses. These differences resulted in some emerging market and developing economies, such as Brazil, Chile, and Mexico, starting their rate hikes earlier than others. Conversely, Asia exhibited a more tempered response, and the United States adjusted its policies relatively later.

**Figure 2.8. Monetary Policy Tightening**  
(Percent)



**Source:** (<https://www.imf.org/en/Publications/WEO/Issues/2024/10/22/world-economic-outlook-october-2024>)

## OVERVIEW OF INDIAN ECONOMY

### 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 for Q2 FY25 is estimated at Rs. 76.60 lakh crore (US\$ 886.16 billion) with growth rate of 8.0%, compared to Rs. 70.90 lakh crore (US\$ 820.22 billion) for Q2 FY24. The growth in nominal GDP during 2023-24 is estimated at 9.6% as compared to 14.2% in 2022-23. Strong domestic demand for consumption and investment, along with Government’s continued emphasis on capital expenditure are seen as among the key driver of the GDP in the second half of FY24. During the period April-December 2024, India’s exports stood at Rs. 27.56 lakh crore (US\$ 318.96 billion), with Engineering Goods (27.32%), Petroleum Products (14.59%) and Electronic Goods (8.19%) 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.

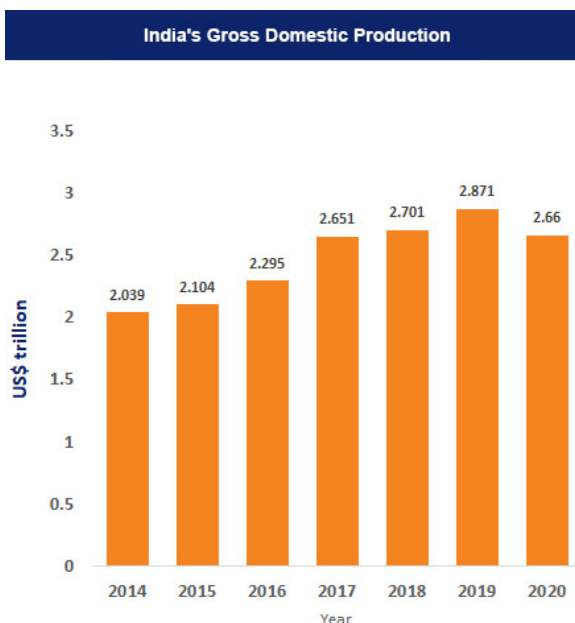
In the medium run, increased capital spending on infrastructure and asset-building projects is set to increase growth multipliers. The contact-based services sector has demonstrated promise to boost growth by unleashing the pent-up demand. The sector's success is being captured by a number of HFIs (High-Frequency 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 for Q2 of FY25 is estimated at Rs. 44.10 lakh crores (US\$ 509.36 billion) with growth rate of 5.4%, compared to Rs. 41.86 lakh crore (US\$ 484.27 billion) for Q2 of 2023-24. The growth in real GDP during 2023-24 is estimated at 8.2% as compared to 7.0% in 2022-23. There are 113 unicorn startups in India, with a combined valuation of over US\$ 350 billion. As many as 14 tech startups are expected to list in 2024 Fintech sector poised to generate the largest number of future unicorns in India. With India presently has the third-largest unicorn base in the world. The government is also focusing on renewable sources by achieving 40% of its energy from non-fossil sources by 2030. India is committed to achieving the country's ambition of Net Zero Emissions by 2070 through a five-pronged strategy, 'Panchamrit'. Moreover, India ranked 3rd in the renewable energy country attractive index.



According to the McKinsey Global Institute, India needs to boost its rate of employment growth and create 90 million non-farm jobs between 2023 to 2030 in order to increase productivity and economic growth. The net employment rate needs to grow by 1.5% per annum from 2023 to 2030 to achieve 8-8.5% GDP growth between same time periods. India's Current Account Deficit (CAD) narrowed to 0.7% of GDP in FY24. The CAD stood at Rs. 96,790 crore (US\$ 11.2 billion) for Q2 of FY25 from Rs. 97,655 crore (US\$ 11.3 billion) in Q2 of FY24 or 1.3% of GDP. This was largely due to decrease in merchandise trade deficit.

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

## Recent Developments

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

- According to HSBC Flash India PMI report, business activity surged in April to its highest level in about 14 years as well as sustained robust demand. The composite index reached 62.2, indicating continuous expansion since August 2021, alongside positive job growth and decreased input inflation, affirming India's status as the fastest-growing major economy.
- According to a report by the State Bank of India (SBI), domestic investment announcements in India have experienced a substantial increase, exceeding Rs. 37 lakh crore (US\$ 428.04 billion) in FY23 and FY24.
- According to data from the Directorate General of Civil Aviation (DGCA), India's domestic air passenger traffic increased by 6.12% in 2024, reaching a total of 161.3 million passengers. This growth follows a substantial YoY increase of 23.36% in 2023, attributed to the ongoing recovery from the pandemic.

- As of January 10, 2025, India's foreign exchange reserves stood at Rs. 53,80,402 crore (US\$ 625.871 billion).
- In 1H 2024, India saw a total of US\$ 31.5 billion in PE-VC investments.
- India secured 39th position out of 133 economies in the Global Innovation Index 2024. India rose from 81st position in 2015 to 39th position in 2024. India ranks 3rd position in the global number of scientific publications.
- The gross GST (Goods and Services Tax) revenue collection stood at Rs. 1.77 lakh crore (US\$ 20.45 billion) in December 2024.
- Between April 2000–September 2024, cumulative FDI equity inflows to India stood at Rs. 89.30 lakh crore (US\$ 1,033.40 billion).
- In November 2024, the overall IIP (Index of Industrial Production) stood at 148.4. The Indices of Industrial Production for the mining, manufacturing and electricity sectors stood at 133.8, 147.4 and 184.1, respectively.
- According to data released by the Ministry of Statistics & Programme Implementation (MoSPI), India's Consumer Price Index (CPI) – Combined inflation was 5.22% in December 2024 against 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\$ 13.89 billion) in India during January - (up to 15th July) 2024.
- The wheat procurement during Rabi Marketing Season (RMS) 2024-25 (till May) was estimated to be 266 lakh metric tonnes (LMT) and the rice procured in Kharif Marketing Season (KMS) 2024-25 was 400 LMT.

### **Government Initiatives**

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

- According to a report by Wood Mackenzie in January 2025, India, the United States, and West Asia are expected to collectively add 100 Gigawatts (GW) of solar capacity by 2025, while China is anticipated to continue its leadership in the solar industry.
- In July 2024, the Ministry of Finance held the Union Budget and announced that for 2024-25, the total receipts other than borrowings and the total expenditure are estimated at Rs. 32.07 lakh crore (US\$ 383.93 billion) and Rs. 48.21 lakh crore (US\$ 577.16 billion), respectively.
- 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 'Aatmanirbhar 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 Antyodaya Ann Yojna (AAY) & Primary Household (PHH) beneficiaries, called Pradhan Mantri Garib Kalyan Ann Yojana (PMGKAY) from January 1, 2023.

### **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 FY24 highlighted the unwavering support the government gave to its capital expenditure, which, in FY24, stood 37.4% higher than the same period last year. In the Union Budget of 2024-25, capital expenditure took lead by steeply increasing the capital expenditure outlay by 17.1 % to Rs. 11 lakh crore (US\$ 133.51 billion) over Rs. 9.48 lakh crore (US\$ 113.91 billion) in 2023-24. Stronger revenue generation because of improved tax compliance, increased profitability of the company, and increasing economic activity also contributed to rising capital spending levels.

India's is experiencing 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> )*

## **MANUFACTURING INDUSTRY**

### **Introduction**

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

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



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

India's manufacturing sector reached a 16-year high in March, with the HSBC Manufacturing Purchasing Managers' Index (PMI) rising to 59.1, driven by strong increases in output, new orders, and job creation across various goods sectors.

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

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

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

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

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

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

FDI in India's manufacturing sector has reached US\$ 165.1 billion, a 69% increase over the past decade, driven by production-linked incentive (PLI) schemes. In the last five years, total FDI inflows amounted to US\$ 383.5 billion.

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

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

### **Market Size**

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

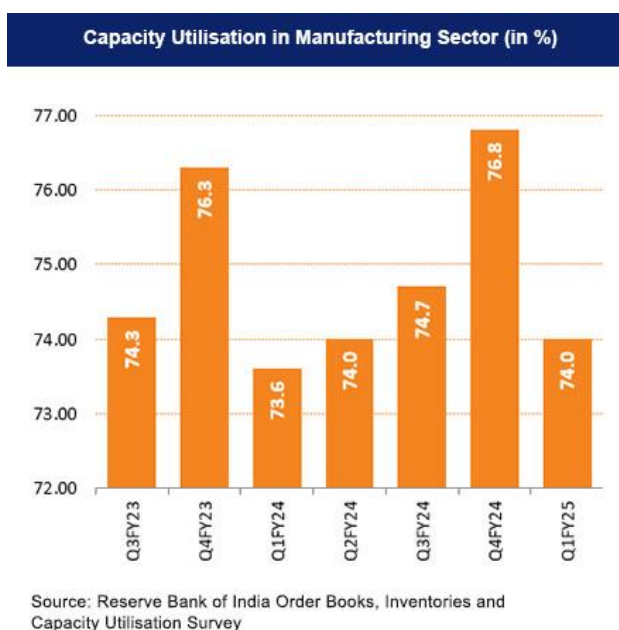
India's Gross Value Added (GVA) at current prices was estimated at US\$ 770.08 billion as per the quarterly estimates of the first quarter of FY24.

India's e-commerce exports are projected to grow from US\$ 1 billion to US\$ 400 billion annually by 2030, aiding in achieving US\$ 2 trillion in total exports.

India's smartphone exports exceeded US\$ 2 billion in October 2024, setting a new monthly record and contributing to total exports surpassing US\$ 10.6 billion in the first seven months of FY25, a 37% increase from the previous year.

India's smartphone exports surged by 42% in FY24, reaching US\$ 15.6 billion, with the US as the top destination, reflecting the success of the Production-Linked Incentive (PLI) scheme in boosting the sector.

As per the survey conducted by Reserve Bank of India, capacity utilisation in India's manufacturing sector stood at 76.8% in the third quarter of FY24, indicating a significant recovery in the sector.



India's GDP surged by 8.4% in the October-December quarter, surpassing expectations.

GDP growth was driven by robust performances in the manufacturing and construction sectors, with the manufacturing sector expanding by 11.6% annually and the construction sector growing by 9.5%.

India's overall exports during the April-June period of 2024-25 are estimated to be US\$ 109.11 billion, reflecting a positive growth of 7% over the April-June period of 2023-24.

The manufacturing sector of India has the potential to reach US\$ 1 trillion by 2025-26.

The Indian startup ecosystem experienced a significant rebound, securing approximately US\$ 596 million in funding this week, marking a 226% increase compared to the previous week. This surge was driven by 23 startups, including notable deals such as Zepto raising US\$ 350 million and HealthKart securing US\$ 153 million. The average funding over the past eight weeks has been around US\$ 266.77 million per week, with a total of nearly US\$ 10 billion raised by Indian startups so far this year, indicating a strong trajectory toward surpassing last year's total funding of US\$ 10.5 billion.

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

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

## **Investment**

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

- Shree Cement has signed a Memorandum of Understanding (MoU) with the Department for Promotion of Industry and Internal Trade (DPIIT) to support manufacturing sector startups by providing infrastructure, mentorship, funding access, and market connections, aiming to enhance India's manufacturing ecosystem and promote self-reliance through domestic innovation.

- India's defence exports soared by 78% in Q1 FY25, reaching Rs. 6,915 crore (US\$ 828 million). This growth reflects the country's push for self-reliance in defence manufacturing, with total exports hitting a record Rs. 20,915 crore ( US\$ 2.51 billion) in FY24, marking a 25% increase from the previous year.
- Sansera Engineering Limited has signed an MoU with the Karnataka government to invest Rs. 2,100 crore (US\$ 251 million) in a new manufacturing facility in Ramanagara, aiming to create 3,500 jobs and enhance production capacity in the automotive and non-automotive sectors over the next three to five years.
- Google is set to begin manufacturing Pixel smartphones in India, specifically in Tamil Nadu, in collaboration with Foxconn and Dixon Technologies. This production aims to cater primarily to export markets in Europe and the US, with operations expected to start in September 2024. The initiative comes as Google prepares to launch its Pixel 9 series in India on August 13, leveraging India's Production-Linked Incentive (PLI) scheme to enhance manufacturing scalability.
- Maruti Suzuki has begun exporting the Made-in-India Fronx compact SUV to Japan, marking its first SUV launch in the Japanese market. Manufactured at its Gujarat plant, the first shipment of over 1,600 vehicles has already left for Japan, with the official launch planned for autumn 2024.
- According to the Department for Promotion of Industry and Internal Trade (DPIIT), India received a total foreign direct investment (FDI) inflow of US\$ 48.03 billion in FY23.
- Between April 2020-March 2024:
  - The automobile sector received FDI inflows of US\$ 36.26 billion.
    - The chemical manufacturing sector (excluding fertilisers) received FDI inflows worth US\$ 22.14 billion.
    - The drug and pharmaceutical manufacturing sector received FDI inflows worth US\$ 22.52 billion.
    - The Food Processing Industries received FDI inflows worth US\$ 12.58 billion.
- India's manufacturing sector activity continued to expand in November 2023, with the S&P Global Purchasing Managers' Index (PMI) reaching 56.
- During the financial year 2022-23, around 1.39 crore net members were added by EPFO with an increase of 13.22% compared to the previous financial year 2021-22 wherein EPFO had added approximately 1.22 crore net members.
- Mobile phone exports from India nearly doubled to reach US\$ 5.5 billion, by August in FY24, with the government anticipating mobile phone exports worth Rs. 1 trillion (US\$ 12 billion) this year.
- In February 2024, the Manufacturing Purchasing Managers' Index (PMI) in India stood at 56.9.
- In FY23, the Manufacturing Purchasing Managers' Index (PMI) in India stood at 55.6.
- For the month of January 2024, the Quick Estimates of Index of Industrial Production (IIP) with base 2011-12 stands at 153.0. The Indices of Industrial Production for the Mining, Manufacturing and Electricity sectors for the month of January 2024 stand at 144.1, 150.1 and 197.1, respectively.
- The Index of Industrial Production (IIP) from April-January 2024 stood at 143.4.
- The combined index of eight core industries stood at 150.3 for April-November 2023 against 139.4 for April-November 2022.
- The cumulative index of eight core industries increased by 8.6% during April-October 2023-24 over the corresponding period of the previous year.
- India's manufacturing sector, driven by pharmaceuticals, motor vehicles, and cement, demonstrated resilience despite weak global demand in July-August 2023. PMI remained robust, reflecting domestic economic strength. Capacity utilization in manufacturing trended upwards, signalling positive investment prospects. RBI MPC maintained policy repo rate to control inflation.
- India aims for US\$ 100 billion annual foreign direct investment (FDI) in the coming years, according to Union Minister of Information and Broadcasting Mr. Ashwini Vaishnaw, as part of the government's strategy focused on infrastructure investment, social upliftment, manufacturing growth, and simplification of business processes, amidst projections of consistent 6-8% economic growth over the next decade.
- At the aggregate level, the capacity utilization (CU) in the manufacturing sector increased to 74.0% in Q2:2023-24 from 73.6% in the previous quarter.
- In FY23, the export of the top 6 major commodities (Engineering goods, Petroleum products, Gems and Jewellery, Organic and Inorganic chemicals, and Drugs and Pharmaceuticals) stood at US\$ 295.21 billion.
- In FY24, the Manufacturing Purchasing Managers' Index (PMI) in India stood at 59.1.
- India's manufacturing industry witnessed its fastest expansion in 16 years in March, with the HSBC final India Manufacturing Purchasing Managers' Index (PMI) soaring to 59.1, the highest since February 2008. This surge was fuelled by increased demand, resulting in notable improvements in new orders, output, input stocks, and job creation, as reported by S&P Global.
- In May 2024, the Manufacturing Purchasing Managers' Index (PMI) in India stood at 57.5.

- India's overall exports during the April-February period of 2023-24 are estimated to be US\$ 709.81 billion, reflecting a marginal positive growth of 0.83% over the April-February period of 2022-23. In February 2024 alone, exports stood at US\$ 73.55 billion, showing a growth of 14.20% compared to the same month in the previous year.
- The Employees' Provident Fund Organization (EPFO) added 8.41 lakh people in December 2023.
- The latest payroll data shows a significant increase in female workforce participation. Out of 8.41 lakh new members, around 2.09 lakh are female, the highest in three months. This marks a 7.57% increase from November 2023. Additionally, the net female member addition stood at approximately 2.90 lakh, up by about 3.54% from the previous month.
- Amazon Inc's cloud computing division, Amazon Web Services, became the latest company to invest in India. The company has planned to invest US\$13 billion (over Rs 1 lakh crore) in India by 2030 to build its cloud infrastructure and create thousands of jobs.
- For the month of April 2024, the Quick Estimates of Index of Industrial Production (IIP) with base 2011-12 stands at 147.7. The Indices of Industrial Production for the Mining, Manufacturing and Electricity sectors for the month of January 2024 stand at 130.8, 144.2, and 212.0, respectively.
- On February 29, 2024, India approved the construction of three semiconductor plants with investments exceeding \$15 billion. These plants aim to establish India as a major chip hub, with Tata Electronics, Tata Semiconductor Assembly and Test Pvt Ltd, and CG Power spearheading the projects in Gujarat and Assam. This initiative aligns with India's goal to bolster its semiconductor ecosystem and create numerous advanced technology jobs.
- In October 2021, information technology major Zoho, announced that it will invest Rs. 50–100 crore (US\$ 6.7-13.4 million) and form a new company, that will focus on research and development (R&D) in the manufacturing sector.
- India's GDP surged in the January-March quarter, growing 7.8%, exceeding the 6.7% forecast. Manufacturing rebounded by 9.9%, contrasting with last year's contraction. GDP for the fiscal year hit 8.2%. IMF projects India as the world's fourth-largest economy by 2025.
- India's gross value added (GVA) at current prices was estimated at US\$ 506.35 billion as per the quarterly estimates of the fourth quarter of FY24.

### **Government Initiatives**

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

- In the Interim Union Budget 2024-2025:
  - In the interim budget 2024, the allocation for the Production Linked Incentive (PLI) Scheme for various sectors saw a substantial increase, with notable examples including a 360% rise to Rs 6,903 crore (US\$ 830 million) for the Semiconductors and Display Manufacturing Ecosystem and a 623% surge to Rs 3,500 crore (US\$ 421 million) for the Automobile sector.
  - In the interim budget 2024, there was commendable fiscal responsibility demonstrated alongside significant investments in infrastructure, including emphasis on affordable housing, clean energy, and technological advancement. Additionally, the budget allocated funds for the creation of a Rs 1-lakh crore (US\$ 12 billion) innovation fund for sunrise domains, providing a substantial boost for the startup industry. Moreover, there was a notable focus on promoting the shift to electric vehicles (EV) through the expansion of EV charging networks, thereby offering opportunities for small vendors in manufacturing and maintenance.
  - In the Interim Union Budget 2024-25, the Ministry of Defence has been allocated Rs. 621,541 crore (US\$ 74.78 billion), marking a significant increase of approximately 4.72% from the previous allocation of Rs. 593,538 crore (US\$ 71.41 billion).
- On the 10th anniversary of the 'Make in India' initiative, Union Commerce and Industry Minister Mr. Piyush Goyal reported significant achievements, including an 85% reduction in mobile imports and a 200% increase in manufacturing jobs from 2022 to 2024. He emphasized that 99% of mobile phones in India are now produced domestically, reflecting the initiative's success in transforming India's manufacturing landscape and attracting substantial Foreign Direct Investment (FDI). He highlighted ongoing efforts to improve the ease of

doing business and support the startup ecosystem, aiming to position India as a global manufacturing hub and a developed nation by 2047.

- Union Minister of Education and Skill Development & Entrepreneurship, Mr. Dharmendra Pradhan inaugurates Rashtriya Udyamita Vikas Pariyojana under Skill India Mission, empowering PM SVANidhi beneficiaries with comprehensive 22-week entrepreneurship training, including theoretical and practical components, in collaboration with Flipkart and focusing on 40% women participation.
- Semiconductor associations IESA and SEMI signed a Memorandum of Understanding (MoU) in Bengaluru to establish India as a global manufacturing hub, focusing on talent development, policies, design, skilling, research, academia, and supply chains, leveraging SEMI's international network and IESA's expertise.
- Under the Skill India mission, Pradhan Mantri Kaushal Vikas Yojana (PMKVY) has trained over 1.40 crore candidates since 2015, as per Skill India Digital data until December 13, 2023. Notably, in the Short-term Training (STT) program, 42% of certified candidates found placement opportunities, with 24.39 lakh candidates successfully placed out of 57.42 lakh certified.
- In the Union Budget 2023-24:
  - Startups incorporated within a time-period and meeting other conditions can deduct up to 100% of their profits; the end of this period has been extended from March 31, 2023, to March 31, 2024. In addition, the period within which losses of startups may be carried forward has been extended from seven to ten years.
  - As per the Union Budget 2023 – 24, the income tax rate for new co-operative societies engaged in manufacturing activities has been lowered from 22% to 15% (plus 10% surcharge).
  - The upper limit on turnover for MSMEs to be eligible for presumptive taxation has been raised from Rs. 2 crore (US\$ 2,43,044) to Rs. 3 crore (US\$ 3,64,528). The upper limit on gross receipts for professionals eligible for presumptive taxation has been raised from Rs. 50 lakh (US\$ 60,754) to Rs. 75 lakh (US\$ 91,132).
  - Expenditure on fertilizer subsidy is estimated at Rs. 1,75,100 crore (US\$ 21.2 billion) in 2023-24. This is a decrease of Rs. 50,120 crore (US\$ 6.09 billion) (22.3%) from the revised estimate of 2022-23. Fertilizer subsidy for 2022-23 was increased substantially in response to a sharp increase in international prices of raw materials used in the manufacturing of fertilizers.
  - The Centre will facilitate one crore farmers to adopt natural farming. For this, 10,000 Bio-Input Resource Centres will be set-up, creating a national-level distributed micro-fertilizer and pesticide manufacturing network.
  - To avoid cascading of taxes on blended compressed natural gas, excise duty on GST-paid compressed biogas contained in it has been exempted from excise duty. Customs duty exemption has been extended to import of capital goods and machinery required for manufacture of lithium-ion cells for batteries used in electric vehicles.
  - To further deepen domestic value addition in manufacture of mobile phones, the finance minister announced relief in customs duty on import of certain parts and inputs like camera lens. The concessional duty on lithium-ion cells for batteries will continue for another year. Basic customs duty on parts of open cells of TV panels has been reduced to 2.5%. The Budget also proposes changes in the basic customs duty to rectify inversion of duty structure and encourage manufacturing of electrical kitchen chimneys.
  - Basic customs duty on seeds used in the manufacture of Lab Grown Diamonds has also been reduced.
- Ministry of Defence has set a target of achieving a turnover of US\$ 25 million in aerospace and defence Manufacturing by 2025, which includes US\$ 5 billion exports. Till October 2022, a total of 595 Industrial Licences have been issued to 366 companies operating in Defence Sector.
- A new category of capital procurement 'Buy {Indian-IDD (Indigenously Designed, Developed and Manufactured)}' has been introduced in Defence Procurement Procedure (DPP)-2016.
- By 2030, the Indian government expects the electronics manufacturing sector to be worth US\$ 300 billion.

- Initiatives like Make in India, Digital India and Startup India have given the much-needed thrust to the Electronics System Design and Manufacturing (ESDM) sector in India.
- Moreover, the government's endeavours such as Modified Special Incentive Scheme (M-SIPS), Electronics Manufacturing Clusters, Electronics Development Fund and National Policy on Electronics 2019 (NPE 2019) have been a huge success.
- The Scheme for Promotion of Manufacturing of Electronic Components and Semiconductors (SPECS) has been notified with an aim to strengthen the value chain for the manufacturing of electronic products in India.
- In the Union Budget 2022-23:
  - Ministry of Defence was allocated Rs. 525,166 crore (US\$ 67.66 billion).
  - The government allocated Rs. 2,403 crore (US\$ 315 million) for Promotion of Electronics and IT Hardware Manufacturing.
- The PLI for semiconductor manufacturing is set at Rs. 760 billion (US\$ 9.71 billion), with the goal of making India one of the world's major producers of this crucial component.
- The government approved a PLI scheme for 16 plants for key starting materials (KSMs)/drug intermediates and active pharmaceutical ingredients (APIs). The establishment of these 16 plants would result in a total investment of Rs. 348.70 crore (US\$ 47.01 million) and generation of ~3,042 jobs. The commercial development of these plants is expected to begin by April 2023.
- In September 2022, the National Logistics Policy was launched by Prime Minister Mr. Narendra Modi which ensures quick last mile delivery, ends transport-related challenges.
- In November 2021, the Experts' Advisory Committee (EAC) of the Department for Promotion of Industry and Internal Trade approved Rs. 3 crore (US\$ 403,293.54) for the Atal Incubation Centre (AIC), Pondicherry Engineering College Foundation (PECF), under the Start-up India Seed Fund scheme.
- In September 2021, Prime Minister Mr. Narendra Modi approved the production-linked incentive (PLI) scheme in the textiles sector—for man-made fibre (MMF) apparel, MMF fabrics and 10 segments/products of technical textiles—at an estimated outlay of Rs. 10,683 crore (US\$ 1.45 billion).
- India outlined a plan in August 2021 to reach its goal of US\$ 1 trillion in manufactured goods exports.
- In July 2021, the government launched six technology innovation platforms to develop technologies and thereby, boost the manufacturing sector in India to compete globally.
- To propagate Make in India, in July 2021, the Defence Ministry issued a tender of Rs. 50,000 crore (US\$ 6.7 billion) for building six conventional submarines under Project-75 India.
- In May 2021, the government approved a PLI scheme worth Rs. 18,000 crore (US\$ 2.47 billion) for production of advanced chemical cell (ACC) batteries; this is expected to attract investments worth Rs. 45,000 crore (US\$ 6.18 billion) in the country, and further boost capacity in core component technology and make India a clean energy global hub.
- In India, the market for grain-oriented electrical steel sheet manufacturing is witnessing high demand from power transformer producers, due to the rising demand for electric power and increasing adoption of renewable energy in the country.
- The Mega Investment Textiles Parks (MITRA) scheme to build world-class infrastructure will enable global industry champions to be created, benefiting from economies of scale and agglomeration. Seven Textile Parks will be established over three years.
- The government proposed to make significant investments in the construction of modern fishing harbours and fish landing centres, covering five major fishing harbours in Kochi, Chennai, Visakhapatnam, Paradip, and Petuaghat, along with a multipurpose Seaweed Park in Tamil Nadu. These initiatives are expected to improve exports from the textiles and marine sectors.

- The 'Operation Green' scheme of the Ministry of the Food Processing Industry, which was limited to onions, potatoes, and tomatoes, has been expanded to 22 perishable products to encourage exports from the agricultural sector. This will facilitate infrastructure projects for horticulture products.

### **Road Ahead**

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

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

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

## **TEXTILE INDUSTRY**

### **Introduction**

According to Crisil Ratings, the organized retail apparel sector is projected to achieve revenue growth of 8-10% in the current financial year, driven by rising demand from a normal monsoon, easing inflation, and the festive and wedding seasons. The increasing preference for affordable, trendy fashion clothing that mimics high-fashion designs is expected to be the primary revenue driver this fiscal year.

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

The decentralised power looms/ hosiery and knitting sector form the largest component of the textiles sector. The close linkage of textiles industry to agriculture (for raw materials such as cotton) and the ancient culture and traditions of the country in terms of textiles makes it unique in comparison to other industries in the country.

India's textiles industry has a capacity to produce a wide variety of products suitable for different market segments, both within India and across the world. In order to attract private equity and employ more people, the government introduced various schemes such as the Scheme for Integrated Textile Parks (SITP), Technology Upgradation Fund Scheme (TUFS) and Mega Integrated Textile Region and Apparel (MITRA) Park scheme.

### **Market Size**

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

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

Textile manufacturing in India has been steadily recovering amid the pandemic. The manufacturing of textiles Index for the month of June 2024 is 106.

Global apparel market is expected to grow at a CAGR of around 8% to reach US\$ 2.37 trillion by 2030 and the Global Textile & Apparel trade is expected to grow at a CAGR of 4% to reach US\$ 1.2 trillion by 2030.

India's home textile industry is expected to expand at a CAGR of 8.9% during 2023-32 and reached US\$ 23.32 billion in 2032 from US\$ 10.78 billion in 2023.

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

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

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

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

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

Textiles exports from India during October were about 11.56% higher on YoY basis at US\$ 1,833.95 million.

Apparel exports from India during October were about 35.06% higher on YoY basis at US\$ 1,277.44 million.

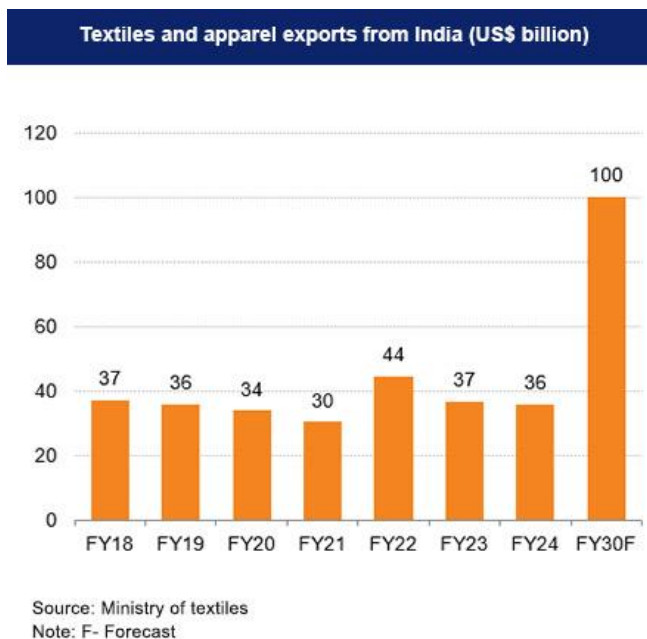
India's textile industry is on the brink of expansion, with total textile export projected to reach US\$ 65 billion by FY26.

India saw a 36.4% increase in industrial design applications, particularly in textiles, accessories, tools, machines, health, and cosmetics.

According to ICRA, Indian apparel exporters are projected to achieve revenue growth of 9-11% in FY25, driven by the gradual reduction of retail inventory in key end markets and a shift in global sourcing towards India.

During FY24, the total exports of textiles (including handicrafts) stood at US\$ 35.9 billion. Exports of textiles (RMG of all textiles, cotton yarns/fabs/made-ups/handloom products, man-made yarns/fabs/made-ups, handicrafts excl. handmade carpets, carpets and jute mfg. including floor coverings) stood at US\$ 35.90 billion in FY24. In FY24, exports of readymade garments including accessories stood at US\$ 14.23 billion. India's textile and apparel exports to the US, its single largest market, stood at 32.7% of the total export value in FY24.

In FY25 (April- June) the total exports of textiles stood at US\$ 9.17 billion





In FY25 (April-June), exports of readymade garments including accessories stood at US\$ 2,244 million.

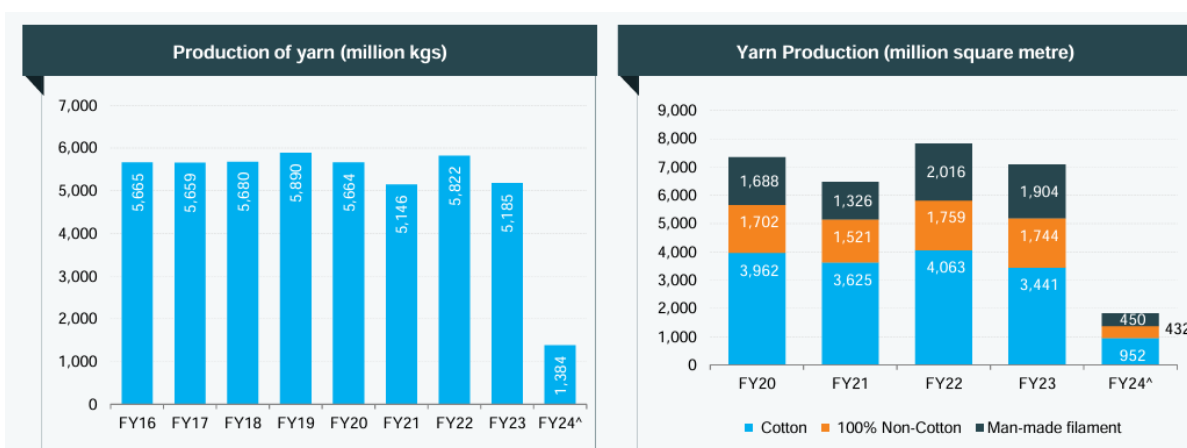
India's textiles industry has around 4.5 crore employed workers including 35.22 lakh handloom workers across the country.

### **Raw cotton and man-made fibre production increasing**



- India is the world's largest producer of cotton. Agriculture ministry projected cotton output for 2023-24 at 32.3 million bales.
- Natural fibres are regarded as the backbone of the Indian textile industry, which is expected to grow from US \$ 138 billion to US \$ 195 billion by 2025.
- The cotton production in 2023-24 is estimated to be 316.57 lakh bales (LB) with 75.76 LB in Maharashtra, 19.29 LB in Karnataka and 15.64 LB in Madhya Pradesh.
- According to the Cotton Association of India (CAI), the total availability of cotton in the 2023-24 season has been pegged at 34.6 million bales, against 31.1 million bales of domestic demand, including 28 million bales for mills, 1.5 million for small-scale industries, and 1.6 million bales for non-mills.
- Cotton and fibres are the two major segments in this category. Production of man-made fibre has also been on an upward trend.
- In 2022-23, the production of fibre in India stood at 2.15 million tonnes.

### **Cotton is the major segment in yarn and fabric**

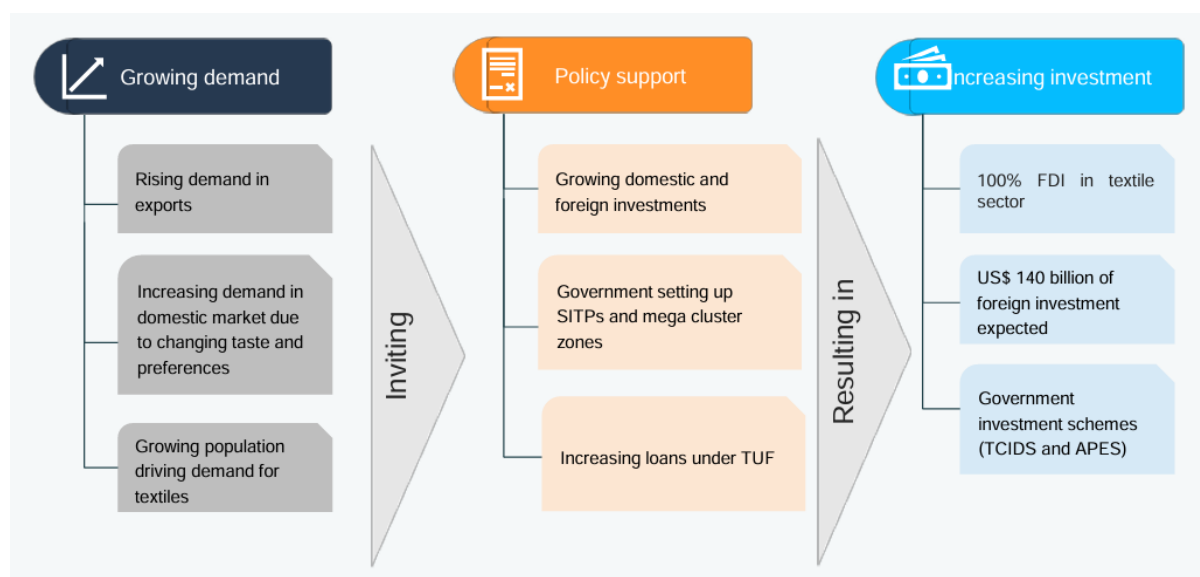


- Production of yarn grew to 5,185 million kgs in FY23.
- In FY24, the Indian jute yarn exports were estimated at US \$ 10 million.
- Expected production of filament yarn climbed by 49 % and that of man-made fibres by 33 % between April – January 2020 compared to the same period in 2019. Production of blended and 100 % non-cotton yarn grew by 2% from April through January 2020 in comparison to the same time frame in 2019.
- In FY 24, cotton yarn worth US \$ 3.7 billion was exported from India.

### **Investment and key Development**

- Total FDI inflows in the textiles sector stood at US\$ 4.47 billion between April 2000 - March 2024.
- The textile sector has witnessed a spurt in investment during the last five years.
- In August 2023, government has sanctioned the establishment of seven PM Mega Integrated Textile Region and Apparel (PM MITRA) Parks on Greenfield and Brownfield sites. These parks will feature world-class infrastructure, including plug-and-play facilities, with a total investment of Rs. 4,445 crore (US\$ 535 million) over a seven-year period, extending to 2027-28.
- Ministry of Textiles has sanctioned 19 research projects totalling approximately Rs. 21 crore (US\$ 2.52 million) across various domains of Technical Textiles under the National Technical Textiles Mission.
- DS Group's luxury menswear division, Brioni inaugurates its first boutique in India in November 2023.
- In November 2023, Reliance Foundation launched the first 'Swadesh' handicrafts store in Hyderabad, aimed at supporting and promoting Indian craftwork.
- Industry bodies to host the largest global mega textiles event, Bharat Tex 2024 from February 26-29, 2024, in New Delhi. According to Union Minister, Mr. Piyush Goyal, Bharat Tex 2024 Expo is a testament to India's commitment to becoming a global textile powerhouse.
- In September 2023, the Khadi and Village Industries Commission signed 3 MoUs to promote Khadi Products.
- In September 2023, Grasim Industries plans to open nearly 120 retail stores over the upcoming 2 years, by expanding its footprint in smaller cities and towns.
- In September 2023, Reliance Retail Ventures Ltd. (RRVL) announced the acquisition of Ed-a-Mamma for a 51% stake.
- In September 2023, Shadowfax inaugurated a 1.5 lakh sq. ft. fulfilment centre in Surat with 10 lakh orders per day processing capacity.
- In August 2023, the Ministry of Textiles approved 26 engineering institutions for the introduction of Technical Textiles under the National Technical Textiles Mission.
- In July 2023, PM MITRA Park, Amravati expected to attract investment of Rs. 10,000 crore (US\$ 1.20 billion) and create employment for 300,000 individuals.
- In May 2023, an investment of around Rs. 6,850 crore (US\$ 824.25 million) is expected in the PM MITRA Park in Madhya Pradesh and Rs. 8,675 crore (US\$1.04 billion) in other parts of the state.
- In May 2023, Aditya Birla Fashion and Retail Ltd. announced the acquisition of TCNS Clothing with a deal size of US\$ 198.54 million.
- India is expected to host the 81<sup>st</sup> Plenary Meeting of the International Cotton Advisory Committee (ICAC) from 2<sup>nd</sup> to 5<sup>th</sup> December 2023 in Mumbai with the theme "Cotton Value Chain- Local Innovations for Global Prosperity".
- Cott-Ally mobile app has been developed for farmers to increase awareness about MSP rates, nearest procurement centers, payment tracking, best farm practices etc.
- In April 2023, Godrej Consumer Products Ltd (GCPL) announced the Rs. 2,825 crore (US\$ 339.93 million) acquisition of Raymond Consumer Care Ltd (RCCL).
- In April 2022, Indo Count Industries bagged the home textile business of GHCL for US\$ 74.14 million.
- In March 2022, Reliance Retail Ventures Limited (RRVL) acquired a controlling share of Purple Panda Fashions for US\$ 115.8 million.
- Sutlej Textiles plans to set up a green field project for 89,184 spindles comprising cotton mélange yarn and PC grey yarn along with a dye house in Jammu & Kashmir with an estimated cost of US\$ 111.41 million (Rs. 914 crore).
- Vardhman has established Vardhman ReNova, a cotton recycling facility with a six TPD production capacity. By establishing two new facilities in Madhya Pradesh, the company has also increased its capacity to produce yarn. With top-notch technology, the expansion includes over 100,000 spindles in total. This will result in a 75 TPD increase in yarn production capacity.
- The textile ministry has selected 61 companies, including Arvind Limited to enjoy benefits under its US\$ 1.3 billion (Rs. 10,683 crore) production-linked incentive (PLI) scheme for the labour-intensive textiles and garment sector. The companies have pledged to invest US\$ 2.32 billion (Rs 19,077) crore over five years under the scheme, which will lead to an incremental turnover of US\$ 22.55 billion (Rs 1.85 trillion) and direct employment generation for 240,000 people.
- Arvind Limited, the largest textile-to-technology conglomerate in India, and PurFi Global LLC, a sustainable technology firm that specializes in rejuvenating textile waste into virgin-grade products, have formed a joint venture to reduce the quantity of textile waste dumped in landfills.
- In November 2022, local weavers in Tuensang in Nagaland were provided 45 days of skill-upgrading training, which would equal 315 hours under the SAMARTH programme.
- In 2022-23, the Sardar Vallabhbhai Patel International School of Textiles and Management (SVPISTM) is planning to offer B.Sc. and MBA courses in technical textiles.

## **Strong fundamentals and policy support aiding growth**



## **Government Initiatives**

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

Other initiatives taken by the Government of India are:

- Secretary of the Ministry of Textiles, Ms. Rachna Shah, announced that India's technical textiles market has great potential, with a notable growth rate of 10% and ranking as the 5th largest in the world.
- A tripartite Memorandum of Understanding (MoU) was signed by the Textiles Committee under the Ministry of Textiles, the Government e Marketplace (GeM) under the Ministry of Commerce and Industry, and the Standing Conference of Public Enterprises (SCOPE) to promote upcycled products made from textile waste and scrap.
- Mr. Piyush Goyal also discussed the roadmap to achieve the target of US\$ 250 billion in textiles production and US\$ 100 billion in exports by 2030.
- In July 2023, 43 new implementing partners were empanelled under the SAMARTH scheme and an additional target of training around 75,000 beneficiaries has been allocated.
- 1,83,844 beneficiaries trained across 1,880 centres under Samarth.
- In June 2023, the Government approved R&D projects worth US\$ 7.4 million (Rs. 61.09 crore) in the textile sector.
- In February 2023, the union government approved 1,000 acres for setting up a textile park in Lucknow.
- In February 2023, according to the Union Budget 2023-24, the total allocation for the textile sector was Rs. 4,389.24 crore (US\$ 536.4 million). Out of this, Rs. 900 crore (US\$ 109.99 million) is for Amended Technology Upgradation Fund Scheme (ATUFS), Rs. 450 crore (US\$ 54.99 million) for National Technical Textiles Mission, and Rs. 60 crore (US\$ 7.33 million) for Integrated Processing Development Scheme.
- In December 2022, a total of 44 R&D projects were started, and 23 of them were successfully completed. 9777 people were trained in a variety of activities relating to the silk industry.
- In December 2022, a total of US\$ 75.74 million (Rs. 621.41 crore) in subsidies was distributed in 3,159 cases under the Amended Technology Upgradation Fund Scheme, with special campaigns held in significant clusters to settle backlog cases.
- In December 2022, a total of 73,919 people (SC: 18,194, ST: 8,877, and Women: 64,352) have received training, out of which 38,823 have received placement under SAMARTH.
- The establishment of 7 (seven) PM Mega Integrated Textile Region and Apparel (PM MITRA) Parks with a total investment of US\$ 541.82 million (Rs. 4,445 crore) for the years up to 2027–28 was approved by the government.

- In the academic year 2022–23, the opening of a new campus of the National Institute of Fashion Technology (NIFT) in Daman. Moreover, new campus buildings are being constructed in Bhopal and Srinagar.
- Under the National Technical Textile Mission (NTTM), 74 research projects for speciality fibre and technical textiles valued at US\$ 28.27 million (Rs. 232 crore) were approved. 31 new HSN codes have been developed in this space.
- In November 2022, Tamil Nadu Chief Minister Mr. M. K. Stalin announced the establishment of a "Textile City" in Chennai as part of Tamil Nadu's strategy to become a major participant in the global textile industry. Additionally, the state will build a 1,500-acre textile park in the Virudhunagar district, for which SIPCOT will buy land.

### **Road Ahead**

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

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

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

The technical textiles market for automotive textiles is projected to increase to US\$ 3.7 billion by 2027, from US\$ 2.4 billion in 2020.

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

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

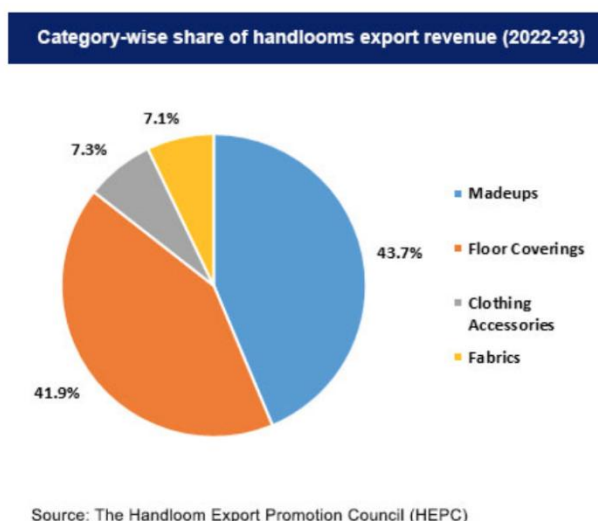
## **HANDLOOM INDUSTRY**

### **Introduction**

The handloom sector of India is one of the biggest unorganized economic activities. The handloom industry in India has a long tradition of outstanding artisanship that represents and preserves vibrant Indian culture. India's handloom artists are globally known for their unique hand-spinning, weaving, and printing style. They are based out of small towns and villages of the country which transfer skills from one generation to the next. The handloom industry is the country's largest cottage industry, with 2.8 million looms. It is also the rural region's second-largest employment provider, employing around 3.52 million people in direct and allied activities.

India produces several traditional products such as sarees, kurtas, shawls, ghagra cholis, lungies, fashion accessories, bedspreads, etc. In the contemporary product category, the country produces fashion fabrics, western dresses, bed linens, drapes, kitchen linen, decorative furnishings, rug durries, etc. The handloom sector of India has the advantage of being less capital intensive, eco-friendly, having less power consumption and having the ability to adapt to market conditions.

According to the Handloom Census 2019-20, about 35.22 lakh handloom workers were employed across the country, out of which 25.46 lakh were women with a share of 72.29%. The sector employs 26.73 lakh weavers directly and indirectly throughout the country with 72% of them being women.



## **Government Initiatives**

### **National Handloom Development Programme (NHDP)**

The NHDP program has several components that focus on various stages of the handloom business. The Cluster Development Programme (CDP) provides financial benefits to clusters and during 2021-22, assisted 66 clusters. In addition to this, the government provides Handloom Marketing Assistance (HMA), the Urban Haats scheme and handloom awards to develop the industry and encourage businesses in India. For the development of mega handloom clusters, the Government of India plans to provide financial assistance of Rs. 30 crore (US\$ 3.9 million) to at least 10,000 handlooms.

### **Market Access Initiative (MAI)**

The MAI launched in 2018, revised in 2021, and will be in effect till March 2026. This scheme will function as a catalyst to promote India's exports on a sustained basis. MAI is based on a product-specific approach with market studies and research on evolving the specific markets. The main activities of this initiative are marketing the products internationally, building capacity, supporting statutory compliances, conducting studies, developing projects, providing portals for foreign trade facilitation, and supporting the smaller and traditional industries. Through the MAI, various components (Trade fairs, exhibitions, market research, buyer-seller meets, etc.) of industry development will have specific ceiling budgets.

### **Raw Material Supply Scheme (RMSS)**

The Raw Material Supply Scheme (RMSS) was approved for implementation from 2021-22 to 2025-26, with objectives of providing quality yarn at subsidized rates to eligible handloom weavers, setting benchmark prices in the market, overcoming poor dyeing facilities, and facilitating weavers' engagement in the sector. Components of the scheme include a freight reimbursement for transportation of yarn and a price subsidy of 15% on certain types of yarn with quantity restrictions, distributed through Direct Benefit Transfer (DBT) to linked bank accounts.

Source: ( <https://www.ibef.org/exports/handloom-industry-india> )

## OUR BUSINESS

To obtain a complete understanding of our Company and its business, prospective investors should read this section in conjunction with “**Risk Factors**”, “**Industry Overview**”, “**Management’s Discussions and Analysis of Financial Condition and Results of Operations**” and “**Restated Financial Information**” on page 29,112,240 and 189 respectively contained in this Prospectus.

Our fiscal year ends on March 31 of each year, so all references to a particular “Fiscal” and “Fiscal Year” are to the 12-months period ended March 31 of that fiscal year. All references to a year are to that Fiscal Year, unless otherwise noted. Unless otherwise indicated, the financial information included herein is based on our Restated Financial Statements included in this Prospectus. For further information, see “Restated Financial Statements” on page 189 of this Prospectus.

We have, in this Prospectus, included various operational performance indicators, some of which may not be derived from our Restated Financial Statements and may not have been subjected to an audit or review by our Statutory Auditor. The manner in which such operational performance indicators are calculated and presented, and the assumptions and estimates used in such calculation, may vary from that used by other companies in same business as of our Company in India and other jurisdictions. Investors are accordingly cautioned against placing undue reliance on such information in making an investment decision and should consult their own advisors and evaluate such information in the context of the Restated Financial Statements and other information relating to our business and operations included in this Prospectus.

### OVERVIEW

We are engaged into designing, manufacturing and wholesale business of cotton textile products including a variety of high-quality cotton sarees, salwar suits and bed sheets. Our products are recognised in textile industry under our own brand name “Vandana” and “Tanaya”. Our Company have been awarded “*Best Debutant – Apparels*” by Ajio Business Partnership Meet – 2022. Our Company operates into B2B business model, focusing on selling our products through a network of 1397 wholesalers as of March 31, 2025 spread across 31 states and union territories in India and through a channel of B2B e-commerce platform.

The table below sets forth our revenue from operations from our distribution channels, for the periods indicated:

Particulars	For the Financial year March 31, 2025		For the Financial year 2024		For the Financial year 2023	
	Revenue (₹ in Lakhs)	% of total revenue from operations	Revenue (₹ in Lakhs)	% of revenue from operations	Revenue (₹ in Lakhs)	% of revenue from operations
Network of Wholesalers	21,438.13	79.17	15511.52	70.47	15619.06	80.00
Online	5642.12	20.83	6499.28	29.53	3905.08	20.00
<b>Total</b>	<b>27,080.25</b>	<b>100.00</b>	<b>22,010.80</b>	<b>100.00</b>	<b>19,524.14</b>	<b>100.00</b>

Our manufacturing process includes cutting, dyeing, embroidery, sewing, embellishments, finishing, inspection and packing. We also outsource certain manufacturing on job work from time to time and provides the technical specifications such as designs, pattern, quality, fabric etc. to them who, based on our specifications begin the manufacturing process. As on March 31, 2025 we had engaged 229 job workers for our manufacturing process. As on March 31, 2025 we have presence in 31 states and union territories and has generated revenue 2.46 % from the south region, 2.10 % from the north region, 88.10 % from the east region and 7.34 % from the west region. Further, we actively engage with potential clients through direct visits and leverages strong local market connections to expand our reach.

### Our Journey

In the pre-independence era, our business was founded by Shri Govind Ram ji Lohia, a first generation entrepreneur with a small saree shop at Kolkata. Later, under the leadership of his successor Shri Narayan Prasad Lohia, Shri Ram Kumar Lohia, and Late Krishan Kumar Lohia the business grew significantly. In the year 1992, with a strategic vision, the second generation of Lohia family transitioned into a corporate structure under “N R

Design Centre Private Limited”. Further in the year 1998, first factory was set up in Hooghly, Kolkata in order to commence the production of Cotton Sarees.

In the year 2004, the third generation of Lohia Family i.e.; Shri Prabhu Lohia and Shri Gyanesh Lohia joined the leadership team and their involvement in the business, ramp up the production of printed sarees per day. In the year 2016 and 2023, we expanded our product range to Salwar Suits and Bedsheets, respectively. Over the years our Company has scaled up its production to more than 3000 printed sarees per day as on March 31, 2025. As on date of this Prospectus, we have an equipped factory located at Kolkata with an aggregate area of approx 39,000 sq ft. We continuously strives to add new product lines and innovate with designs to be able to appeal to the changing consumer demands. We believe that, our key strength lies in the product designing and manufacturing excellence in both cost and quality.

### **Our Products:**

We offer our diverse range of products to various segments of the market that include printed sarees and embroidery sarees, unstitched salwar suits (“salwar suits”) and bedsheets across different price points thereby catering to customers across all market segments. We purchase raw materials like grey fabric, ready-to-use bleached or dyed fabric, and printed fabrics which undergoes bleaching or dyeing before being processed into sarees, salwar suits, and bedsheets at our Manufacturing units or external job units. As on March 31, 2025, we have catered over 1397 network of wholesalers and our product catalogue features a diverse range of more than 1500 distinct SKUs.

The table below sets forth the breakdown of our product wise revenue from operations for the Fiscal 2025, Fiscal 2024 and Fiscal 2023:

Particulars	For the Financial year March 31, 2025		For the Financial year 2024		For the Financial year 2023	
	Revenue (₹ in Lakhs)	%	Revenue (₹ in Lakhs)	%	Revenue (₹ in Lakhs)	%
Cotton Sarees	26625.67	98.32	21854.60	99.29	19482.46	99.79
Salwar suits	109.64	0.40	59.64	0.27	40.68	0.21
Bedsheets	344.94	1.27	96.56	0.44	1.00	0.01
<b>Total</b>	<b>27080.25</b>	<b>100.00</b>	<b>22010.80</b>	<b>100.00</b>	<b>19524.14</b>	<b>100.00</b>

During the festive season, there is a notable increase in sales of sarees, and salwar suits. This rise in demand is attributed to consumer purchases for special occasions and cultural events. The heightened interest in these traditional garments leads to increased sales activity during this period.

### **Our locational presence**

S.no	Location	Purpose
1.	225/J, Ghosal Para, Ghosal Para Lane, Serampore, Hooghly, West Bengal, 712246 (“Unit 1”)	Embroidery, Printing, Stitching, Sewing & Hemming of Sarees, and Bedsheets.
2.	225/O/B, Ghosal Para, Ghosal Para Lane. Serampore, Hooghly, West Bengal, 712246 (“Unit 2”)	Checking of Products & Warehouse
3.	225/M, Ghosal Para, Ghosal Para Lane, Serampore, Hooghly, West Bengal, 712246 (“Unit 3”)	Finishing, Packaging & Warehouse
4.	Premises no. 58/I, V.K Sarani, Serampore, District Hooghly, Ward No. 1, Hooghly – 712201	Warehouse
5.	Godown Shop no: 23, at premises no. 180, M.G ROAD, Kolkata – 700007	Warehouse
6.	Property No. 2278, Ward No. 2, Plot No. 1, Revenue Survey No. 161, Near Uttar Darvaja, Opp. Shankar Mandir, Navagadh, Jetpur, Rajkot, Gujarat-360370	Warehouse

### **Financial Performance of Our Company**

A list of certain financial data, based on our Restated Financial Information is set out below for the indicated Fiscals:

*(₹ in Lakhs, unless otherwise specified)*

KPI	Financial year ended March 31,2025	Financial year ended March 31,2024	Financial year ended March 31,2023
Revenue from operation	27,080.25	22,010.80	19,524.14
Revenue Growth (%)	23.03	12.74	10.20
Revenue CAGR <sup>(1)</sup>	17.77%		
Total Income	27,110.22	22,021.22	19,560.16
Operating EBITDA <sup>(2)</sup>	1,927.97	1,385.50	976.79
Operating EBITDA Margin (%) <sup>(3)</sup>	7.12%	6.29%	5.00%
Restated profit for the period / year after tax ("PAT")	859.21	429.40	179.94
PAT Margin (%) <sup>(4)</sup>	3.17%	1.95%	0.92%
Net Worth <sup>(5)</sup>	3,375.46	2,515.95	1,726.50
Net Debt <sup>(6)</sup>	6,786.15	6,591.76	6,111.19
Net Debt to Operating EBITDA <sup>(7)</sup>	3.52	4.76	6.26
Net Debt to Equity (Gearing Ratio) <sup>(8)</sup>	2.01	2.62	3.54
Return on Equity(RoE)(%) <sup>(9)</sup>	26.26	17.54	9.16
Return on Capital Employed (RoCE)(%) <sup>(10)</sup>	18.08	13.82	11.22
EPS <sup>(11)</sup>	5.03	2.56	1.18
Operating Cash Flow <sup>(12)</sup>	578.53	(50.25)	(1,281.97)

Notes:

- (1) Revenue CAGR is calculated by dividing the Revenue from operation for the FY 20254 by the Revenue from operation for the FY 2023, raising it to the power of one divided by the number of compounding periods i.e., 2 years, and subtracting by one.
- (2) Operating EBITDA is calculated as Profit before tax +Depreciation+ Interest Cost – Other Income.
- (3) Operating EBITDA Margin is calculated as Operating EBITDA divided by Revenue from operation.
- (4) PAT Margin is calculated as PAT for the period/year divided by revenue from operations.
- (5) Net Worth is calculated by subtracting a company's Equity Shareholders fund and free reserves excluding capital reserves.
- (6) Net Debt is calculated as Short-term debt + Long-term debt – Cash and Cash Equivalents.
- (7) Net Debt to Operating EBITDA is calculated as Net Debt divided by Operating EBITDA.
- (8) Net Debt to Equity is calculated as Net Debt divided by Net Worth.
- (9) Return on Equity is ratio of Profit after Tax and Average Shareholder Equity.
- (10) Return on Capital Employed (RoCE) is calculated as EBIT divided by capital employed, which is defined as shareholders' equity plus total borrowings [Current & Non – Current]
- (11) Diluted EPS is calculated as PAT divided by outstanding number of equity shares (Post bonus issue).
- (12) Operating Cash Flow is calculated as PBT +/- Adjustment of non-cash items +/- Adjustment of non-operating Profit and losses +/- Changes in Working Capital – Direct tax Paid.

## Our Strengths

### *Wide Geographic Presence:*

We generally sell our product through a network of wholesalers located at different locations of the country. As on April 30, 2025, our dedicated Sales and Marketing team comprises of 23 members, actively engage with potential clients, building strong relationships through personal interactions and a deep understanding of their needs. By leveraging our local market connections, we tap into a vast network of wholesalers, which helps us expand our market presence. Additionally, we believe that we place great value on word-of-mouth referrals, frequently receiving recommendations from our satisfied customers. We believe that, our sales strategy ensures that we maintain a strong market presence, continuously identifying new opportunities while reinforcing our relationships with existing customers.

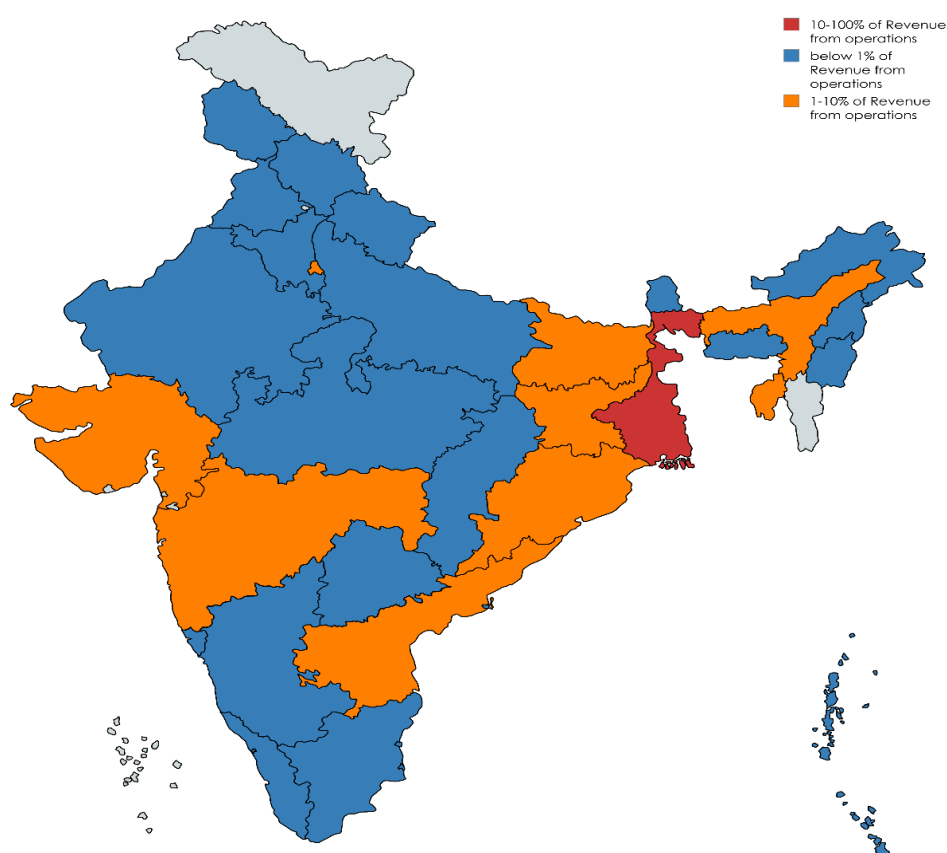


The table below sets forth the breakdown of our top 10 state wise revenue from operations (sales) for the Fiscal 2025, Fiscal 2024 and Fiscal 2023:

States	FY 2024- 25 (₹ In Lakhs)	% to revenue from operations	FY 2023- 24 (₹ In Lakhs)	% to revenue from operations	FY 2022- 2023 (₹ In Lakhs)	% to revenue from operations (₹ In Lakhs)
West Bengal	20900.43	77.18	17,073.49	77.57	14,762.93	75.61
Bihar	933.41	3.45	1,257.76	5.71	1,402.55	7.18
Odisha	742.40	2.74	789.00	3.58	1,131.73	5.80
Assam	341.22	1.26	497.04	2.26	604.03	3.09
Gujarat	1412.47	5.22	446.04	2.03	231.91	1.19
Jharkhand	438.51	1.62	398.45	1.81	528.19	2.71
Andhra Pradesh	427.50	1.58	371.07	1.69	210.08	1.08
Tripura	430.56	1.59	339.99	1.54	46.20	0.24
Maharashtra	574.08	2.12	284.14	1.29	204.46	1.05
Delhi	525.48	1.94	144.85	0.66	140.82	0.72
Others*	354.19	1.31	408.98	1.86	261.29	1.34
<b>Total</b>	<b>27,080.25</b>	<b>100.00</b>	<b>22,010.80</b>	<b>100.00</b>	<b>19,524.14</b>	<b>100.00</b>

\*Other states include- Karnataka, Haryana, Telangana, Punjab, Chattisgarh, Uttar Pradesh, Tamil Nadu, Kerala, Rajasthan Uttarakhand, Andaman and Nicobar Island, Arunachal Pradesh, Madhya Pradesh, Nagaland, Jammu and Kashmir, Manipur, Sikkim, Goa, Pondicherry, Meghalaya, Himachal Pradesh.

The below is geographical representation of region wise data:



**Strong Distribution Network**

As on March 31, 2025, we have established a distribution network that spans pan India. Our supply chain and logistics systems are designed to support efficient and timely distribution, meeting the needs of our customer base. We had a network of 1397, 893 and 886 wholesalers in the Fiscal 2025, Fiscal 2024 and Fiscal 2023. Our widespread distribution network provide us wide geographical presence in terms of coverage of different states of the country. We believe that our distribution network leverages our marketing and reduces our concentration customer wise and state wise.

Our ability to maintain quality standards while consistently expanding our products offerings to meet changing industry requirements has resulted in longstanding relationships with our key customers. 3 of our top 10 customers, based on revenue generated in Fiscal 2025, have been associated with us for longer than 3 years. As on March 31, 2025, these three customers contributed to 4.79% of our revenue from operations.

The table below sets forth the revenue from Top 10 wholesalers for the Fiscal 2025, Fiscal 2024 and Fiscal 2023:

Particulars	For the Financial year March 31, 2025		For the Financial year 2024		For the Financial year 2023	
	Revenue (₹ in Lakhs)	% of revenue from operations	Revenue (₹ in Lakhs)	% of revenue from operations	Revenue (₹ in Lakhs)	% of revenue from operations
Customer 1	565.87	2.09	590.70	2.68	519.99	2.66
Customer 2	523.47	1.93	547.22	2.49	463.03	2.37
Customer 3	482.56	1.78	512.06	2.33	401.48	2.06
Customer 4	408.00	1.51	408.89	1.86	334.65	1.71
Customer 5	365.10	1.35	357.17	1.62	315.10	1.61
Customer 6	360.99	1.33	346.27	1.57	312.77	1.60
Customer 7	331.38	1.22	294.45	1.34	293.53	1.50
Customer 8	328.46	1.21	276.64	1.26	241.66	1.24
Customer 9	296.00	1.09	265.68	1.21	230.79	1.18
Customer 10	268.80	0.99	251.47	1.14	199.00	1.02
<b>Total</b>	<b>3930.63</b>	<b>14.51</b>	<b>3,850.56</b>	<b>17.49</b>	<b>3312.00</b>	<b>16.96</b>

*Note: The name of distributor/Customer is not disclosed due to absence of consent.*

As is evident from the foregoing, we have consistently had low customer concentration. Further, neither we, nor our Promoters, Directors and Promoter Group are directly or indirectly related to our customers, and consequently, we rely on the quality of our products which we believe is reflected in our relationship with our customers.

### **Digital Sales Growth**

We distribute our products through several key digital platforms, including SOLV, Udaan, Bijnis, Jozzby and Ajio. This multi-platform approach ensures online visibility and accessibility, enabling us to reach a diverse customer base and optimize our sales operations.

The table below sets forth the revenue from different digital platform for the Fiscal 2025, Fiscal 2024 and Fiscal 2023:

Particulars	For the Financial year March 31, 2025		For the Financial year 2024		For the Financial year 2023	
	Revenue (₹ in Lakhs)	%	Revenue (₹ in Lakhs)	%	Revenue (₹ in Lakhs)	%
Solv	5198.57	92.14	5599.63	86.16	1846.67	47.29
Udaan	-	-	410.82	6.32	8.97	0.23
Bijnis	440.68	7.81	349.36	5.38	8.32	0.21
Ajio	2.87	0.05	11.95	0.18	2041.11	52.27
Jozzby	-	-	127.52	1.96	-	-
<b>Total</b>	<b>5642.12</b>	<b>100.00</b>	<b>6499.28</b>	<b>100.00</b>	<b>3905.08</b>	<b>100.00</b>

For the Fiscal 2025, Fiscal 2024 and Fiscal 2023 our expense as support sale charges to online channels amounted to ₹ 504.91 Lakhs, ₹ 638.08 Lakhs and ₹ 154.34 Lakhs representing 1.94 %, 2.97 % and 0.80 % of our total expense. The revenue growth is attributed to the platform's commission-based revenue model, where these online platform charges a commission for facilitating transactions. By acting as a sales support service, the platform

offers various services, including payment processing, and customer support, which help businesses enhance their sales and operational efficiency.

### ***Product portfolio***

Our product portfolio is vast and versatile in women's apparel segment includes sarees and salwar suits and in home furnishing product segment includes bed sheets. Currently, our product catalogue lists more than 1500 different SKUs. The sarees products offered at stores of our network of wholesalers are further bifurcated by occasion, fabric, weave, pattern and ornamentations and more than 98.00% percent of business revenue of our Company is generated from sale of sarees. We focus on trending fashion designs with an emphasis on quality to offer new and varied products to our customers throughout the year.

The table below sets forth the breakdown of our product wise revenue from operations for the Fiscal 2025, Fiscal 2024 and Fiscal 2023:

Particulars	For the Financial year 2025		For the Financial year 2024		For the Financial year 2023	
	Revenue (₹ in Lakhs)	%	Revenue (₹ in Lakhs)	%	Revenue (₹ in Lakhs)	%
Cotton Sarees	26625.67	98.32	21854.60	99.29	19482.46	99.79
Salwar suits	109.64	0.40	59.64	0.27	40.68	0.21
Bedsheets	344.94	1.27	96.56	0.44	1.00	0.01
<b>Total</b>	<b>27080.25</b>	<b>100.00</b>	<b>22010.80</b>	<b>100.00</b>	<b>19524.14</b>	<b>100.00</b>

### ***Supplier network enabling procurement at predictable and competitive pricing, leading to an overall efficient cycle***

We have been in the business of women's apparels for over three decades, our relationships with weavers/suppliers have been a core competitive strength for us. We have a diversified product portfolio for which we focus on using our deep knowledge of the clusters and regions in which we operate to customise our product assortment keeping in mind local demands and preferences. We also continuously focus on enhancing the products that we manufacture. Due to the strength of the long-standing relationships with suppliers, our Company enjoys several benefits in terms of pricing, exclusivity in designs, and payment terms, all of which is passed on to its customers by the way of attractive prices, an exclusive product range, and high-quality products. We operate a standardised procurement system and procure most of our products on a purchase-order basis ensuring procurement flexibility at competitive prices. Our procurement team on an ongoing basis conduct research to locate the best product sources, in relation to both quality and price, in order to improve our supplier network and have efficient supply and sale cycle. Further, we endeavour to pay our suppliers on time and are often able to procure discounts for such prompt payment.

The table below sets forth the breakdown of our purchases from top 10 suppliers wise from operations for the Fiscal 2025, Fiscal 2024 and Fiscal 2023:

Particulars	For the Financial year 2025		For the Financial year 2024		For the Financial year 2023	
	₹ in Lakhs	% of total Purchases	₹ in Lakhs	% of total Purchases	₹ in Lakhs	% of total Purchases
Supplier 1	1384.32	9.25	1,092.04	7.41	1387.60	9.45
Supplier 2	1051.94	7.03	1,034.41	7.01	964.47	6.57
Supplier 3	952.59	6.36	995.01	6.75	814.29	5.55
Supplier 4	811.27	5.42	848.89	5.76	724.19	4.93
Supplier 5	761.31	5.09	722.86	4.90	580.83	3.96
Supplier 6	445.91	2.98	662.36	4.49	552.29	3.76
Supplier 7	431.75	2.88	632.55	4.29	535.52	3.65
Supplier 8	403.96	2.70	453.09	3.07	470.75	3.21
Supplier 9	403.45	2.70	447.00	3.03	388.89	2.65
Supplier 10	387.06	2.59	380.51	2.58	378.12	2.58
<b>Total</b>	<b>7033.55</b>	<b>46.98</b>	<b>7,268.71</b>	<b>49.29</b>	<b>6796.96</b>	<b>46.31</b>

*Note: The name of supplier is not disclosed due to absence of consent.*

### ***Long Standing Relationship with job workers***

We manufacture our products with job workers, and a majority of them have been working with us for over 3 years. We also exercise regular supervision over the manufacturing operations at the facilities of our job workers through our personnel who are either stationed at such facilities or periodically visit these facilities for inspections, enabling us to efficiently carry out production changes in designs or quantity of products required. Further, we regularly analyze our existing vendors' capacity and output to ensure we have back-up arrangements in place, pre-book capacity based on projections and work with our vendors to develop infrastructure and increase productivity, in order to ensure adequate production capacity and timely procurement and delivery. For Fiscal ended March 31, 2025, March 31, 2024 and March 31, 2023 we have engaged with 229, 159 and 166 job workers. Expenditure incurred by us during the Fiscal 2025, Fiscal 2024 and Fiscal 2023 in relation to job workers was ₹ 5,074.80 Lakhs, ₹ 4,785.52 Lakhs and ₹ 4,423.69 Lakhs Lakhs and representing 18.74 %, 21.74 % and 22.66% of the revenue from operations, respectively.

### ***Experienced management team with a proven track record***

We attribute our growth to the experience of our Promoters and senior management team. Our Promoters have cumulative experience of approximately 100 years in the apparel industry with more than 30 years in the saree business. They have been responsible in augmenting relationships with various stakeholders which has helped our Company expand by increasing its product portfolio on a continuous basis and which has contributed to the growth trajectory of our Company. Our Board of Directors are ably supported by a qualified and experienced team of Key Managerial Personnel and members of Senior Management. For details, please see 'Our Management' on page 167.

## **STRATEGIES**

### ***Continue to focus on the growth of our existing product portfolio to establish pan-India presence***

The "Vandana" Brand has historically been associated with sarees. We believe that this has led to our strong presence in East of India. While we currently have a pan-India presence, we seek to penetrate further in the south and north regions of India with a comprehensive range of product portfolio.

### ***Expanding our product portfolio***

We will continue to focus on optimal product assortment in each cluster of our operation keeping in mind the local needs and preferences. We will continue to introduce new products depending on customer needs across our diversified product segments and also introduce process improvements as they are critical for expansion of our product portfolio, and which shall also increase our ability to cater to a more diverse consumer base. We believe a continuous review of our products according to our evolving understanding of customer preferences will help us better cater to our customers' needs and maximise our sales.

### ***Continue to enhance our brand in the apparel industry***

We will continue to increase brand awareness and customer loyalty through our marketing efforts and planned retail expansion. We seek to seize market opportunities by continuing to allocate significant resources to enhance our brand 'Vandana'. Our marketing plan includes advertising in print media, electronic advertising, television campaigns, social media, etc. We believe that the scale of our business provides us the ability to increasingly focus on branding and promotion to further increase our visibility and market share across India.

### ***Leverage technology to bring cost efficiency and enhance customer experience***

We aim to improve our operating efficiency and ensure efficient supply chain management by adopting best practices. We also intend to manage our operating costs through leveraging technology as we expect it will not only improve our sales but also ensure customer satisfaction. We also propose to further strengthen our data analytics which will enable a better understanding of the preferences of our customers, improve sales and help in scaling our operations.

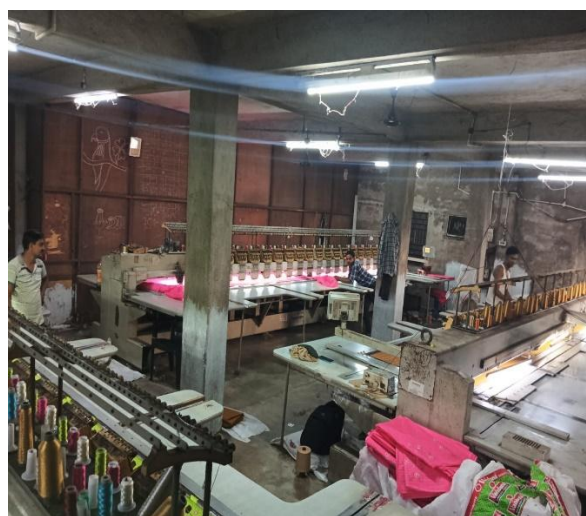
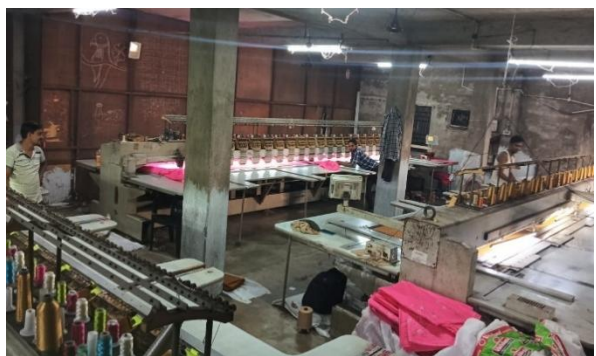
## **BUSINESS PROCESS**

### **Our Manufacturing Capabilities**

Currently, we manufacture our products at our facility at Kolkata. Our Company's facility is divided into 3 units.

S. NO.	Location	Purpose
1	225/J, Ghosal Para, Ghosal Para Lane, Serampore, Hooghly, West Bengal, 712246 (“Unit 1”)	Embroidery, Printing, Stitching, Sewing & Hemming of Sarees, and Bedsheets.
2	225/O/B, GHOSAL PARA, GHOSAL PARA LANE. SERAMPORE, Hooghly, West Bengal, 712246 (“Unit 2”)	Checking of Products & Warehouse
3	225/M, Ghosal Para, Ghosal Para Lane, Serampore, Hooghly, West Bengal, 712246 (“Unit 3”)	Finishing, Packaging & Warehouse

Set out below are the images of our manufacturing unit at Kolkata:



As of March 31, 2025, this manufacturing facility has a production capacity of 3000 Sarees per day and 1000 Bedsheets per day. Set out in the table below are our installed capacity and capacity utilization details of our Company’s facility for the periods indicated below.

## CAPACITY & CAPACITY UTILISATION

The following table set forth the installed capacity of our manufacturing unit located at Kolkata:

Manufacturing facility and location	Leased/ owned	Machine Name	Sl. No. of Machine	Products manufactured	Installed capacity PER DAY (PCS)	Key raw materials used
225/J Ghosalpara, Serampore	OWNED	SUDARSHAN	2	EMBROIDERED SAREES	200	THREAD
225/J Ghosalpara, Serampore	OWNED	SUDARSHAN	3	EMBROIDERED SAREES	200	THREAD
225/J Ghosalpara, Serampore	OWNED	SUDARSHAN	5	EMBROIDERED SAREES	200	THREAD
225/J Ghosalpara, Serampore	OWNED	SUDARSHAN	6	EMBROIDERED SAREES	200	THREAD
225/J Ghosalpara, Serampore	OWNED	SUDARSHAN	7	EMBROIDERED SAREES	200	THREAD
225/J Ghosalpara, Serampore	OWNED	SUDARSHAN	8	EMBROIDERED SAREES	200	THREAD
225/J Ghosalpara, Serampore	OWNED	SUDARSHAN	9	EMBROIDERED SAREES	200	THREAD
225/J Ghosalpara, Serampore	OWNED	SUDARSHAN	10	EMBROIDERED SAREES	200	THREAD
225/J Ghosalpara, Serampore	OWNED	SUDARSHAN	11	EMBROIDERED SAREES	200	THREAD
225/J Ghosalpara, Serampore	OWNED	SUDARSHAN	12	EMBROIDERED SAREES	200	THREAD
225/J Ghosalpara, Serampore	OWNED	BABA	13	EMBROIDERED SAREES	200	THREAD
225/J Ghosalpara, Serampore	OWNED	BABA	14	EMBROIDERED SAREES	200	THREAD
225/J Ghosalpara, Serampore	OWNED	BABA	15	EMBROIDERED SAREES	200	THREAD
225/J Ghosalpara, Serampore	OWNED	SUDARSHAN	16	EMBROIDERED SAREES	200	THREAD
225/J Ghosalpara, Serampore	OWNED	CLASSIC	17	EMBROIDERED SAREES	200	THREAD
225/J Ghosalpara, Serampore	OWNED	CLASSIC	18	EMBROIDERED SAREES	200	THREAD
225/J Ghosalpara, Serampore	OWNED	CLASSIC	19	EMBROIDERED SAREES	200	THREAD
225/J Ghosalpara, Serampore	OWNED	GOLDENTEX	01	BEDSHEET	100	THREAD
225/J Ghosalpara, Serampore	OWNED	JIN	02	BEDSHEET	100	THREAD
225/J Ghosalpara, Serampore	OWNED	JIN	03	BEDSHEET	100	THREAD
225/J Ghosalpara, Serampore	OWNED	SUGONG SG-20U 73	04	BEDSHEET	100	THREAD
225/J Ghosalpara, Serampore	OWNED	JIN	05	BEDSHEET	100	THREAD
225/J Ghosalpara, Serampore	OWNED	JIN	06	BEDSHEET	100	THREAD
225/J Ghosalpara, Serampore	OWNED	SUGONG SG-20U 73	07	BEDSHEET	100	THREAD
225/J Ghosalpara, Serampore	OWNED	GOLDENTEX	08	BEDSHEET	100	THREAD
225/J Ghosalpara, Serampore	OWNED	JIN	09	BEDSHEET	100	THREAD
225/J Ghosalpara, Serampore	OWNED	JUKI DDL-8100 E	10	BEDSHEET	100	THREAD
225/J Ghosalpara, Serampore	OWNED	SUGONG SG-20U 73	11	BEDSHEET	100	THREAD

The following tables set forth the annual installed capacity of the manufacturing facilities for the product in the respective periods mentioned below:

Manufacturing Facilities	FY 2024-25			FY 2023-24			FY-2022-23		
	Average Estimated Annual Available Capacity (PCS)	Actual Production (PCS)	Capacity Utilisation (%)	Average Estimated Annual Available Capacity (PCS)	Actual Production (PCS)	Capacity Utilisation (%)	Average Estimated Annual Available Capacity (PCS)	Actual Production (PCS)	Capacity Utilisation (%)
<b>225/J Ghosalpara, Serampore</b>									
Saree	1060800	901680	85%	1060800	901680	85%	1060800	795600	75%
Bedsheet	343200	291720	85%	343200	291720	85%	-	-	-

\*Capacity calculated based on shift of 12 hours per day. The above information has been certified by Mr. Debabrata Ghosh, Chartered Engineer bearing registration no. M-111432/2 vide his certificate dated May 15, 2025. As per the certificate, the working day for the above calculation is considered as 312 working days of the financial year.

*Note – Our Company initiated the bedsheet business in March 2023 on sampling basis to test the market and establish this product line. Full-scale production and distribution of bedsheets began in FY 2024.*

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## Our products – Sarees



## Bedsheets -







#### Salwar Suits –

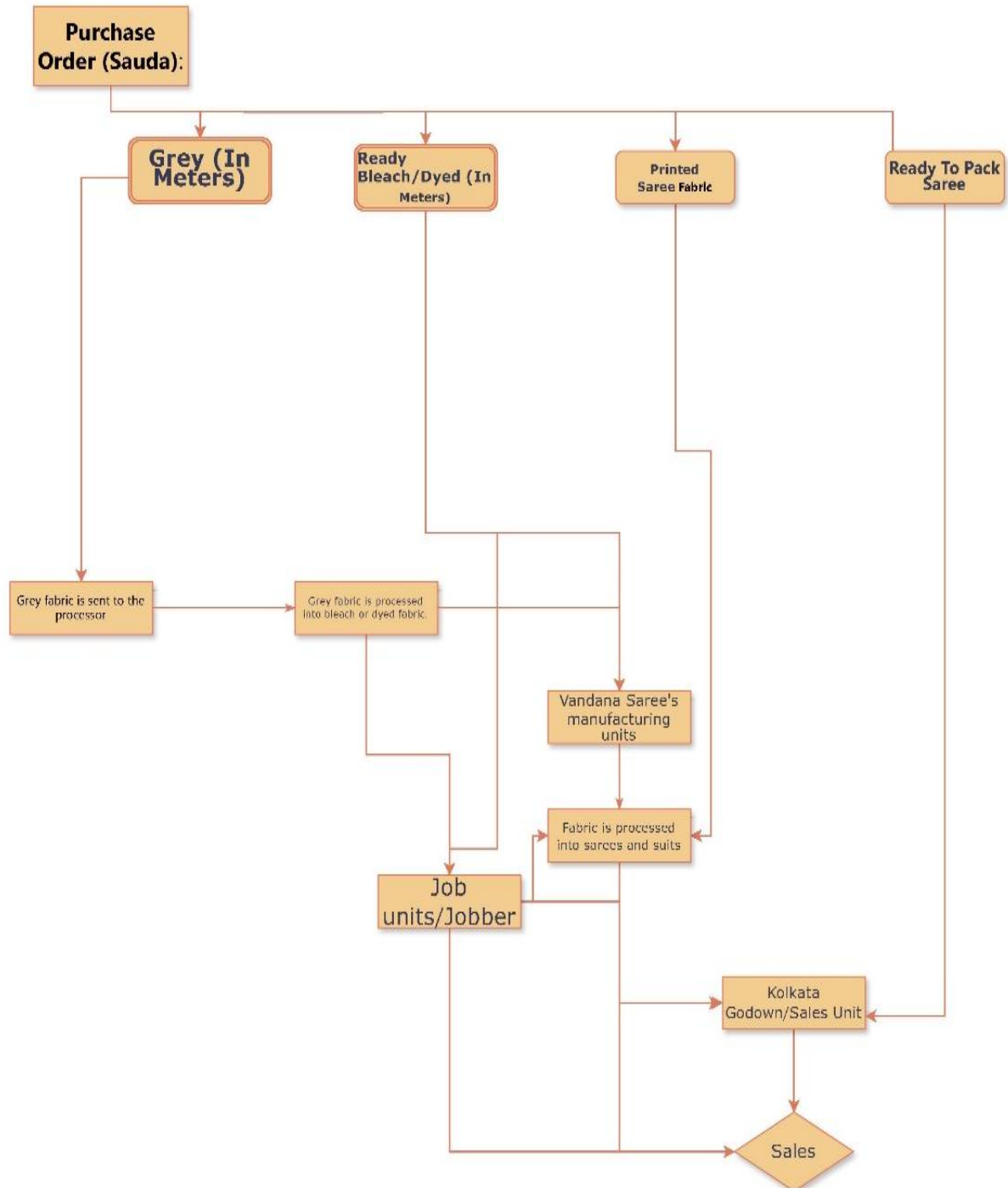


## PRODUCTION & MANUFACTURING PROCESS

*Sarees:*

We follow a meticulous purchase order and production process to ensure top-notch quality and timely delivery of products. Below is a detailed overview of the process:

### Purchase order and production process overview



1. **Purchase Order (Sauda):** Following raw materials are sourced domestically:
  - **Grey Fabric (In Meters):** Raw grey fabric is procured.
  - **Ready Bleach/Dyed Fabric (In Meters):** Ready-to-use bleached or dyed fabric is acquired.

- **Printed Fabric:** Fabric shall be given to jobworkers for printing for sarees, suits, and bedsheets.
- **Ready-to-Pack Fabric:** Fabric that is prepared for immediate packing is sourced for sarees, suits, and bedsheets.

2. **Production Process Overview:**

Bleached or dyed fabric is sent to manufacturing units, where it is converted into sarees. Job units may also handle additional fabric processing tasks. Such plain dyed are further process for printing, embroidery and embellishment on the fabrics. The printed sarees is stretched to set the print. Further as per the requirement of the design the printed fabric procured from job workers or printed sarees designed at our unit are further processed in our facility for embroidery or embellishment.

3. **Finishing and Quality Control:**

The sarees sent to jobworkers for embellishment are checked by quality control team to check defects and other flaws to ensure high quality in the Sarees if any. The processed sarees are then ironed or calendaring (rolling the fabric between heated rollers) to give a finishing.

4. **Dispatch:**

Finished products from in-house units are dispatched to the office/godown for further sales. For products handled by job units, they are either sent to Kolkata for sales or sold directly.

5. **Printed Products/Ready-to-Pack Products Dispatch:**

Printed products or those ready for packing are dispatched from the manufacturing units in Jetpur to the office/godown for sales or directly to the market.

This organized approach maintains control over its production pipeline, ensuring that quality standards are met and that timely deliveries are achieved.

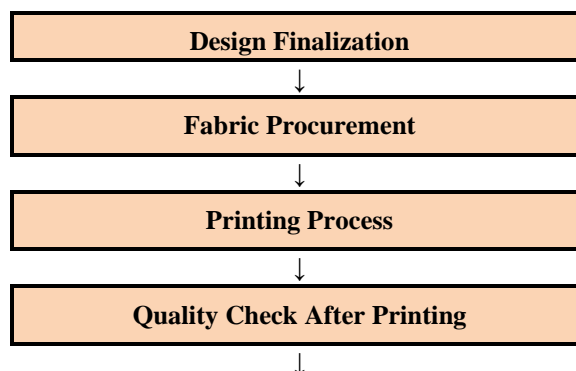
The sarees are primarily manufactured in-house by us at our manufacturing facility. The processed fabrics is checked for various quality before being sent to processing unit which is converted into sarees. We have a dedicated design team which is responsible for the design of our products. As on February 28, 2025 our in-house design team comprises of 2 members. We engage job workers for printing of our designs. After printing, the products are washed to remove any excess dye or chemicals. This is akin to the final touches on a painting, where any smudges or imperfections are carefully cleaned up. The products is then stretched, ironed, and inspected for quality. Any imperfections are corrected, and additional embellishments such as sequins or embroidery may be added to enhance the look by our team / job workers.

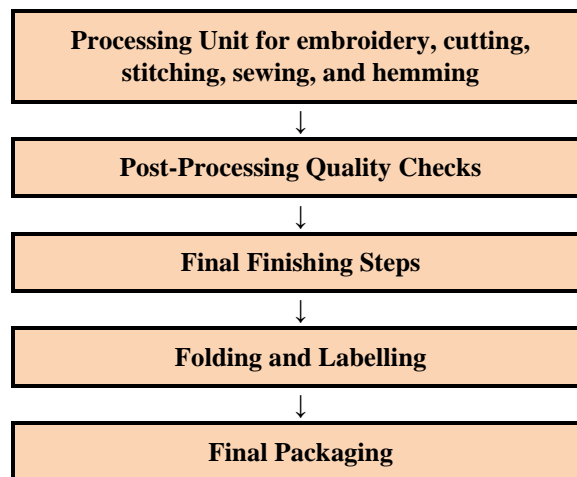
*Salwar Suits:*

Salwar Suits are manufactured by job workers / contract manufacturer and sent to our manufacturing facility. The salwar suits are packed at our facility for dispatch.

*Bedsheets:*

Process flowchart for Bedsheet:





### **Bedsheets Production & Processing Workflow**

1. **Design Finalization**- The design team approves the final design.
2. **Fabric Procurement**- Grey fabric is sourced according to approved designs.
3. **Printing Process**- Fabric is sent to job workers for printing.
4. **Quality Check After Printing**- Printed fabric undergoes thorough inspection for defects and inconsistencies.
5. **Processing Unit**- This process includes embroidery, cutting, stitching & sewing, and hemming;
  - a) Embroidery is applied if required.
  - b) Fabric is cut into required shapes and sizes.
  - c) Fabric panels are stitched and sewn together.
  - d) Hemming is done to finish edges for durability and aesthetics.
6. **Post-Processing Quality Checks**- Finished products are inspected for stitching accuracy, embroidery quality, and overall consistency.
7. **Final Finishing Steps**- This process includes stretching, ironing, and quality inspection;
  - a) Stretching ensures proper shape and size.
  - b) Ironing gives a neat and crisp finish.
  - c) Final quality inspection is conducted.
8. **Folding and Labelling** - Each sheet is systematically folded, followed by the attachment of product details and brand labels.
9. **Final Packaging**- Sheets are packed into final packaging for distribution.

### **DESIGN AND PRODUCT INNOVATION**

We have a dedicated design team which is responsible for the design of our apparel products. Development of innovative designs is one of our core strengths and unique selling proposition of our products. We believe that design is one of the most critical elements in the fashion apparel industry. We have over 2 professionals in our design, development and merchandising department dedicated to developing new products, improving existing ones and forecasting fashion trends. We send out samples / catalogues to the network of our wholesalers for the coming season, who in turn show the designs to the prospective customer, and ascertain the demand for a particular design, colour or texture of fabric. Our designers sometimes create a theme for a new collection, which becomes the basis for the choice of colors, fabrics and other characteristics. Once design finalised, they are used to produce proto samples, rough apparel from sample fabrics used to get a preliminary idea of the apparel. Our design ideas and concepts are based on consumer feedback as well as insights from attending industry fairs. Our design facility and product development center are located at our manufacturing facility in West Bengal.

We have a dedicated design team of 2 personnel who are responsible for the design of our products. The designers do not specifically curate the designs for the Company. However, they provide the design ideas and print concepts

to the job worker based on the ongoing trends and demand in the market. Further, the job workers also provide design ideas and print concepts for the Company which is selected by the design team and management.

#### Design Process for Sarees, Suits and Bedsheets

##### 1. Design Inspiration:

- a) Sarees: Saree collections are often theme-based, inspired by festivals, traditional motifs, or modern trends. Based on the ongoing trends, our design team focus on intricate borders, embroidery, woven patterns, and colour combinations.
- b) Suits: Suit designs vary with seasons, including lightweight fabrics for summer and heavier, more embellished designs for festive or winter collections. Based on the ongoing trends, our design team finalise fabric and design elements such as colour, texture, and appeal.
- c) Bedsheets: Bedsheets design are derived from national home decor trends, including florals, geometrics, and abstract prints. Based on the ongoing trends, our design team focuses on thread count, fabric blend, and durability for comfort and longevity.

##### 2. Prototype samples:

For sarees, suits and bedsheets, samples are created to test the market through wholesalers to understand demand for colours, sizes, patterns, etc; before finalising designs for production.

#### RAW MATERIALS

The primary raw materials used in our manufacturing are printed fabrics or unprocessed fabrics and threads which are sourced domestically. We have not entered into any long term supply contracts for the supply of the fabrics. Our business process flow commences with the conceptualisation of the trends, range, choice of fabric, color, designing, look of the product and other details. We believe that quality of raw material is critical to our business and control this process in-house. For the fiscal ended March 31, 2025, March 31, 2024 and March 31, 2023, we sourced raw materials from approximately 142, 131 and 127 suppliers, located across India and raw material consumed were ₹ 15,499.45 Lakhs, ₹ 13523.01 Lakhs and ₹ 14403.37 Lakhs, respectively. We believe one of our competitive strengths lies in building and managing an extensive sourcing network to support the requirements of our product development teams.

Our sourcing and supply chain process commences with analysis of a supplier's production capacity for each season, based on deliveries and quantity supplied in the previous season. Based on this analysis, we allocate requirements and place orders accordingly. This process includes periodically assisting suppliers to develop infrastructure to increase productivity. Our analysis and planning procedures also include allocating certain surplus capacity to additional suppliers in order to maintain a capacity buffer to manage increased demand or delivery failures.

#### OUR MANUFACTURING ARRANGEMENTS

For the fiscal ended March 31, 2025, March 31, 2024 and March 31, 2023 we have engaged with 229, 159 and 166 job workers, with a significant majority located in Gujarat and Maharashtra. We exercise control and regular supervision over the manufacturing operations at the facilities of our job workers through our personnel who are either stationed at such facilities or periodically visit these facilities for inspections, enabling us to efficiently carry out production changes in designs or quantity of products required. Further, manufacturing our products with job workers allows us to increase production capacity as required and without incurring additional capital expenditure, by utilizing additional capacity with existing job workers or entering into agreements with new job workers. We have entered into an agreement with few of the job workers, on non-exclusive basis to provide us manufacturing services in compliance with the quality standards and other requirements specified by us, such as time and place of delivery, specified by us.

Further, our job workers are majorly concentrated from Gujarat. Following is the detailed breakup of our job workers state wise for the FY 2025, FY 2024 and 2023:

Particulars	For the financial year 2025	For the financial year 2024	For the financial year 2023
Gujarat	144	151	150



Particulars	For the financial year 2025	For the financial year 2024	For the financial year 2023
Maharashtra	07	06	08
West Bengal	78	01	08
Madhya Pradesh	-	01	-
<b>Total</b>	<b>229</b>	<b>159</b>	<b>166</b>

## QUALITY ASSURANCE

We understand that the brand equity that we enjoy from our brand ‘Vandana’ has primarily been earned from the quality, comfort and style of our products over the years and we have also obtained ISO 9000:2018 Quality Management System certificate by SSI Management Pvt Ltd. In order to increase our brand equity and maintain the quality of our products, we follow a stringent quality control mechanism for all our products. At each stage of manufacturing of the products, the products are checked by the operators to ensure there is no defect from the previous stage machine operators. Apart from the checks made at each stage, all the products go through a final review by this quality assurance team before the products are delivered. Only once the final clearance of the products is received, the products are packed and warehoused.

## INVENTORY MANAGEMENT & SUPPLY CHAIN

We believe that maintaining appropriate levels of inventory is critical to our overall profitability. Our products in inventory include raw materials, work in progress, finished products manufactured by us and finished outsourced products. In order to minimize the risk of building up aged inventories, it is our policy to regularly review the obsolescence of inventories based on their age. We monitor and analyse our inventory level at the warehouse on a monthly basis based on monthly sales to identify slow-and fast-moving merchandise.

Our sourcing and supply chain process commences with analysis of a supplier production capacity for each season, based on deliveries and quantity supplied in the previous season. Based on this analysis, we allocate requirements and place orders accordingly. Our analysis and planning procedures also include allocating certain surplus capacity to additional suppliers in order to maintain a capacity buffer to manage increased demand or delivery failures. Our gross margins were ₹ 3591.45 Lakhs, ₹ 2950.96 Lakhs, ₹ 2253.41 Lakhs representing 13.26 %, 13.41 % and 11.54 % of revenue from operations for the Fiscals 2025, 2024 and 2023, respectively. Once we have analysed and allocated our sourcing requirements we emphasize interaction among our production and quality control teams and our supplier on a regular basis, in order to review our suppliers performance and production status.

## OUR DISTRIBUTION AND SALES NETWORK

We sell our products through a network of wholesalers. We appoint marketing representatives to specific regions, allowing us to effectively connect with both our current and potential customers. As on April 30, 2025, we have appointed 23 marketing representatives located 3 personnel in North, 6 personnel in South, 14 personnel in East and Nil in West approximately. However, despite the no dedicated marketing representative in the west, our representatives from the other regions—particularly the North, South, and East—have been actively traveling and working in the West. We also sell our products with some of the leading Indian digital commerce platforms. We had a network of 1397, 893 and 886 wholesalers in the Fiscal 2025, Fiscal 2024 and Fiscal 2023, respectively.

The table below sets forth the revenue from largest wholesalers, Top 5 wholesalers and Top 10 wholesalers for the Fiscal 2025, Fiscal 2024 and Fiscal 2023:

Period	Revenue from Largest Customer (₹ in Lakhs)	% Contribution of largest customer to revenue from operations	Revenue from Top 5 Customers (₹ in Lakhs)	% Contribution of top 5 to revenue from operations	Revenue from Top 10 Customers (₹ in Lakhs)	% Contribution of top 10 to revenue from operations
Fiscal 2025	565.87	2.09%	2345.00	8.66%	3930.63	14.15 %
Fiscal 2024	590.70	2.68%	2416.04	10.98%	3850.56	17.49%

Period	Revenue from Largest Customer (₹ in Lakhs)	% Contribution of largest customer to revenue from operations	Revenue from Top 5 Customers (₹ in Lakhs)	% Contribution of top 5 to revenue from operations	Revenue from Top 10 Customers (₹ in Lakhs)	% Contribution of top 10 to revenue from operations
Fiscal 2023	519.99	2.66%	2034.25	10.41%	3312.00	16.96%

#### Online Channels

We also sell our products through online market places including SOLV, Udaan, Bijnis, and Ajio. This multi-platform approach ensures online visibility and accessibility, enabling us to reach a diverse customer base and optimize our sales operations. We agree to share either a specified percentage of the margin or on the basis of the revenues generated by our product.

The table below sets forth the revenue from different digital platform for the Fiscal 2025, Fiscal 2024 and Fiscal 2023:

Particulars	For the Financial year 2025		For the Financial year 2024		For the Financial year 2023	
	Revenue (₹ in Lakhs)	%	Revenue (₹ in Lakhs)	%	Revenue (₹ in Lakhs)	%
Solv	5198.57	92.14	5599.63	86.16	1846.67	47.29
Udaan	-	-	410.82	6.32	8.97	0.23
Bijnis	440.68	7.81	349.36	5.38	8.32	0.21
Ajio	2.87	0.05	11.95	0.18	2041.11	52.27
Jozzby	-	-	127.52	1.96	-	-
<b>Total</b>	<b>5642.12</b>	<b>100.00</b>	<b>6499.28</b>	<b>100.00</b>	<b>3905.08</b>	<b>100.00</b>

#### PRICING

Our products are offered at various price points. We believe offering a broad range of price points maintains a more accessible, less intimidating atmosphere. Our ability to offer consumers low prices on quality merchandise contributes to and, to a large extent, determines our market position. With respect to our other products, we determine our pricing based on market supply and demand, production cost and the prices of similar products offered by our competitors. We consult our marketing department before pricing of our products and consider their feedback at the time of fixing of the wholesale and the maximum retail price of our products.

#### BRANDING AND MARKETING

Our branding strategy focuses on the modern designs of our products to project Vandana's reputation in fashion trends and quality of apparel. Our marketing plan comprises advertising in print media, social media, participation in expo and exhibition and presence on online market places. For example, we promoted our brand by featuring our logo on water bottles sponsored by us in Kolkata Couture Expo 2024. We believe that the scale of our business provides us the ability to increasingly focus on branding and promotion to further increase our visibility and market share in pan India. Our marketing department comprises a team of 23 sales and marketing professionals operating from different regions. Following are the expenses incurred for marketing expense for the Fiscal 2025, Fiscal 2024 and Fiscal 2023:

(₹ in Lakhs)			
Particulars	Fiscal 2025	Fiscal 2024	Fiscal 2023
Advertisement & Subscription	53.53	39.84	25.19
Business Promotion Expense	5.72	4.15	7.02
Modelling & Poster Expenses	240.10	231.29	248.45
<b>Total</b>	<b>299.35</b>	<b>275.28</b>	<b>280.66</b>

## HEALTH AND SAFETY

In compliance with applicable health and safety regulations, we have adopted an environment, energy, occupational health and safety policy aimed at ensuring the safety and wellbeing of our employees in addition to complying with our legislative requirements. We have implemented several work safety measures to ensure a safe working environment.

## LOGISTICS & WAREHOUSING

We typically engage third party transportation service providers for the transportation of our raw materials and products domestically. We manage our inventory and logistics as well as our entire supply chain for all our channels from our warehouses located in Kolkata and Rajkot with an aggregate area of approximately 20,000 square feet as of March 31, 2025. Our products are primarily transported by road through local transport partners. Our suppliers directly deliver our raw materials to our factory based on order terms. We do not have long term contractual relationships with our local transporters.

## TECHNICAL COLLABORATIONS

Our Company does not have any technical collaborations as on the date of this Prospectus.

## COMPETITION

We operate in a competitive market and face competition from both the organised and unorganised elements of our industry. Our investment towards our brand, advertising and marketing has been among of the key factors which has enabled us to distinguish ourselves from our competitors while resulting in greater awareness.

## HUMAN RESOURCE

Our workforce comprises our employees and contract labour. As at April 30, 2025, we had 86 employees and 34 persons working as contract labour.

Following is the Department wise employees list as on April 30, 2025:

Sr. No	Department	Number of employees
1.	Management	3
2.	Administration & Human Resource	7
3.	Finance & Accounts	11
4.	Sales & Marketing	23
5.	Operations	22
6.	Production	18
7.	Designer	2
8.	Contract Labour	34
	<b>Total</b>	<b>120</b>

Please find below the details of employees registered with Employee Provident Fund and Employee State Insurance as on April 30, 2025:

Sr. No	Department	Number of employees	Amount Paid
1.	Employee Provident Fund	07	1,22,710
2.	Employee State Insurance	11	6,832
3	Tax Deducted at Source for employee	04	1,30,000

*As certified by Statutory Auditor M/s JBS & Company vide their certificate dated May 21, 2025*

## INSURANCE

We have purchased insurance in order to manage the risk of losses from potentially harmful events, including: (i) insurance policy covering fire and stocks (ii) insurance policies covering for transportation. These insurance policies are renewed periodically to ensure that the coverage is adequate.

Details of Insurance are set below:



Sr. No.	Insurer	Description of Insurance	Policy No.	Expiry Date	Insured Amount (Rs.)
1.	The Oriental Insurance Company Limited	Stock insurance	311200/11/2025/259	07.11.2025	20,00,00,000
2.	The Oriental Insurance Company Limited	Stock insurance	311200/11/2025/257	10.11.2025	3,00,00,000
3.	The Oriental Insurance Company Limited	Stock insurance	311200/11/2025/260	10.11.2025	19,00,00,000
4.	The Oriental Insurance Company Limited	Stock insurance	311200/11/2025/256	10.11.2025	9,00,00,000
5.	The Oriental Insurance Company Limited	Stock insurance	311200/11/2025/254	21.11.2025	8,00,00,000
6.	The Oriental Insurance Company Limited	Stock insurance	311200/11/2025/255	10.11.2025	16,00,00,000

## INFRASTRUCTURE & UTILITIES

### Information technology

Our Company has an appropriate information technology infrastructure is important in order to support the growth of our business. Our IT infrastructure enables us to track procurement and sale of our products. We utilize ERP Software for sales, purchase, inventory, and financial reporting, invoicing purposes.

### Power

All our manufacturing units have adequate power supply to carry out manufacturing operations. The units receive power from West Bengal state electricity board.

### Intellectual Property

For details, see “*Government and Other Approvals – Intellectual Property Registrations*” on page 261.

### Property

The details of the Immovable Property owned by our Company is given here below:

Sr. No.	Location of the Property	Area	Usage Purpose
1.	220, Mahatma Gandhi Road, Barabazar, Kolkata, Kolkata, West Bengal – 700007, India	4316 Sq. Ft.	Registered office
2.	225/M, Ghosal Para Lane, Serampore, Hooghly, West Bengal - 712246	4365 Sq. Ft.	Finishing, Packaging & Warehouse
3.	225/0/B, Ghosal Para, Serampore, Hooghly, West Bengal, 712246	10,800 Sq. Ft.	Checking of products & Warehouse
4.	Premises No. 222, Mahatma Gandhi Road, (formally 222, Harrison Road), Kolkata - 700007, Police Station Burrabazar, Ward no. 42	860 Sq. Ft.	Other purpose
5.	Flat 4A of building Shree Radhe Krishna Kunj Apartment Kolkata	1311 Sq. Ft.	Guest House

The details of the Immovable Property taken on lease basis by our Company is given here below:

Sr. No.	Date of License and Lease & Term *	Name of the Lessor	Name of the Lessee	Area	Location of the Property	Lease Fees (Rs.)	Usage Purpose	Whether lessor is a related party
1.	01.02.2025; 11 months w.e.f. 01.02.2025	Prabhu Lohia	N.R. Design Centre Private Limited	6120 Sq. Ft.	Premises no. 58/I, V.K Sarani, Serampore, District Hooghly, Ward No. 1, Hooghly – 712201	50,000/- p.m.	Warehouse	Yes
2.	01.03.2025; 11 months w.e.f. 01.03.2025	Gyanesh Lohia	N.R. Design Centre Private Limited	600 Sq. Ft.	Godown Shop no: 23, at premises no. 180, M.G ROAD, Kolkata – 700007	5,000/- p.m.	Warehouse	Yes
3.	01.03.2025; 11 months w.e.f. 01.03.2025	Gyanesh Lohia	N.R. Design Centre Private Limited	30,000 Sq. Ft.	Premises no. 225/J, Ghosalpara, Nabagram, Serampore, District Hooghly, Ward No.1, Hooghly-712201	1,50,000/- p.m.	Manufacturing Unit	Yes
4.	04.10.2024; 11 months w.e.f. 15.10.2024	Inland Vikash Limited	NR Vandana Tex Industries Private Limited	8024 Sq. Ft	Godown 5, 1 <sup>st</sup> Floor, Jagannath Ghat, Strand Bank Road, KMC Ward No. 22. Kolkata-700007	2,00,600/- pm	Warehouse	No
5.	04.09.2024; 11 months w.e.f. 04.09.2024	Jagatat Print Mayur Dyeing and Printing Works	NR Vandana Tex Industries Private Limited	7066.65 Sq. Ft	Property No. 2278, Ward No. 2, Plot No. 1, Revenue Survey No. 161, Near Uttar Darvaja, Opp. Shankar Mandir,	35,000/- pm	Warehouse	No

Sr. No.	Date of License and Lease & Term *	Name of the Lessor	Name of the Lessee	Area	Location of the Property	Lease Fees (Rs.)	Usage Purpose	Whether lessor is a related party
					Navagadh, Jetpur, Rajkot, Gujarat-360370.			
6.	01-07-2024; 11 months w.e.f. 01-07-2024	K. Dripathi	NR Vandana Tex Industries Private Limited	1200 sq ft	Flat 51/52 Bunder street, 5 <sup>th</sup> floor, room no 3, Chennai – 600001 India	12,000/- p.m.	Residential Purpose	No

*\*Adequately stamped*

## KEY INDUSTRY REGULATIONS AND POLICIES

*The following description is a summary of certain sector-specific laws currently in force in India, which are applicable to our Company. The information detailed in this chapter has been obtained from various legislations including rules and regulations promulgated by regulatory bodies and the bye laws of the respective local authorities and publications available in the public domain. The description below may not be exhaustive and is only intended to provide general information to investors, and is neither designed as, nor intended to substitute, professional legal advice. Judicial and administrative interpretations are subject to modification or clarification by subsequent legislative, judicial or administrative decisions. The information detailed in this chapter has been obtained from various legislations, including rules and regulations promulgated by the regulatory bodies that are available in the public domain. The statements below are obtained from publications available in the public domain based on the current provisions of applicable Indian law, and the judicial, regulatory and administrative interpretations thereof, which are subject to change or modification by legislative, regulatory, administrative, quasi-judicial or judicial decisions/actions and our Company or the Lead Manager are under no obligation to update the same.*

*The Company may be required to obtain licenses and approvals depending upon the prevailing laws and regulations as applicable. For information on regulatory approvals obtained by us, see the chapter titled “Government and Other Approvals” beginning on page 261 of this Prospectus. We are required to obtain and regularly renew certain licenses / registrations / sanctions / permissions required statutorily under the provisions of various Central and State Government regulations, rules, bye laws, acts and policies. Additionally, the projects undertaken by us require, at various stages, the sanction of the concerned authorities under the relevant central and state legislations and local byelaws.*

*Following is an overview of some of the important laws and regulations, which are relevant to our business.*

### **LAWS IN RELATION TO OUR BUSINESS**

#### **West Bengal Shops and Establishment Act, 1963**

The Company has its office in the state of West Bengal. It has been registered under the West Bengal Shops and Establishment Act, 1963 on 23<sup>rd</sup> May, 2000 as Commercial Establishment. The West Bengal Shops and Establishment Act, 1963 regulates the conditions of work and employment in shops and commercial establishments and generally prescribe obligations in respect of registration, opening and closing hours, daily and weekly working hours, holidays, leave, health and safety measures and wages for overtime work.

#### **Gujarat Shops and Establishment (Regulation of Employment and conditions of Service) Act, 2019**

The Company has its office in the state of Gujarat. It has been registered under the Gujarat Shops and Establishment (Regulation of Employment and conditions of service) Act 2019 as Commercial Establishment. The Gujarat and Establishment Act, 2019 regulates the conditions of work and employment in shops and commercial establishments and generally prescribe obligations in respect of registration, opening and closing hours, daily and weekly working hours, holidays, leave, health and safety measures and wages for overtime work.

#### **The Micro, Small and Medium Enterprises Development Act, 2006 (the “MSME Act”)**

The Micro, Small and Medium Enterprises Development Act, 2006 and Industries (Development and Regulation) Act, 1951 The Micro, Small and Medium Enterprises Development Act, 2006 (“MSME Act”) In order to promote and enhance the competitiveness of Micro, Small and Medium Enterprise (MSME) the Micro, Small and Medium Enterprises Development Act, 2006 is enacted. A National Board shall be appointed and established by the Central Government for MSME enterprise with its head office at Delhi in the case of the enterprises engaged in the manufacture or production of goods pertaining to any industry mentioned in first schedule to Industries (Development and Regulation) Act, 1951.

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

The term ‘factory’, as defined under the Factories Act includes any premises which employs or has employed on any day in the previous 12 months, 10 or more workers and in which any manufacturing process is carried on with the aid of power, or any premises wherein 20 or more workers are employed at any day during the preceding 12 months and

in which any manufacturing process is carried on without the aid of power. Each State Government has rules in respect of the prior submission of plans and their approval for the establishment of factories and registration and licensing of factories.

The Factories Act requires the ‘occupier’ of a factory to ensure, so far as reasonably practicable, the health, safety and welfare of all workers in the factory premises. Further, the “occupier” of a factory is also required to ensure (i) the safety and proper maintenance of the factory such that it does not pose health risks to persons in the factory premises; (ii) the safe use, handling, storage and transport of factory articles and substances; (iii) provision of adequate instruction, training and supervision to ensure workers’ health and safety; and (iv) cleanliness and safe working conditions in the factory premises. If there is a contravention of any of the provisions of the Factories Act or the rules framed thereunder, the occupier and manager of the factory may be punished with imprisonment or with a fine or with both.

The following is the rules which are applicable to the Company:

- The West Bengal Factories Rules, 1958

#### **National Textile Policy, 2000 (“NTP 2000”):**

The NTP 2000 aims at facilitating the growth of the textile industry to attain and sustain a pre-eminent global standing in the manufacture and export of clothing and to equip the textile industry to withstand pressure of import penetration and maintain dominant presence in the domestic market. The industry aims at developing a strong and vibrant textile industry that can produce quality products at acceptable process. This objective is sought to be achieved by liberalizing controls and regulations so that the different segments of the textile industry are enabled to perform in a greater competitive environment. Major thrust areas of NTP 2000 includes increase in exports and innovating marketing strategies, product diversification along with quality consciousness, among others. Additionally, certain sector specific initiatives envisaged under the NTP 2000 include raw materials, clothing, export and knitting.

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

The Consumer Protection Act, 2019, along with the Consumer Protection (E-Commerce) Rules, 2020 (“COPRA”) has superseded Consumer Protection Act, 1986 and came into force on July 20, 2020 and July 23, 2020, respectively. The COPRA has been promulgated to provide for the protection of consumers’ interests, to establish authorities for timely and effective administration, to settle consumers’ disputes and other connected matters. It provides for establishment of the Central Consumer Protection Council to render advice on the promotion and protection of consumers’ rights and the Central Consumer Protection Authority to regulate matters relating to violation of rights of consumers, unfair trade practices, and false or misleading advertisements which are prejudicial to the interests of public and consumers. The Consumer Disputes Redressal Commissions at the district, state, and national levels are also established under the COPRA. The COPRA also governs the online sale of goods, services, digital products by entities which own, operate, or manage digital or electronic facility or platform for electronic commerce, all models of e-commerce (including marketplace or inventory based), and all e-commerce sellers. It lays down the duties and liabilities of E-Commerce entities and e-commerce sellers.

#### **Scheme for Integrated Textile Parks (SITP)**

Government of India has launched “Integrated Textile Parks” scheme. SITP would create new textile parks of international standards at potential growth centers by 2007-08. The SITP is launched by merging the existing two schemes namely, the Scheme for Apparel Parks for Exports (APE) and the Textile Center Infrastructure Development Scheme (TCIDS). One of the main purposes of introducing the SITP is to provide the industry with world-class infrastructure facilities for setting up their textile units. Industry Associations / Group of Entrepreneurs are the main promoters of the Integrated Textiles Park (ITP).

#### **Textile Committee Act 1963**

The functions of the Committee shall generally be to ensure by such measures, as it thinks fit, standard qualities of textiles both for internal marketing and export purposes and the manufacture and use of standard type of textile machinery. The Committee may undertake, assist and encourage, scientific, technological and economic research in textile industry and textile machinery; promote export of textiles and textile machinery; establish or adopt or recognize standard specifications for textiles and packing materials used in the packing of textiles or textile machinery, export and for internal consumption and affix suitable marks on such standardized varieties of textiles and packing materials.

#### **Textiles Committee (Cess) Rules, 1975**

As per Section 5A (1) of the Textiles Committee Act, a Cess in the nature of excise duty has been imposed on all

textiles and textile machinery manufactured in India. As per Section 5E of the Act, by notification, the following categories of textile items have been exempted from payment of Cess leviable under Section 5 of the Act. a) Rags and Chindis. b) All types of waste whatever description i.e. Yarn Waste, Hard Waste, Cotton Waste, Woolen Waste, Art-Silk Waste etc. c) Samples of textiles.

### **The Additional Duties of Excise (Textiles and Textile Articles) Act, 1978**

The Additional Duties of Excise (Textiles and Textile Articles) Act, 1978 prescribes and provides for the levy and collection of an additional excise duty on certain textiles and textile articles.

### **Textile (Development and Regulation) Order, 2001("Textile Order")**

The Textile Order was brought into force by the Central Government under section 3 of the Essential Commodities Act, 1995 and repealed the Textile (Development and Regulation) Order, 1993. Under the Textile Order every manufacturer of Textiles, Textile machinery and every person dealing with textiles shall keep books of accounts, data and other records relating to his business in the matter of production, processing, import, export, supply, distribution, sale, consumption, etc. and shall furnish such returns or information in respect of their business as and when directed by the Textile Commissioner.

The Textile Order further provides that no person shall make any markings on any textiles resembling the brand name or trade name of any other person who has applied for or obtained a registration to that effect under the Trade and Merchandise Marks Act, 1958, except under and limited to the extent of specific authorization by the holder of or application for such brand or trade name.

### **The Sale of Goods Act, 1930**

The Sale of Goods Act, 1930 ("Sale of Goods Act") governs the contracts relating to sale of goods. The contracts for sale of goods are subject to the general principles of the law relating to contracts. The Sale of Goods Act is complimentary to the Indian Contract Act, 1872, and the unrepealed provisions of the Indian Contract Act, 1872, save in so far as they are inconsistent with the express provisions of the Sale of Goods Act, continue to apply to contracts for the sale of goods. A contract of sale may be an absolute one or based on certain conditions. The Sale of Goods Act contains provisions in relation to the essential aspects of such contracts, including the transfer of ownership of the goods, delivery of goods, rights and duties of the buyer and seller, remedies for breach of contract and the conditions and warranties implied under a contract for sale of goods.

## **TAXATION LAWS**

### **Income Tax Act, 1961**

The Income-tax Act, 1961 ("IT Act") is applicable to every Company, whether domestic or foreign whose income is taxable under the provisions of this Act or Rules made there under depending upon its "Residential Status" and "Type of Income" involved. Every Company assessable to income tax under the IT Act is required to comply with the provisions thereof, including those relating to Tax Deduction at Source, Advance Tax, Minimum Alternative Tax and like. Every such Company is also required to file its returns by 30th September of each assessment year.

### **The Central Goods and Services Tax Act, 2017 (the "GST Act")**

Goods and Services Tax (GST) is levied on supply of goods or services or both jointly by the Central and State Governments. It was introduced as The Constitution (One Hundred and First Amendment) Act 2017 and is governed by the GST Council. GST provides for imposition of tax on the supply of goods or services and will be levied by center on intra-state supply of goods or services and by the States including Union territories with legislature/ Union Territories without legislature respectively. A destination-based consumption tax GST would be a dual GST with the center and states simultaneously levying tax with a common base. The GST law is enforced by various acts viz. Central Goods and Services Act, 2017 (CGST), State Goods and Services Tax Act, 2017 (SGST), Union Territory Goods and Services Tax Act, 2017(UTGST), Integrated Goods and Services Tax Act, 2017 (IGST) and Goods and Services Tax (Compensation to States) Act, 2017 and various rules made there under.

### **Importer exporter code**

In India, exports and imports are regulated by the Foreign Trade (Development and Regulation) Act, 1992 ("FTDRA"), which seeks to develop and regulate foreign trade by facilitating imports into India and augmenting exports from India.

Pursuant to the provisions of the FTDRA, every importer and exporter in India must obtain an IEC from the Director General of Foreign Trade ("DGFT") or from any other officer duly authorized under the FTDRA. Failure to obtain the IEC number may lead to penal action under the FTDRA. Further, the DGFT is authorized to suspend or cancel IEC in case of (i) contravention by any person of the provisions of FTDRA or the foreign trade policy or any law relating to central excise or customs or foreign exchange or commission of any other economic offence under any other law specified by the Central Government or (ii) making an export or import in a manner prejudicial to the trade relations of India with any foreign country or to the interests of other persons engaged in imports or exports or bringing disrepute to the credit or the goods of, or services or technology, provided from the country or (iii) importing or exporting specified goods or services or technology, in contravention of any provision of FTDRA or any rules or orders made thereunder or the foreign trade policy. Where any IEC number granted to a person has been suspended or cancelled, the person shall not be entitled to import or export any goods or services or technology except under a special license, granted by the DGFT to that person in a manner and subject to conditions as may be prescribed.

#### **The West Bengal State Tax on Professions, Trade, Callings and Employments Act, 1979**

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 taxes are 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. Every person liable to pay tax under these Acts (other than a person earning salary or wages, in respect of whom the tax is payable by the employer), shall obtain a certificate of enrolment from the assessing authority.

#### **The Gujarat State Tax on Professions Traders, Callings and Employments Rules, 1976**

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 taxes are 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. Every person liable to pay tax under these Acts (other than a person earning salary or wages, in respect of whom the tax is payable by the employer), shall obtain a certificate of enrolment from the assessing authority.

**The Customs Act, 1962** The provisions of the Customs Act, 1962 and rules made thereunder 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 itself registered and obtain an Importer Exporter Code.

### **LABOUR RELATED LAWS**

#### **Employees Provident Fund and Miscellaneous Provisions Act, 1952**

Employees Provident Funds and Miscellaneous Provisions Act, 1952 ("EPFA") was introduced with the object to institute compulsory provident fund for the benefit of employees in factories and other establishments. The EPFA provides for the institution of provident funds and pension funds for employees in establishments where more than 20 persons are employed, and factories specified in Schedule I of the EPFA. Under the EPFA, the Central Government has framed the "Employees Provident Fund Scheme", "Employees Deposit-linked Insurance Scheme" and the "Employees Family Pension Scheme". Liability is imposed on the employer and the employee to contribute to the funds mentioned above, in the manner specified in the statute. There is also a requirement to maintain prescribed records and registers and filing of forms with the concerned authorities. The EPFA also prescribes penalties for avoiding payments required to be made under the abovementioned schemes. The Act is administered by the Government of India through the Employees' Provident Fund Organization (EPFO). The following three schemes have been framed under the Act

by the Central Government:

- a. Employees' Provident Fund Schemes, 1952;
- b. Employees' Pension Scheme, 1995; and
- c. Employees' Deposit-Linked Insurance Scheme, 1976

### **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.

### **The Employees' Compensation Act, 1923**

The Employees' Compensation Act, 1923 ("EC Act") has been enacted with the objective to provide for the payment of compensation to workmen by employers for injuries caused by accident(s) arising out of and in the course of employment, and for occupational diseases resulting in death or disablement. The EC Act makes every employer liable to pay compensation in accordance with the EC Act if a personal injury/disablement/ loss of life is caused to a workman by accident arising out of and in the course of his employment. In case the employer fails to pay compensation due under the EC Act within 1 (one) month from the date it falls due, the commissioner appointed under the EC Act may direct the employer to pay the compensation amount along with interest and may also impose a penalty.

### **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.

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

The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("SHWW Act") provides for the protection of women at work place and prevention of sexual harassment at work place. The SHWW Act also provides for a redressal mechanism to manage complaints in this regard. Sexual harassment includes one or more of the following acts or behavior namely, physical contact and advances or a demand or request for sexual favors or making sexually colored remarks, showing pornography or any other unwelcome physical, verbal or non-verbal conduct of sexual nature. The SHWW Act makes it mandatory for every employer of a workplace to constitute an Internal Complaints Committee which shall always be presided upon by a woman. It also provides for the manner and time period within which a complaint shall be made to the Internal Complaints Committee i.e. a written complaint is to be made within a period of 3 (three) months from the date of the last incident. If the establishment has less than 10 (ten) employees, then the complaints from employees of such establishments as also complaints made against the employer himself shall be received by the Local Complaints Committee. The penalty for non-compliance with any provision of the SHWW Act shall be punishable with a fine extending to ₹ 50,000/ -.

### **Maternity Benefit Act, 1961**

The purpose of Maternity Benefit Act, 1961 is to regulate the employment of pregnant women and to ensure that the get paid leave for a specified period before and after child birth. It provides, inter-alia, for payment of maternity benefits, medical bonus and enacts prohibitions on dismissal, reduction of wages paid to pregnant women, etc.

### **Equal Remuneration Act, 1976**

Equal Remuneration Act, 1976 provides for payment of equal remuneration to men and women workers and for prevention discrimination, on the ground of sex, against female employees in the matters of employment and for matters



connected therewith.

### **The Payment of Bonus Act, 1965**

The Payment of Bonus Act, 1965 ("PB Act") is applicable to every factory and every other establishment employing 20 (twenty) or more persons. According to the provisions of the PB Act, every employer shall be bound to pay to every employee in respect of the accounting year minimum and maximum bonus and linking the payment of bonus with the production and productivity.

### **The Payment of Gratuity Act, 1972**

The Payment of Gratuity Act, 1972 ("PG Act") applies to every factory and shop or establishment in which 10 (ten) or more employees are employed. Gratuity is payable to an employee on the termination of his employment after he has rendered continuous service for not less than 5 (five) years:

- a. On his/her superannuation;
- b. On his/her retirement or resignation;
- c. On his/her death or disablement due to accident or disease (in this case the minimum requirement of 5 (five) years does not apply).

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

The Payment of Wages Act, 1936 ("PW Act") is applicable to the payment of wages to persons in factories and other establishments. PW Act ensures that wages that are payable to the employee are disbursed by the employer within the prescribed time limit and no deductions other than those prescribed by the law are made by the employer.

The following is the rules which are applicable to the Company:

- The West Bengal Payment of Wages Rules, 1958

### **The Minimum Wages Act, 1948**

The Minimum Wages Act, 1948 ("MW Act") came in to force with the objective to provide for the fixation of a minimum wage payable by the employer to the employee. Under the MW Act, the appropriate government is authorized to fix the minimum wages to be paid to the persons employed in scheduled or non-scheduled employment. Every employer is required to pay not less than the minimum wages to all employees engaged to do any work whether skilled, unskilled, and manual or clerical (including out-workers) in any employment listed in the schedule to the MW Act, in respect of which minimum rates of wages have been fixed or revised under the MW Act.

### **The West Bengal Labour Welfare Fund Act, 1974**

The West Bengal Labour Welfare Fund Act, 1974 came into effect on 30<sup>th</sup> August, 1974. This is an Act to provide for the constitution of a fund for the financing of activities to promote welfare of labour in the State of West Bengal. The West Bengal Labour Welfare Fund is constituted for the purpose of providing financial and social security to the laborers working in the establishments. The fund is utilized absolutely for the welfare purposes of the laborers such as uplifting their standards of living to meet the basic standards, improving their working conditions etc. In the case of failure the notice will be issued to employer to pay amount on time by welfare Commissioner. If the employer subsequently fails to make the required amount, then he shall, in addition to the amount mentioned in the notice pay interest for the first three months at 1% of the said amount for each complete month after the last date by which he should pay it according to the notice and at 1.5% of the amount for each one complete month, provided that the Welfare Commissioner may, subject to such conditions as maybe prescribed, remit the whole or any part of penalty in respect of any period.

### **The Gujarat Labour Welfare Fund Act, 1953**

The Gujarat Labour Welfare Fund Act, 1953 came into effect on 17<sup>th</sup> June, 1953. This is an Act to provide for the constitution of a fund for the financing of activities to promote welfare of labour in the State of Gujarat. The Gujarat Labour Welfare Fund is constituted for the purpose of providing financial and social security to the laborers working in the establishments. The fund is utilized absolutely for the welfare purposes of the laborers such as uplifting their standards of living to meet the basic standards, improving their working conditions etc. In the case of failure, the notice will be issued to employer to pay amount on time by welfare Commissioner. If the employer subsequently fails to make the required amount within the period specified in the notice, he shall without prejudice to any penalty which may be

imposed on him under this Act be liable to pay to the Board simple interest on that amount for the period commencing on the date of expiry of the period specified in the notice and ending on date of the payment of that amount - (a) in respect of the period falling within the first three months after such expiry, at the rate of twelve percent per annum, and (b) in respect of the other period, at the rate of eighteen percent per annum. The amount of interest payable to the Board under sub-section (2) shall be collected by the Welfare Commissioner in such manner as may be prescribed. Provided that the Welfare Commissioner may, subject to such conditions as may be prescribed, remit the whole or any part of the amount of interest in respect of any period

## **INTELLECTUAL PROPERTY LAWS**

### **The Trade Marks Act, 1999**

The Trademarks Act, 1999 (the “Trademarks Act”) provides for the process for making an application and obtaining registration of trademarks in India. The purpose of the Trademarks Act is to grant exclusive rights to marks such as a brand, label, heading and to obtain relief in case of infringement for commercial purposes as a trade description. The Trademarks Act prohibits registration of deceptively similar trademarks and provides for penalties for infringement, falsifying and falsely applying trademarks.

## **GENERAL LAWS**

### **Companies Act, 2013**

The Companies Act, 2013 (“Companies Act”) deals with laws relating to companies and certain other associations. The Companies Act primarily regulates the formation, financing, functioning, and winding up of companies. The Companies Act prescribes regulatory mechanism regarding all relevant aspects, including organizational, financial, and managerial aspects of companies. It deals with issue, allotment and transfer of securities and various aspects relating to company management. It provides for standard of disclosure in public issues of capital, particularly in the fields of company management and projects, information about other listed companies under the same management, and management perception of risk factors.

### **Competition Act, 2002**

The Competition Act, 2002 (“Competition Act”) aims to prevent anti-competitive practices that cause or are likely to cause an appreciable adverse effect on competition in the relevant market in India. The Competition Act regulates anticompetitive agreements, abuse of dominant position and combinations. The Competition Commission of India (“Competition Commission”) which became operational from May 20, 2009, has been established under the Competition Act to deal with inquiries relating to anti-competitive agreements and abuse of dominant position and regulate combinations. The Competition Act also provides that the Competition Commission has the jurisdiction to inquire into and pass orders in relation to an anti-competitive agreement, abuse of dominant position or a combination, which even though entered into, arising, or taking place outside India or signed between one or more non-Indian parties, but causes an appreciable adverse effect in the relevant market in India.

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

Indian Contract Act codifies the way we enter into a contract, execute a contract, implementation of provisions of a contract and effects of breach of a contract. The Act consists of limiting factors subject to which contract may be entered into, executed and breach enforced as amended from time to time. It determines the circumstances in which promise made by the parties to a contract shall be legally binding on them.

### **Transfer of Property Act, 1882**

The transfer of property, including immovable property, between living persons, as opposed to the transfer property by operation of law, is governed by the Transfer of Property Act, 1882 (“T.P. Act.”). The T.P. Act establishes the general principles relating to the transfer of property, including among other things, identifying the categories of property that are capable of being transferred, the persons competent to transfer property, the validity of restrictions and conditions imposed on the transfer and the creation of contingent and vested interest in the property. Transfer of property is subject to stamping and registration under the specific statutes enacted for the purposes which have been dealt with hereinafter. The T.P. Act recognizes, among others, the following forms in which an interest in an immovable property may be transferred:

- Sale: The transfer of ownership in property for a price paid or promised to be paid.

- **Mortgage:** The transfer of an interest in property for the purpose of securing the payment of a loan, existing or future debt, or performance of an engagement which gives rise to a pecuniary liability. The T.P. Act recognizes several forms of mortgages over a property.
- **Charges:** Transactions including the creation of security over property for payment of money to another which are not classifiable as a mortgage. Charges can be created either by operation of law, e.g. decree of the court attaching to specified immovable property, or by an act of the parties.
- **Leases:** The transfer of a right to enjoy property for consideration paid or rendered periodically or on specified occasions.
- **Leave and License:** The transfer of a right to do something upon immovable property without creating interest in the property.

Further, it may be noted that with regards to the transfer of any interest in a property, the transferor transfers such interest, including any incidents, in the property which he is capable of passing and under the law, he cannot transfer a better title than he himself possesses. herein above, file a memorandum of micro, small or medium enterprise, as the case may be, with the prescribed authority.

### **The Specific Relief Act, 1963**

The Specific Relief Act is complimentary to the provisions of the Contract Act and the T.P. Act, as the Act applies both to movable property and immovable property. The Act applies in cases where the Court can order specific performance of a contract. Specific relief can be granted only for purpose of enforcing individual civil rights and not for the mere purpose of enforcing a civil law. 'Specific performance' means Court will order the party to perform his part of agreement, instead of imposing on him any monetary liability to pay damages to other party.

### **Negotiable Instruments Act, 1881**

In India, any negotiable instruments such as cheques are governed by this Act, Section 138 of the Act, makes dishonor of cheques a criminal offence if the cheque is dishonored on the ground of insufficiency of funds in the account maintained by a person who draws the cheque which is punishable with imprisonment as well as fine.

### **Information Technology Act, 2000**

The Information Technology Act, 2000 (also known as ITA-2000, or the IT Act) is an Act of the Indian Parliament (No 21 of 2000) notified on 17 October 2000. It is the primary law in India dealing with cybercrime and electronic commerce. Secondary or subordinate legislation to the IT Act includes the Intermediary Guidelines Rules 2011 and the Information Technology (Intermediary Guidelines and Digital Media Ethics Code) Rule, 2021. The laws apply to the whole of India.

The Act provides a legal framework for electronic governance by giving recognition to electronic records and digital signatures. It also defines cyber-crimes and prescribes penalties for them. If a crime involves a computer or network located in India, persons of other nationalities can also be indicted under the law. The Act directed the formation of a Controller of Certifying Authorities to regulate the issuance of digital signatures. It also established a Cyber Appellate Tribunal to resolve disputes arising from this new law.

### **The Registration Act, 1908 ("Registration Act")**

The Registration Act, 1908 ("Registration Act") was passed to consolidate the enactments relating to the registration of documents. The main purpose for which the Registration Act was designed was to ensure information about all deals concerning land so that correct land records could be maintained. The Registration Act is used for proper recording of transactions relating to other immovable property also. The Registration Act provides for registration of other documents also, which can give these documents more authenticity. Registering authorities have been provided in all the districts for this purpose.

### **The Indian Stamp Act, 1899 ("Stamp Act")**

Stamp duty in relation to certain specified categories of instruments as specified under Entry 91 of the list, is governed by the provisions of the Indian Stamp Act, 1899 which is enacted by the Central Government. All other instruments are required to be stamped, as per the rates prescribed by the respective State Governments. Stamp duty is required to be paid on all the documents that are registered and as stated above the percentage of stamp duty payable varies from one State to another. Certain State in India have enacted their own legislation in relation to stamp duty while the other State have adopted and amended the Stamp Act, as per the rates applicable in the State. On such instruments stamp

duty is payable at the rates specified in Schedule I of the Stamp Act. 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. The Stamp Act also provides for impounding of instruments which are not sufficiently stamped or not stamped at all. Unstamped and deficiently stamped instruments can be impounded by the authority and validated by payment of penalty. The amount of penalty payable on such instruments may vary from State to State.

#### **West Bengal Fire Service Act, 1950.**

The state legislatures in India have enacted laws regulating public order and police, which provide, inter alia, for the registration of chemical manufacturing facilities and obtaining a 'no objection certificate' for operating such manufacturing facilities, from the licensing authority, along with prescribing penalties for non-compliance. The state legislatures have also enacted legislations for fire control and safety including the West Bengal Fire Service Act, 1950, the Andhra Pradesh Fire Service Act, 1999 and the Andhra Pradesh Fire and Emergency Operations and Levy of Fee Rules, 2006 which are applicable to our manufacturing facilities established in the states of West Bengal and Andhra Pradesh. The legislations include provisions in relation to provision of fire safety and life saving measures including maintenance of a fire brigade, by occupiers of buildings, licensing provisions and penalties and/or suspension or cancellation of license for non-compliance.

#### **Gujarat Fire Prevention and Life Safety Measures (Amendment) Rules, 2021.**

This act extends to whole of the State of Gujarat. The state legislatures in India have enacted laws regulating public order and police, which provide, obtaining a 'no objection certificate' for operating manufacturing facilities, from the licensing authority, along with prescribing penalties for non-compliance. The legislations include provisions in relation to provision of fire safety and life saving measures including maintenance of a fire brigade, by occupiers of buildings, licensing provisions and penalties and/or suspension or cancellation of license for non-compliance.

### **ENVIRONMENTAL LAWS**

#### **The Environment (Protection) Act, 1986 ("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 emit 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.

### **OTHER LAWS**

#### **Foreign Exchange Management Act, 1999 ("FEMA")**

Foreign investment in India is primarily governed by the provisions of FEMA and the rules and regulations promulgated there under. FEMA aims at amending the law relating to foreign exchange with facilitation of external trade and payments for promoting orderly developments and maintenance of foreign exchange market in India. It applies to all branches, offices and agencies outside India owned or controlled by a person resident in India and also to any contravention there under committed outside India by any person to whom this Act applies. Every exporter of goods is required to a) furnish to the Reserve Bank or to such other authority a declaration in such form and in such manner as may be specified, containing true and correct material particulars, including the amount representing the full export value or, if the full export value of the goods is not ascertainable at the time of export, the value which the exporter, having regard to the prevailing market conditions, expects to receive on the sale of the goods in a market outside India; b) furnish to the Reserve Bank such other information as may be required by the Reserve Bank for the purpose of ensuring the realization of the export proceeds by such exporter. The Reserve Bank may, for the purpose of ensuring that the full export value of the goods or such reduced value of the goods as the Reserve Bank determines, having regard to the prevailing market conditions, is received without any delay, direct any exporter to comply with such requirements as it deems fit. Every exporter of services shall furnish to the Reserve Bank or to such other authorities a declaration in such form and in such manner as may be specified, containing the true and correct material particulars in relation to payment for such services.

**FEMA Regulations**

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

**Foreign Trade (Development and Regulation) Act, 1992 ("FTA")**

The Foreign Trade (Development & Regulation) Act, 1992 The Foreign Trade (Development & Regulation) Act, 1992, provides for the development and regulation of foreign trade by facilitating imports into and augmenting exports from India and for matters connected therewith or incidental thereto.

**Foreign Direct Investment Policy, 2020**

With the intent and objective of the Government of India to attract and promote foreign direct investment in order to supplement domestic capital, technology and skills, for accelerated economic growth. The Government of India has put in place a policy framework on Foreign Direct Investment, which is transparent, predictable and easily comprehensible. This framework is embodied in the Circular on Consolidated FDI Policy, which may be updated every year, to capture and keep pace with the regulatory changes, effected in the interregnum. The Department for Promotion of Industry and Internal Trade (DPIIT), Ministry of Commerce & Industry, Government of India makes policy pronouncements on FDI through press notes/press releases which are notified by the RBI as amendments to the FEMA Regulations. These notifications take effect from the date of issue of press notes/ press releases, unless specified otherwise therein. In case of any conflict, the relevant FEMA Notification will prevail. The procedural instructions are issued by the RBI vide A.P. (DIR Series) Circulars. The regulatory framework, over a period of time, thus, consists of Acts, Regulations, Press Notes, Press Releases, Clarifications, etc. In addition to the above, our Company is also required to comply with the provisions of the SEBI regulations and rules framed thereunder, and other applicable statutes enacted by the Government of India or relevant state governments and authorities for our day-to-day business and operations. Our Company is also subject to various central and state tax laws.

## HISTORY AND CERTAIN CORPORATE MATTERS

### Brief history of our Company

Our Company was originally incorporated and registered as a Private Limited Company under Companies Act, 1956 in the name and style of N.R. Design Centre Private Limited vide certificate of incorporation dated May 4, 1992 bearing registration number 21-55341 issued by the Registrar of Companies, West Bengal. Further, the name of our Company was changed to “N R Vandana Tex Industries Private Limited” and a fresh certificate of incorporation dated May 31, 2024 was issued by Registrar of Companies, Central Processing Centre. Pursuant to a resolution of our Board dated June 03, 2024 and a resolution of our shareholders dated June 07, 2024, our Company was converted into a public limited company under the Companies Act, and consequently the name of our company was changed to ‘N R Vandana Tex Industries Limited’, and a fresh certificate of incorporation dated August 13, 2024 issued by Registrar of Companies, Central Processing Centre.

### Changes in our Registered Office

The following table sets forth details of the change in the registered office of our Company since the date of its incorporation:

Date of Change	From address	To address	Reason
June 01, 2024	180 M G Road, Kolkata - 700007, West Bengal, India	220, Mahatma Gandhi Road, Barabazar, Kolkata – 700007, West Bengal, India	For Administrative Convenience

### Main objects of Memorandum of Association:

The main objects of our company as contained in our Clause III (A) of Memorandum of Association of our company are as follows:

- To carry on the business of manufacturers, importers, exporters, whole- sale and retail dealers of and in cotton, cotton blend, synthetic, printed sarees & embroidered sarees, linen blended, suits & fabrics & other garments printed sareess made from mulmul and other clothes and of all articles similar to the foregoing on any of them or connected therewith.
- To carry on the business of manufacturers, importers, exporters, whole- sale and retail dealers of on in mulmul and other clothes required in cotton printed sarees and such other goods, materials and merchandise incidental thereto or connected therewith.

The main objects clause and matters necessary for furtherance of the main objects as contained in our Memorandum of Association enable our Company to carry on the business presently being carried out.

### Amendments to our Memorandum of Association

The following table set forth details of the amendments to our Memorandum of Association, in the last ten years preceding the date of this Prospectus:

Date of change/ shareholders' resolution	Nature of Amendment
July 30, 2020	Clause V of the Memorandum of Association of the Company was amended to reflect the increase in authorised share capital from existing Rs. 4,00,00,000/- (Rupees four crores) divided into 40,00,000 Equity Shares of Rs. 10 each to Rs. 10,00,00,000/- (Ten Crores) divided into 1,00,00,000 Equity Shares of Rs. 10 each.
April 11, 2024	Clause I of the Memorandum of Association of Company was amended to reflect the change in our name from ‘N.R. Design Centre Pvt. Ltd’ to ‘N R Vandana Tex Industries Private Limited.’

April 11, 2024	Clause III (B) of the Memorandum of Association of Company was amended in line with the provisions of Companies Act.
June 07, 2024	Clause I of the Memorandum of Association of Company was amended to reflect the change in our name from 'N R Vandana Tex Industries Private Limited' to 'N R Vandana Tex Industries Limited' pursuant to the conversion of our Company from a private limited company to a public limited company.
September 20, 2024	Clause V of the Memorandum of Association of the Company was amended to reflect the increase in authorised share capital from existing Rs. 10,00,00,000 (Rupees Ten Crore) divided into 1,00,00,000 (One Crore) Equity Shares of Rs. 10 each to Rs. 23,50,00,000/- (Rupees Twenty Three Crore and Fifty Lakh) divided into 2,35,00,000 (Two Crore Thirty Five Lakh) Equity Shares of Rs. 10 each.

### Major events and milestones in the history of our Company

The table below sets forth some of the major events in the history of our Company:

Calendar Year	Events
1998	Set up 1 <sup>st</sup> Factory in West Bengal for saree.
2012	Commenced production of Salwar Suits
2017	Expanded our operations by opening a Warehouse in Jetpur, Rajkot, and Gujarat
2022	Started Online Sales through B2B platforms like AJIO, SOLV & Udaan
2023	Commenced production of Bedsheets

### Awards, accreditations and recognitions received by our Company.

The table below sets forth some of the awards and accreditations received by our Company:

Calendar Year	Details
2022	Received Award for Best Debutant - Apparels from Ajio Business Drishti Partners Meet
2022	Received Certificate of achievement in Best Debutant - Apparels from Ajio Business Drishti Partners Meet
2023	Received Certificate of Membership from Calcutta Sarees Dealers Association
2023	Received Award from Kolkata Couture Expo for active participation

### Time/cost overrun

We have not experienced any time or cost overrun in setting up of our projects as on the date of this Prospectus.

### Defaults or rescheduling/restructuring of borrowings with financial institutions/banks

There are no defaults or rescheduling/restructuring of borrowings availed by our Company from financial institutions or banks or conversion of loans into equity in relation to our Company.

### Significant financial or strategic partnerships

Our Company does not have any significant financial and strategic partners as on the date of this Prospectus.

### Details of launch of key products or services, entry in new geographies or exit from existing markets, capacity/facility creation or location of plants

For details pertaining to launch of key products or services, entry in new geographies or exit from existing markets, capacity/ facility creation, location of our manufacturing facilities, see "Our Business" on page 131.

### Details regarding material acquisition or divestments of business/ undertakings, mergers, amalgamation, any revaluation of assets, etc. in the last ten (10) years.

Our Company has not made any material acquisitions or divestments of any business or undertakings, and has not undertaken any mergers, amalgamations or revaluation of assets in the last ten (10) years preceding the date of this Prospectus.

### **Corporate profile of our Company**

For details in relation to our corporate profile including details of our business, profile, activities, services, market, growth, competition, technology, and managerial competence, see “*Business Overview*”, “*Our Management*”, “*Management's Discussion and Analysis of Financial Condition and Results of Operations*” and “*Risk Factors*” on pages 131, 167, 240 and 29 respectively.

### **Our Holding Company**

As on the date of this Prospectus, our Company does not have any holding company.

### **Subsidiary or Joint ventures of our Company**

As on the date of this Prospectus, our Company does not have any subsidiary or Joint Ventures.

### **Associate of our Company**

Except as mentioned below, our Company does not have any Associate Company:

#### **Kaberi Sales Private Limited (KBSPL)**

KBSPL was incorporated as a private limited company under the Companies Act, 1956, pursuant to certificate of incorporation dated May 16, 2007 issued by the RoC, Kolkata bearing CIN U51109WB2007PTC115832 having its registered office situated at 38, Parwati Ghose Lane Lohia Niwas, Kolkata, West Bengal, India, 700007 India.

#### *Nature of Business*

The main object of the company is to carry on the business as buyers, sellers, traders, merchants, indentors, brokers, agents commission agents, packers, stockists, broker and sub-brokers, distributors, advisors of all kinds of industrial tools, equipments and machineries, rubberised and leather and leather goods, leather garments, iron, stitching wires, wire, rod, other M.S., Gl., iron materials and every other type of iron & steel material, aluminium, minerals, ferrous and non-ferrous metals, developers and construction, jute products, packing materials, chemicals, paints, industrial gases, edible and non-edible oils, sea food, wires, netting wires, mustard oil, sugar, marine products, hospital equipments, engineering goods and equipments, office computer accessories, oil and lubricants, industrial chain, soaps and detergents, cosmetic, jewellery processed and packed goods and automobile parts, all types of electric and electronics components and all types of readymade garments.

#### *Capital Structure*

The capital structure of KBSPL as on the date of this Prospectus is as follows:

<b>Particulars</b>	<b>No of Equity shares of ₹ 10 each</b>
Authorised Share Capital	3,90,000
Issued, Subscribed and Paid-up share Capital	3,82,000

#### *Shareholding Pattern*

The shareholding pattern of KBSPL as on the date of this Prospectus is as follows:

<b>Name of the shareholder</b>	<b>Number of equity shares (of ₹10 each) held</b>	<b>Percentage of total capital (%)</b>
Usha Kiran Lohia	15000	3.93%
Prabhu Lohia	8000	2.09%
Narain Prasad Lohia	13000	3.40%



Name of the shareholder	Number of equity shares (of ₹10 each) held	Percentage of total capital (%)
Gyanesh Lohia	14000	3.66%
Ambika Devi Lohia	20000	5.24%
Kanika Lohia	10000	2.62%
Krishna Kumar Lohia	14000	3.66%
Meghna Lohia	10000	2.62%
N R Vandana Tex Industries Limited	179000	46.86%
Vandana Finvest Private Limited	99000	25.92%
<b>Total</b>	<b>382000</b>	<b>100.00%</b>

#### *Other confirmations*

Amount of accumulated profits and loss. As on the date of this Prospectus, there are no accumulated profits or losses of our Associate Company which are not accounted for by our Company.

#### **Interest in our Company**

None of our Associates, Subsidiaries or Joint Ventures have any interest in our Company's business other than as stated in "*Our Business*" and "*Restated Financial Information*" on pages 131 and 189 respectively.

#### **Common Pursuits**

Except as disclosed in "History and Certain Corporate Matters –Our Associates" and in the section "Restated Financial Information –Related Party Transactions" on pages 165 and 227, respectively, there are no common pursuits between our Associate Company and our Company. Our Company shall adopt necessary measures and practices as permitted by law and regulatory guidelines to address any conflict situation as and when they arise.

#### **Summary of key agreements**

##### **Details of Shareholders Agreements and Other Material Agreements**

As on the date of this Prospectus, our Company does not have any subsisting shareholders' agreements and other material agreements.

##### **Agreements with our Key Managerial Personnel or Senior Management, Director, Promoter or any other employee**

None of our Key Managerial Personnel or members of the Senior Management, Director, Promoters, or any other employee have entered into any agreement with the any shareholder or any third party with regard to compensation or profit sharing in connection with dealings in the securities of our Company.

##### **Other material agreements**

Except as disclosed in this Prospectus, there are no other agreements, arrangements, clauses, covenants which are material and which are required to be disclosed. Further, there are no clauses or covenants which are adverse or pre-judicial to the interest of the minority/public shareholders or the non-disclosure of which may have bearing on the investment decision.

##### **Details of guarantees given to third parties by the Promoter.**

Our Promoters Gyanesh Lohia, Prabhu Lohia Narain Prasad Lohia have personally guaranteed the repayment of certain cash credit facilities availed by the Company. For further details, please see "Our Promoter and Promoter Group – Material Guarantees" and "Financial Indebtedness – Guarantee" beginning on pages 182 and 238 respectively.

## OUR MANAGEMENT

### Our Board of Directors

In terms of the Companies Act and our Articles of Association, our Company is authorised to have a minimum of three Directors and a maximum of up to fifteen Directors. As on the date of this Prospectus, we have **5 (five)** directors on our Board, comprising of **2 (two)** Executive Directors and **1 (one)** Non-Executive Directors and Independent Directors. Out of **5 (five)** Directors, we have **1 (one)** women Director on our Board. Our Company is in compliance with the laws prescribed under the SEBI Listing Regulations and the Companies Act in relation to the composition of our Board and constitution of committees thereof.

The following table sets forth the details regarding the Board of Directors of our Company as on the date of filing of this Prospectus:

Name, Designation, Date of Birth, Address, Occupation, Period of Directorship, Current Term, Nationality & DIN	Age (Years)	Other Directorships
<b>Gyanesh Lohia</b> <b>Designation:</b> Whole Time Director & CFO <b>Date of Birth:</b> July 14, 1981 <b>Address:</b> 106A Block F, Humayan Kabir Sarani, New Alipore, Kolkata - 700053, West Bengal, India. <b>Occupation:</b> Business <b>Period of directorship:</b> Since March 31, 2009 <b>Current Term:</b> For period of 3 (three) years from September 20, 2024 to September 19, 2027 <b>Nationality:</b> Indian <b>DIN:</b> 02621425	42	<b>Indian Companies</b> <ul style="list-style-type: none"> <li>Hiphai Ecom Tech Private Limited</li> <li>Kaberi Sales Private Limited</li> <li>Vandana Finvest Private Limited</li> </ul> <b>Foreign Companies</b> Nil <b>Limited Liability Partnerships</b> Lohia Overseas LLP
<b>Prabhu Lohia</b> <b>Designation:</b> Managing Director <b>Date of Birth:</b> August 15, 1980 <b>Address:</b> 106A Block F, Humayan Kabir Sarani, New Alipore, Kolkata - 700053, West Bengal, India. <b>Occupation:</b> Business <b>Period of directorship:</b> Since March 31, 2009 <b>Current Term:</b> For period of 3(three) years from September 20,2024 to September 19, 2027 <b>Nationality:</b> Indian <b>DIN:</b> 02621416	43	<b>Indian Companies</b> <ul style="list-style-type: none"> <li>Hiphai Ecom Tech Private Limited</li> <li>Kaberi Sales Private Limited</li> <li>Vandana Finvest Private Limited</li> </ul> <b>Foreign Companies</b> Nil <b>Limited Liability Partnerships</b> <ul style="list-style-type: none"> <li>Lohia Overseas LLP</li> </ul>
<b>Narain Prasad Lohia</b> <b>Designation:</b> Non-Executive Director <b>Date of Birth:</b> January 06, 1947 <b>Address:</b> 106A Block F, Humayan Kabir Sarani, New Alipore, Kolkata - 700053, West Bengal, India. <b>Occupation:</b> Professional <b>Period of directorship:</b> Since May 4, 1992 <b>Current Term:</b> Liable to retire by rotation <b>Nationality:</b> Indian <b>DIN:</b> 00452515	79	<b>Indian Companies</b> <ul style="list-style-type: none"> <li>Vandana Finvest Private Limited</li> </ul> <b>Foreign Companies</b> Nil <b>Limited Liability Partnerships</b> <ul style="list-style-type: none"> <li>Nil</li> </ul>
<b>Bhargav Samirbhai Vyas</b> <b>Designation:</b> Non-Executive Independent Director <b>Date of Birth:</b> December 27, 1989 <b>Address:</b> 64, Devmandir society, B/H, Ghanshyam Complex, Chandlodiya, Chandlodiya (Ahmedabad City), Ahmedabad, Gujarat-382482, India. <b>Occupation:</b> Professional <b>Period of directorship:</b> Since August 24, 2024 <b>Current Term:</b> For a term of five years with effect from August 24, 2024	35	<b>Indian Companies</b> Nil <b>Foreign Companies</b> Nil <b>Limited Liability Partnerships</b> Nil

Name, Designation, Date of Birth, Address, Occupation, Period of Directorship, Current Term, Nationality & DIN	Age (Years)	Other Directorships
<b>Nationality:</b> Indian <b>DIN:</b> 07210146		
<b>Vandana Nahata</b> <b>Designation:</b> Non-Executive Independent Director <b>Date of Birth:</b> September 21, 1989 <b>Address:</b> 18 Block, A-Floor, 6 <sup>th</sup> Mukhran Kanoria Rd, Golabari Howrah, Haora, West Bengal-711101 <b>Occupation:</b> Professional <b>Period of directorship:</b> Since August 24, 2024 <b>Current Term:</b> For a term of five years with effect from August 24, 2024 <b>Nationality:</b> Indian <b>DIN:</b> 08765790	34	<b>Indian Companies</b> Nil  <b>Foreign Companies</b> Nil  <b>Limited Liability Partnerships</b> <ul style="list-style-type: none"><li>• NKB Advisors LLP</li><li>• C V V &amp; Associates LLP</li></ul>

#### Brief Profile of Directors of our Company:

**Gyanesh Lohia** aged 42 years is the Promoter, Whole Time Director and CFO of our Company. He holds a degree of Bachelors of Commerce from University of Calcutta. He has 23 years of experience in product & financial management, market analysis and maintaining supplier relation in the textile industry. He has been associated with our Company since March 31, 2009. He is responsible for overall operations, strategic planning and financial management of the Company.

**Prabhu Lohia** aged 43 years is the Promoter and Managing Director of our Company. He holds a degree in Bachelors of Commerce from University of Calcutta. He has 24 years of experience in Finance, Accounts and the textile industry. He has been associated with our Company since March 31, 2009. He is responsible for developing and implementation of strategic plans for the growth of the Company while ensuring financial stability and maintaining strong client relationships.

**Narain Prasad Lohia** aged 78 years is the Promoter & Non-Executive Director of our Company. He holds a degree of Bachelors of Commerce from University of Calcutta. He has more than five decades of experience in business strategy, production and development in the textile industry. He has been associated with our Company since incorporation. He is responsible for the overall management of operations, ensuring that manufacturing runs effectively and meets performance targets

**Bhargav Samirbhai Vyas** aged 35 years is the Non-Executive Independent Director of our Company. He holds a certificate of membership from Institute of Company Secretaries of India Further, he also holds degree of Bachelors of Law from University of Mumbai and a Bachelors of Commerce from University of Mumbai. He has 7 years of corporate experience in Secretarial, Compliance, and Governance & General Management. Previously he was associated with Porto Novo Maritime Limited, Raymond Limited, Vishal Fabrics Limited and is founder of B.S. Vyas & Associates. He was appointed as an Independent Director of the company with effect from August 24, 2024.

**Vandana Nahata** aged 34 years is the Non-Executive Independent Director of our Company. She holds a certificate of membership from Institute of Chartered Accountants of India. She has 7 years of experience in taxation, statutory audits and concurrent audits. She is the founder and running the proprietorship firm CA Vandana Nahata & Co. since 2013. She was appointed as an Independent Director of the company with effect from August 24, 2024.

#### Confirmations

None of our Directors were or are directors of listed company, during the preceding five years of this Prospectus whose shares have been or were suspended from being traded on any stock exchanges during his / her tenure as a director of such listed company.

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.

Further, none of our Directors have been identified as Wilful Defaulters or Fraudulent Borrowers or Fugitive Economic Offender as defined under the SEBI ICDR Regulations.

No consideration, either in cash or shares or in any other form have been paid or agreed to be paid to any of our Directors or to the firms, or companies in which they have an interest in, by any person, either to induce any of our Directors to become or to help any of them qualify as a director, or otherwise for services rendered by them or by the firm, trust or company in which they are interested, in connection with the promotion or formation of our Company.

There are no conflict of interests between the third party service providers (crucial for operations of the Company) and the Company, Directors, Key Managerial Personnel and SMP.

There are no conflict of interest between the lessor of the immovable properties, (crucial for operations of the company) and the Company, Directors, Key Managerial Personnel and SMP.

### Relationship between our Directors

Except as mentioned below, none of the Directors are related to each other:

Name of Director	Relation with	Relationship
Narain Prasad Lohia	Gyanesh Lohia	Father-Son

### Arrangement or understanding with major shareholders, customers, suppliers or others pursuant to which our Directors were selected as a Director

There is no arrangement or understanding with the major shareholders, customers, suppliers or others, pursuant to which any of our Directors has been appointed on the Board.

### Service contract with Directors

None of our Directors have entered into service contracts with our Company which provide benefits upon termination of employment.

### Terms of appointment of our and Whole Time Director and Managing Director

#### 1. Gyanesh Lohia

Gyanesh Lohia was appointed as the Whole Time Director and CFO of our Company pursuant to the resolution passed by the members of our Company on September 20, 2024 for a period of three years with effect from September 20, 2024 on the following terms:

- a) **Remuneration:** Up to Rs. 38,40,000/- (Rupees Thirty-Eight Lakh Forty Thousand Only) per annum from September 20, 2024, including all allowances, perquisites and benefits that he is entitled to in accordance with the Company's Rules and Regulations in force from time to time.

The Whole Time Director shall be entitled to an annual increment at the rate up to 20% w.e.f. April 01, 2025 per financial year on a cumulative basis.

- b) **Perquisites:** He shall also be entitled to the following perquisites which shall not be included in the computation of the ceiling on remuneration specifics herein above:
- (i) Contribution to Provident Fund, Superannuation Fund or Annuity Fund to the extent these either singly or put together are not taxable under the Income Tax Act, 1961.
  - (ii) Gratuity payable at the rate not exceeding half a month's Salary for each completed year of service.
  - (iii) Earned privilege leave at the rate of one month's leave for every eleven months of service. The Whole-time Director shall be entitled to en-cash leave at the end of his tenure as Whole-time Director.
  - (iv) Rent free furnished accommodation.
  - (v) Car with driver for the use of Company's business.
  - (vi) Reimbursement of all medical expenses incurred for self and family at actuals.

- (vii) Leave travel expenses for self and family in accordance with the policy of the Company.
- (viii) Reimbursement of expenses on actuals pertaining to electricity, gas, water and telephone.

c) **Minimum Remuneration:** Where in any financial year during the currency of his tenure as Whole-time Director, the Company has made no profits or its profits are inadequate, the Company shall pay to the Whole-time Director, the above Salary and perquisites excluding commission not exceeding the ceiling limits prescribed in Schedule V of the Companies Act, 2013 as Minimum Remuneration, if applicable.

d) **Other Terms:**

- I. The Company shall reimburse to the Whole-time Director all the actual expenses incurred wholly, necessarily and exclusively for and on behalf of the Company and/or incurred in performance of the duties of the Company.
- II. Notwithstanding anything to the contrary herein contained, where in any financial year, the Company has no profits or its profits are inadequate, the Company will pay the above remuneration as minimum remuneration to the Whole-time Director. However, in any case, the remuneration would not exceed the limits prescribed under the applicable provisions of the Act.
- III. The Board is entitled to make changes within the overall amount fixed by the members.
- IV. Subject to the superintendence, control and direction of the Board of Directors, Gyanesh Lohia shall manage and conduct the business and affairs of the Company. He shall not be paid any sitting fees for attending meetings of the Board or Committee thereof.

## 2. Prabhu Lohia

Prabhu Lohia was appointed as the Managing Director of our Company pursuant to the resolution passed by our Board of directors on September 20, 2024, for a period of three years with effect from September 20, 2024 on the following terms:

a) **Remuneration:** Up to Rs. 38,40,000/- (Rupees Thirty-Eight Lakh Forty Thousand Only) per annum from September 20, 2024, including all allowances, perquisites and benefits that he is entitled to in accordance with the Company's Rules and Regulations in force from time to time.

The Managing Director shall be entitled to an annual increment at the rate up to 20% w.e.f. April 01, 2025 per financial year on a cumulative basis.

b) **Perquisites:** He shall also be entitled to the following perquisites which shall not be included in the computation of the ceiling on remuneration specifics herein above:

- (i) Contribution to Provident Fund, Superannuation Fund or Annuity Fund to the extent these either singly or put together are not taxable under the Income Tax Act, 1961.
- (ii) Gratuity payable at the rate not exceeding half a month's Salary for each completed year of service.
- (iii) Earned privilege leave at the rate of one month's leave for every eleven months of service. The Managing Director shall be entitled to en-cash leave at the end of his tenure as Managing Director.
- (iv) Rent free furnished accommodation.
- (v) Car with driver for the use of Company's business.
- (vi) Reimbursement of all medical expenses incurred for self and family at actuals.
- (vii) Leave travel expenses for self and family in accordance with the policy of the Company.
- (viii) Reimbursement of expenses on actuals pertaining to electricity, gas, water and telephone.

c) **Minimum Remuneration:** Where in any financial year during the currency of his tenure as Managing Director, the Company has made no profits or its profits are inadequate, the Company shall pay to the Managing Director, the above Salary and perquisites excluding commission not exceeding the ceiling limits prescribed in Schedule V of the Companies Act, 2013 as Minimum Remuneration, if applicable.

d) **Other Terms:**

- I. The Company shall reimburse to the Managing Director all the actual expenses incurred wholly, necessarily and exclusively for and on behalf of the Company and/or incurred in performance of the duties of the Company.
- II. Notwithstanding anything to the contrary herein contained, where in any financial year, the Company has no profits or its profits are inadequate, the Company will pay the above remuneration as minimum remuneration to the Managing Director. However, in any case, the remuneration would not exceed the limits prescribed under the applicable provisions of the Act.

III. The Board is entitled to make changes within the overall amount fixed by the members.

IV. Subject to the superintendence, control and direction of the Board of Directors, Prabhu Lohia shall manage and conduct the business and affairs of the Company. He shall not be paid any sitting fees for attending meetings of the Board or Committee thereof.

### **Terms of appointment of our Non-Executive Directors and Independent Directors**

Our Board, pursuant to its resolution dated September 24, 2024, has decided that each Non- Executive Directors and Independent Directors is entitled to receive sitting fees of ₹ 3000/- for attending each meeting of our Board and ₹ 2000/- for attending each meeting of the committees constituted of the Board.

### **Payment or benefits to Directors of our Company**

The details of payments and benefits made to our Directors by our Company, in Fiscal 2025 are as follows:

#### ***Executive Directors***

<b>S. No.</b>	<b>Name of the Director</b>	<b>Designation</b>	<b>Amount (Rs. In Lakhs)</b>
1	Prabhu Lohia	Managing director	28.80
2	Gyanesh Lohia	Whole time director	28.80

#### ***Non-Executive Directors and Independent Directors***

<b>S. No.</b>	<b>Name of the Director</b>	<b>Designation</b>	<b>Amount (Rs. In Lakhs)</b>
1.	Narain Prasad Lohia	Non-Executive Director	14.40
2.	Bhargav Samirbhai Vyas	Non-Executive Independent Director	NA
3.	Vandana Nahata	Non-Executive Independent Director	NA

### **Remuneration paid or payable to our Directors from our Subsidiaries**

As on the date of this Prospectus, our Company does not have any subsidiaries.

### **Bonus or profit-sharing plan of the Directors**

None of our Directors are entitled to any bonus or profit-sharing plan of our Company.

### **Contingent or Deferred Compensation to our Directors**

There is no contingent or deferred compensation payable to our Directors which does not form part of their remuneration

### **Shareholding of Directors in our Company**

As per our Articles of Association, our Directors are not required to hold any qualification shares.

Except as disclosed below, none of our Directors hold any Equity Shares, as on the date of this Prospectus:

<b>Name of Director</b>	<b>No. of Equity Shares held</b>	<b>% of the Pre-Offer paid up share capital</b>
Narain Prasad Lohia	29,78,940	17.42
Prabhu Lohia	42,28,942	24.74
Gyanesh Lohia	16,83,350	9.85
<b>Total</b>	<b>88,91,232</b>	<b>52.01</b>

### **Interests of our Directors**

All our Executive Directors may be deemed to be interested to the extent of remuneration and reimbursement of expenses, if any, payable to them by our Company. Our Non-Executive Director or Independent Directors may be deemed to be interested to the extent of sitting fees and commission, if any, payable to them for attending

meetings of our Board or Committees thereof as approved by our Board and / or shareholders and reimbursement of expenses payable to them, as approved by our Board. For further details, please see the section entitled “*Terms of Appointment of our Managing Director*” and “*Payment or benefit to Directors of our Company*”.

Further, except as disclosed under ‘*Shareholding of Directors in our Company*’ above, none of our Directors hold any Equity Shares or any other form of securities in our Company. Further, our Directors may also be deemed to be interested to the extent of any dividend payable to them and other distributions in respect of the Equity Shares held by them in the Company.

No consideration in cash or shares or otherwise has been paid or agreed to be paid to any of our Directors or to the firms or companies in which any of our Directors are interested, by any person, either to induce him to become, or to qualify him as, as a Director, or otherwise for services rendered by our Directors or by the firm or company in which they are interested, in connection with the promotion or formation of our Company. For details, see “*Restated Financial Information – Annexure VII: Related Party Disclosures*” on page 227.

None of our Directors have any interest in any property acquired or proposed to be acquired of our Company or by our Company.

None of our Directors have any interest in any transaction by our Company for acquisition of land, construction of building or supply of machinery.

No loans have been availed by the Directors from our Company. Further, none of the beneficiaries of loans, advances and sundry debtors are related to the Directors of our Company, except to the extent of related party transactions already disclosed under “*Restated Financial Information – Annexure VII: Related Party Disclosures*” on page 227.

There is no material existing or anticipated transaction whereby Directors will receive any portion of the proceeds from the Offer.

As on the date of this Prospectus, except for Narain Prasad Lohia, Prabhu Lohia and Gyanesh Lohia who are the Promoters of our Company, none of our other Directors are interested in the promotion of our Company. For further details, see “*Our Promoters and Promoter Group*” on page 182.

### **Changes in Board of Directors in Last 3 Years**

Except as mentioned below, there have been no changes in our Directors in the last three years:

<b>Name of the Director</b>	<b>Date of Change</b>	<b>Reason</b>
Gyanesh Lohia	September 20, 2024	Re-appointment as Whole Time Director and CFO
Prabhu Lohia	September 20, 2024	Change in Designation as Managing Director
Anant Krishan Kumar Lohia	May 30, 2024	Cessation as a Non-executive director due to pre occupation
Narain Prasad Lohia	June 06, 2024	Change in designation as Non-Executive Director
Bhargav Samirbhai Vyas	August 24, 2024	Appointment as an Additional Independent Director *
Vandana Nahata	August 24, 2024	Appointment as an Additional Independent Director **

\*Regularized pursuant to a resolution passed in the EGM dated September 20, 2024.

\*\*Regularized pursuant to a resolution passed in the EGM dated September 20, 2024.

### **Details of Borrowing Powers of Directors**

In accordance with our Articles of Association and the applicable provisions of the Companies Act, and pursuant to a resolution of our Board dated September 20, 2024 and shareholder resolution dated September 20, 2024, our Board is authorized to borrow money by way of term loans, fund based, non-fund-based credit facilities, working capital facilities or any other kind of financial assistance, whether secured or unsecured, granted by banks and financial institutions or otherwise, subject to an overall limit of ₹ 1,00,00,00,000 (Rupees One Hundred Crore Only).

## Corporate Governance

The provisions of the Companies Act, 2013, SEBI LODR Regulations and SEBI ICDR Regulations relating to corporate governance, will be applicable to our Company immediately upon the listing of our Company's Equity Shares on the Stock Exchanges. We are in compliance to the extent applicable with the requirements of the SEBI LODR Regulations, the Companies Act, 2013 and other applicable regulations, in respect of corporate governance in respect of the constitution of the Board and Committees thereof, and formulation and adoption of policies.

As on the date of filing of the Prospectus, our Board of Directors consist of 5 directors of which 2 are Independent Directors, and we have three women directors on the Board. The constitution of our Board is in compliance with the Companies Act, 2013 and SEBI LODR Regulations, to the extent applicable.

### Committees of our Board

The Board of Directors functions either as a full board or through various committees constituted to oversee specific operational areas. In addition to the Committees detailed below, our Board of Directors may, from time to time constitute other committees for various functions as may be required.

In terms of the SEBI Listing Regulations and the provisions of the Companies Act, 2013, our Company has constituted the following committees of our Board:

- (a) Audit Committee
- (b) Nomination and Remuneration Committee
- (c) Stakeholders Responsibility Committee
- (d) Corporate Social Responsibility

#### (a) Audit Committee

Our Company has constituted an Audit Committee ("Audit Committee"), vide Board Resolution dated October 16, 2024 as per the applicable provisions of the Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI Listing Regulations. The current constituted Audit Committee comprises following members:

Name of the Directors	Status in Committee	Nature of Directorship
Vandana Nahata	Chairperson	Independent Director
Bhargav Vyas	Member	Independent Director
Gyanesh Lohia	Member	Whole-time Director

The Company Secretary of our Company shall act as a Secretary to the Audit Committee. The Chairman of the Audit Committee shall attend the Annual General Meeting of our Company to answer shareholder queries. The scope and function of the Audit Committee and its terms of reference shall include the following:

#### *Terms of Reference of Audit Committee:*

The Audit Committee shall have powers, including the following:

- 1) to investigate any activity within its terms of reference;
- 2) to seek information from any employee;
- 3) to obtain outside legal or other professional advice;
- 4) to secure attendance of outsiders with relevant expertise, if it considers necessary; and
- 5) such other powers as may be prescribed under the Companies Act, 2013 and the SEBI Listing Regulations.

The role of the Audit Committee shall include the following:

- 1) Oversight of financial reporting process and the disclosure of financial information relating to the Company to ensure that the financial statements are correct, sufficient and credible;
- 2) recommendation to the Board for appointment, re-appointment, replacement, remuneration and terms of appointment of auditors of the Company and the fixation of the audit fee;
- 3) approval of payment to statutory auditors for any other services rendered by the statutory auditors;



- 4) examining and reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
  - matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
  - changes, if any, in accounting policies and practices and reasons for the same;
  - major accounting entries involving estimates based on the exercise of judgment by management;
  - significant adjustments made in the financial statements arising out of audit findings;
  - compliance with listing and other legal requirements relating to financial statements;
  - disclosure of any related party transactions;
  - modified opinion(s) in the draft audit report;
- 5) Reviewing, with the management, the quarterly, half-yearly and annual 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 /Red Herring Prospectus / Prospectus notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;
- 7) Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- 8) formulating a policy on related party transactions, which shall include materiality of related party transactions;
- 9) Approval or any subsequent modification of transactions of the listed entity with related parties and omnibus approval for related party transactions proposed to be entered into by the Company, subject to the conditions as may be prescribed;
- 10) Scrutiny of inter-corporate loans and investments;
- 11) Valuation of undertakings or assets of the listed entity, wherever it is necessary;
- 12) Evaluation of internal financial controls and risk management systems;
- 13) Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- 14) Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- 15) Discussion with internal auditors of any significant findings and follow up there on;
- 16) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
- 17) Discussing with the statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- 18) 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;
- 19) To review the functioning of the whistle blower mechanism;

- 20) Approving the appointment of the Chief Financial Officer (i.e. the whole-time finance director or any other person heading the finance function) after assessing the qualifications, experience and background, etc., of the candidate;
- 21) identification of list of key performance indicators and related disclosures in accordance with the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended, for the purpose of the Company's proposed initial public offering;
- 22) carrying out any other function as is mentioned in the terms of reference of the audit committee or as required as per the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, or any other applicable law, as and when amended from time to time;
- 23) 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;
- 24) consider the rationale, cost, benefits and impact of schemes involving merger, demerger, amalgamation etc. of the Company and provide comments to the Company and its shareholders.
- 25) Recommending to the board of directors the appointment and removal of the external auditor, fixation of audit fees and approval for payment for any other services;
- 26) Consider and comment on rationale, cost benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.
- 27) Laying down the criteria for granting omnibus approval in line with the Company's policy on related party transactions and such approval shall be applicable in respect of transactions which are repetitive in nature and for the period prescribed under Applicable Law;
- 28) Reviewing, at least on a quarterly basis, the details of related party transactions entered into by the Company pursuant to each of the omnibus approvals given; and
- 29) To review compliance with the provisions of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, at least once in a financial year and shall verify that the systems for internal control under the said regulations are adequate and are operating effectively.

Further, the Audit Committee shall mandatorily review the following:

- a) Management discussion and analysis of financial condition and results of operations;
- b) Statement of significant related party transactions (as defined by the audit committee), submitted by management;
- c) Management letters / letters of internal control weaknesses issued by the statutory auditors;
- d) Internal audit reports relating to internal control weaknesses; and
- e) The appointment, removal and terms of remuneration of the chief internal auditor
- f) Statement of deviations:
  - Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
  - Annual statement of funds utilized for purposes other than those stated in the offer document/ red herring prospectus/notice in terms of Regulation 32(7).

Further, the powers of the Audit Committee shall include the following:

- (a) to investigate any activity within its terms of reference;
- (b) to seek information from any employee of the Company;
- (c) to obtain outside legal or other professional advice; and
- (d) to secure attendance of outsiders with relevant expertise, if it considers necessary.
- (e) such powers as may be prescribed under the Companies Act and SEBI Listing Regulations.

The Audit Committee is required to meet at least four times in a year under Regulation 18(2)(a) of the SEBI Listing Regulations. The quorum for a meeting of the Audit Committee shall be two members or one third of the members of the audit committee, whichever is greater, with at least two independent directors.

**(b) Stakeholders Relationship Committee**

Our Company has constituted the Stakeholders Relationship Committee as per the applicable provisions of the Section 178 of the Companies Act, 2013 and Regulation 20 of SEBI Listing Regulation, 2015 vide Resolution dated October 16, 2024. The constituted Stakeholders Relationship Committee comprises the following:

<b>Name of the Directors</b>	<b>Status in Committee</b>	<b>Nature of Directorship</b>
Narain Prasad Lohia	Chairperson	Non-executive Director
Vandana Nahata	Member	Independent Director
Prabhu Lohia	Member	Managing Director

The Company Secretary of our Company shall act as a Secretary to the Stakeholders Relationship Committee. The scope and function of the Stakeholders Relationship Committee and its terms of reference shall include the following:

***Terms of Reference of Stakeholders Relationship Committee:***

The role of the Stakeholders Relationship Committee shall 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) reviewing of adherence to the service standards adopted by the Company with respect of various services being rendered by the registrar and share transfer agent of our Company and to recommend measures of overall improvement in the quality of investor services;
- 3) review of measures taken for effective exercise of voting rights by shareholders;
- 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) Investigating complaints relating to allotment of shares, approval of transfer or transmission of shares, debentures or any other securities and ensure proper and timely attendance and redressal of investor queries and grievances;
- 6) Giving effect to all transfer or transmission of shares and other securities, dematerialisation of shares and re-materialisation of shares, split and issue duplicate share or other security(ies) certificate(s) in lieu of the original share/security(ies) certificate(s) of the Company, compliance with all requirements related to shares and other securities from time to time;
- 7) Considering and soecifically looking into various aspects of interest of shareholders, debenture holders or holders of any other securities;
- 8) Formulation of procedures in line with the statutory guidelines to ensure speedy disposal of various requests received from shareholders from time to time; and
- 9) carrying out any other functions required to be carried out by the Stakeholders' Relationship Committee as contained in the Listing Regulations or any other applicable law, as and when amended from time to time.

**(c) Nomination and Remuneration Committee**

Our Company has constituted the Nomination and Remuneration Committee, vide Board Resolution dated October 16, 2024 as per the applicable provisions of the Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI Listing Regulations. The Nomination and Remuneration Committee comprise the following:

<b>Name of the Directors</b>	<b>Status in Committee</b>	<b>Nature of Directorship</b>
Vandana Nahata	Chairperson	Independent Director
Bhargav Vyas	Member	Independent Director
Narain Prasad Lohia	Member	Non-executive Director

The Company Secretary of our Company shall act as a Secretary to the Nomination and Remuneration Committee.

*Terms of reference of Nomination and Remuneration Committee:*

The role of the Nomination and Remuneration shall include 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) The Nomination and Remuneration Committee should, for every appointment of an independent director, 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. For the purpose of identifying suitable candidates as an independent director, the Committee may:
  - a) use the services of an external agencies, if required;
  - b) consider candidates from a wide range of backgrounds, having due regard to diversity; and
  - c) consider the time commitments of the candidates
- 3) The Nomination and Remuneration Committee, while formulating the Remuneration Policy, should ensure that:
  - a) the level and composition of remuneration be reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Company successfully;
  - b) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
  - c) remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals.
- 4) formulation of criteria for evaluation of performance of independent directors and the Board;
- 5) devising a policy on diversity of Board;
- 6) 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;
- 7) 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;
- 8) recommend to the board, all remuneration, in whatever form, payable to senior management;
- 9) Periodically reviewing and re-examining the terms of reference and making recommendations to our Board for any proposed changes;
- 10) Ensuring proper induction program for new directors, key managerial personnel and senior management and reviewing its effectiveness along-with ensuring that on appointment, they receive a formal letter of appointment in accordance with guidelines provided under the Companies Act, 2013;
- 11) Developing a succession plan for the Board and senior management and regularly reviewing the plan;

- 12) Performing such other activities as may be delegated by the Board and/or specified/provided under the Companies Act, the Listing Regulations or by any other regulatory authority; and
- 13) carrying out any other activities as may be delegated by the Board of Directors and functions required to be carried out by the Nomination and Remuneration Committee as provided under the Companies Act, 2013, the SEBI Listing Regulations or any other applicable law, as and when amended from time to time.

**(d) Corporate Social Responsibility Committee**

Our Company has constituted the Corporate Social Responsibility Committee as per the applicable provisions of the Section 135 and Schedule VII of the Companies Act, 2013 vide Resolution dated October 16, 2024. The Corporate Social Responsibility Committee comprise the following:

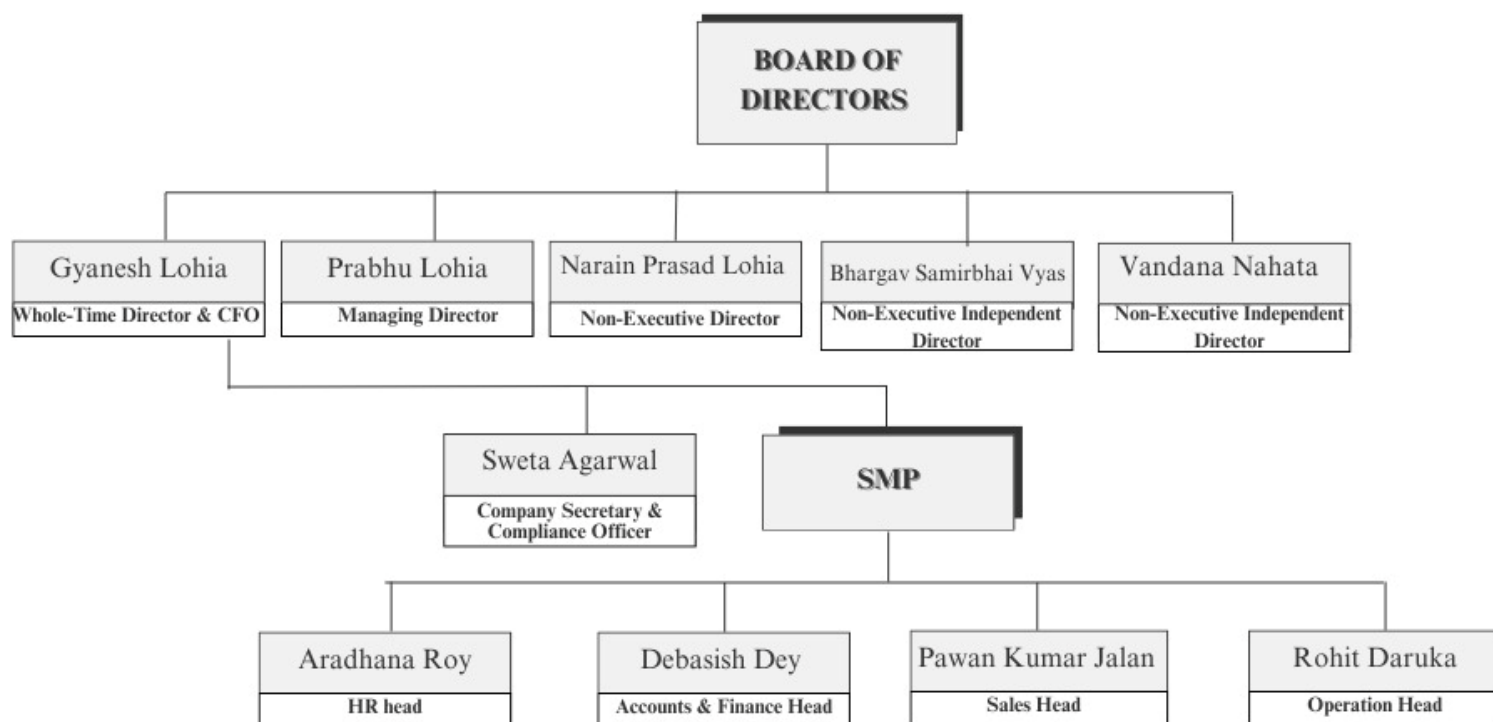
<b>Name of the Directors</b>	<b>Status in Committee</b>	<b>Nature of Directorship</b>
Prabhu Lohia	Chairperson	Managing Director
Vandana Nahata	Member	Independent Director
Gyanesh Lohia	Member	Whole-time Director

The role of the CSR Committee shall include the following:

- 1) formulate and recommend to the Board, a “Corporate Social Responsibility Policy” which shall indicate the activities to be undertaken by the Committee as specified in Schedule VII of the Companies Act and the rules made thereunder and make any revisions therein as and when decided by the Board;
- 2) formulate and recommend an annual action plan in pursuance of its Corporate Social Responsibility Policy which shall list the projects or programmes undertaken, manner of execution of such projects, modalities of utilisation of funds, monitoring and reporting mechanism for the projects;
- 3) identify corporate social responsibility policy partners and corporate social responsibility policy programmes;
- 4) delegate responsibilities to the corporate social responsibility team and supervise proper execution of all delegated responsibilities;
- 5) review and monitor the implementation of corporate social responsibility programmes and issuing necessary directions as required for proper implementation and timely completion of corporate social responsibility programmes;
- 6) assistance to the Board to ensure that the Company spends towards the corporate social responsibility activities in every Fiscal, such percentage of average net profit/ amount as may be prescribed in the Companies Act, 2013 and/ or rules made thereunder;
- 7) providing explanation to the Board if the Company fails to spend the prescribed amount within the financial year;
- 8) providing updates to the Board at regular intervals of six months on the corporate social responsibility activities;
- 9) To recommend the amount of expenditure to be incurred on the CSR activities, at least two per cent. of the average net profits of the company made during the three immediately preceding financial years or where the company has not completed the period of three financial years since its incorporation, during such immediately preceding financial years, in pursuance of its Corporate Social Responsibility Policy;
- 10) monitor the corporate social responsibility policy of the Company and its implementations from time to time; and
- 11) any other matter as the Corporate Social Responsibility Committee may deem appropriate after approval of the Board or as may be decided by the Board from time to time and/or as may be required under applicable law, as and when amended from time to time.

## MANAGEMENT ORGANISATION STRUCTURE

The following chart depicts our Management Organization Structure:



### Key Managerial Personnel and Senior Management

#### Key Managerial Personnel

In addition to Gyanesh Lohia, Whole time Director and CFO and Prabhu Lohia, Managing Director whose details are provided in “*Our Management*” on page 167, the details of our other Key Managerial Personnel as on the date of this Prospectus are as set forth below:

**Sweta Agarwal** aged 37 years is the Company Secretary and Compliance Officer for our Company. She holds a certificate of membership from Institute of Company Secretaries of India. She has been associated with our Company since September 24, 2024 and is responsible for managing the company secretarial functions in our Company. She has 13 years of experience in Direct and Indirect Taxes and secretarial compliances. Prior to joining our Company, she was associated with a firm Vasu & Co as a Senior Finance and Accounts Manager. She was paid any remuneration of ₹ 2.49 Lakhs for her role as Company Secretary and Compliance Officer in our Company in Financial year 2025.

#### Senior Management Personnel

In addition to the Company Secretary and the Chief Financial Officer of our Company, whose details are provided in “*Our Management – Key Managerial Personnel*” on page 179, the details of our Senior Management, as on the date of this Prospectus are as follows:

**Aradhana Roy** aged 44 years is the HR Head of our Company. She holds a Master in Business Administration in Human Resource Management from Castle Bridge University, UK in 2011, a Post Graduate in Advanced Diploma in Business Management from Edexcel - Ethames Graduate School, UK in 2010, a Post Graduate Diploma in Business and Management from London School of Commerce, UK in 2006, and a Bachelor in Commerce with a specialization in Accounts from Calcutta University in 2003. She completed her W.B.C.H.S.E in Commerce from Dinabandhu Andrews College in 2000.

She has been associated with our company since March 13, 2023. Prior to joining our Company, She was associated with Ambition Job and Placement, Rank Consultancy Private Limited, TK Maxx Convent Garden. She has around 13 years of experience in managing the full spectrum of recruitment, performance management, team handling, payroll, HR policies, customer service, and other administrative work. She is responsible for manpower planning, talent sourcing, onboarding, policy & sop development, payroll administration, etc. In Financial year 2025, she received a gross remuneration of ₹ 2.52 Lakhs.

**Debasish Dey** aged 36 years is the Accounts and Finance Head of our Company. He earned his Bachelor of Commerce (Honours) from Calcutta University in 2008. He has been associated with our company since September 15, 2008. Prior to joining our Company, he had no previous associations with any other organization. He has around decade of experience in managing financial operations and ensuring compliance with regulatory standards. He is responsible for financial planning and analysis financial reporting, budgeting, strategic planning and maintaining compliance with all regulatory requirements. In Financial year 2025, he received a gross remuneration of ₹ 5.20 Lakhs.

**Pawan Kumar Jalan** aged 65 years is the Sales Head of our Company. After completion of matriculation, he has joined our company since incorporation. He has been associated with our company since May 20, 1992. He has more than four decade's years of experience in sales department. He is responsible for leading sales team in achieving targets, expand market presence through strategic planning and execution. In Financial year 2025, he received a gross remuneration of ₹ 5.60 Lakhs.

**Rohit Daruka** aged 34 years is the Operation Head of our Company. He holds a Bachelor of Commerce (B. Com) from R Lal College, Lakhi Sarai, Bihar in 2012. He has been associated with our company since 2012. Prior to joining our Company, he had no previous associations with any other organization. He has more than one-decade of experience in overseeing various operational tasks to ensure the smooth functioning of daily business activities. He is responsible for coordinating with multiple departments to streamline workflows, overseeing inventory management, and managing supply chain logistics. In financial year 2025, he received a gross remuneration of ₹ 3.13 Lakhs.

### **Confirmations**

None of our Directors are related to any of our Key Managerial Personnel or Senior Management and none of our Key Managerial Personnel or Senior Management are related to each other.

All our Key Managerial Personnel and Senior Management are permanent employees of our Company.

There is no arrangement or understanding with the major shareholders, customers, suppliers or others, pursuant to which any of our other Key Managerial Personnel or Senior Management were selected as key managerial personnel or senior management personnel.

### **Interest of Key Managerial Personnel and Senior Management**

None of our Key Managerial Personnel and Senior Management have any interest 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, and (ii) the Equity Shares held by them, if any, and any dividend payable to them and other benefits arising out of such shareholding.

There is no contingent or deferred compensation accrued for the year payable to the Key Managerial Personnel or Senior Management, even if the compensation is payable at a later date.

Other than as disclosed in this section and as disclosed in “*Financial Information –Related Party Transactions*” on page 227, our Company has not paid any compensation or granted any benefit to any of our Key Managerial Personnel and Senior Management in all capacities in Financial Year 2025.

No loans have been availed by our Key Management Personnel or Senior Management from our Company as on the date of this Prospectus.

For further details of the interest of our Executive Directors in our Company, see “*Interests of Directors*” on page 171.

### **Payment or Benefit to Key Managerial Personnel and Senior Management**

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 disclosed in “*Interests of Directors*” on page 171 and stated otherwise in this Prospectus and any statutory payments made by our Company, no amount or benefits in kind has been paid or given, in the two years preceding of the date of this Prospectus, or is intended to be paid or given to any of our Company’s officers including the Key Managerial Personnel and Senior Management except remuneration and re-imbursements for services rendered as Directors, officers or employees of our Company

### **Bonus or profit-sharing plans for our Key Managerial Personnel or Senior Management**

Other than as disclosed in “*Bonus or profit-sharing plan of the Directors*”, and the annual variable payments which our Key Managerial Personnel or Senior Management are entitle to, our Key Managerial Personnel or Senior Management are not parties to any bonus or profit-sharing plan of our Company.

### **Shareholding of our Key Managerial Personnel or Senior Management in our Company**

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.

### **Changes in Key Managerial Personnel and Senior Management Personnel in the three immediately preceding years.**

Except as mentioned below, there have been no changes in our Key Managerial Personnel and Senior Management Personnel in the last three years:

<b>Name of the individual</b>	<b>Date of change</b>	<b>Reason</b>
Gyanesh Lohia	September 20, 2024	Re-appointment as Whole Time Director and CFO
Prabhu Lohia	September 20, 2024	Change in Designation as Managing Director
Sweta Agarwal	September 24, 2024	Appointment as Company Secretary and Compliance Officer

The attrition of the Key Managerial Personnel and Senior Management of our Company is not high as compared to the industry. For details, see “*Risk Factors – 44. Our success largely depends upon the knowledge and experience of our Promoters, Directors, our Key Managerial Personnel and Senior Management as well as our ability to attract and retain personnel with technical expertise. Any loss of our Promoter, Directors, Key Managerial Personnel, Senior Management or our ability to attract and retain them and other personnel with technical expertise could adversely affect our business, financial condition and results of operations.*” on page 48”.

### **Employee stock option schemes**

As on date of this Prospectus, our Company does not have any employee stock option scheme.



## OUR PROMOTER AND PROMOTER GROUP

### Our Promoters

The promoters of our Company are Narain Prasad Lohia, Prabhu Lohia and Gyanesh Lohia. As on date of this Prospectus, our Promoters in aggregate, holds 29,78,940, 42,28,942, and 16,83,350 Equity Shares in our Company, representing 17.42 %, 24.74 % and 9.85 % of the pre-Issue issued, subscribed and paid-up Equity Share capital of our Company. For details of the build-up of shareholding of the Promoter in our Company, see “*Capital Structure – Capital Build Up in respect of shareholding of our Promoters*” beginning on page 71 of this Prospectus.

### Details of our Individual Promoters are as follows:

	<p><b>Narain Prasad Lohia</b> is one of our Promoters and Non-Executive Director of our Company. For a complete profile of Narain Prasad Lohia, i.e., his date of birth, age, residential address, educational qualifications, professional experience, his business and financial activities, positions / posts held in the past, other directorships, other ventures and special achievements, please see “<i>Our Management</i>” on page 167.</p> <p>As on date of filing of thist Prospectus, Narain Prasad Lohia holds 29,78,940 Equity Shares representing 17.42 % of the subscribed and paid-up Equity Share capital of our Company.</p> <p>His permanent account number is AAVPL6024G.</p> <p>Other than as disclosed in “<i>Promoter Group</i>” and “<i>Our Management</i>” on pages 182 and 167, respectively, Narain Prasad Lohia is not involved in any other venture.</p>
	<p><b>Prabhu Lohia</b> is one of our Promoters, and Managing Director of our Company. For a complete profile of Prabhu Lohia, i.e., his date of birth, age, residential address, educational qualifications, professional experience, his business and financial activities, positions / posts held in the past, other directorships, other ventures and special achievements, please see “<i>Our Management</i>” on page 167.</p> <p>As on date of filing of this Prospectus, Prabhu Lohia holds 42,28,942 Equity Shares representing 24.74 % of the subscribed and paid-up Equity Share capital of our Company.</p> <p>His permanent account number is ABKPL9636L.</p> <p>Other than as disclosed in “<i>Promoter Group</i>” and “<i>Our Management</i>” on pages 182 and 167 respectively, Prabhu Lohia is not involved in any other venture.</p>

	<p><b>Gyanesh Lohia</b> is one of our Promoters, Whole time Director and CFO of our Company. For a complete profile of Gyanesh Lohia, i.e., his date of birth, age, residential address, educational qualifications, professional experience, his business and financial activities, positions / posts held in the past, other directorships, other ventures and special achievements, please see “<i>Our Management</i>” on page 167.</p> <p>As on date of filing of this Prospectus, Gyanesh Lohia holds 16,83,350 Equity Shares representing 9.85 % of the subscribed and paid-up Equity Share capital of our Company.</p> <p>His permanent account number is ABKPL4849H.</p> <p>Other than as disclosed in “<i>Promoter Group</i>” and “<i>Our Management</i>” on pages 182 and 167, respectively, Gyanesh Lohia is not involved in any other venture.</p>
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Our Company confirms that the permanent account number, bank account number, passport number, Aadhaar number and driving license number of our Promoters shall be submitted to the Stock Exchange at the time of filing of this Prospectus.

#### **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.

However, the subscribers to MOA and original Promoters of our Company were Narain Prasad Lohia, Krishan Kumar Lohia and Ram Kumar Lohia. Pursuant to the board resolution dated October 16, 2024, in terms of SEBI ICDR Regulations, our Board has taken on record Narain Prasad Lohia, Prabhu Lohia, Gyanesh Lohia as the Promoters of the Company. For details on their respective shareholding build up, please refer to Chapter titled “Capital Structure” on page 71 of this Prospectus.

#### **Interest of Promoter in promotion of our Company**

Our Promoters are interested in our Company to the extent (i) that they have promoted our Company (ii) of their respective shareholding directly or indirectly along with that of their relatives in our Company, (iii) their directorship in our Company (wherever applicable), (iv) interest payable on the loans provided to our Company

and (v) the dividends payable, if any, and any other distributions in respect of his shareholding in our Company or the shareholding of his relatives in our Company. For further details of our Promoter’s shareholding, see “*Capital Structure*” on page 71 of this Prospectus. For further details of interest of our Promoter in our Company, see “*Capital Structure*”, “*Our Management – Interest of Directors*” and “*Restated Financial Statements*” on pages 71, 171 and 189 of this Prospectus.

#### **Interest of Promoter in property of our Company**

Our Promoter is not interested in any transaction in acquisition of land or property, construction of building and supply of machinery, or any other contract, agreement or arrangement entered into by the Company and no payments have been made or are proposed to be made in respect of these contracts, agreements or arrangements.

#### **Business Interests**

No sum has been paid or agreed to be paid to our Promoters or to any firm or company in which such Promoter is interested as a member, in cash or shares or otherwise by any person either to induce them to become or to qualify them as a Director (as applicable) or otherwise for services rendered by them or by such Promoters or such firm or company in connection with the promotion or formation of our Company.

For details of related party transactions entered into by our Company with our Promoters during the financial year immediately preceding the date of this Prospectus, please see “*Restated Financial Information – Annexure VII: Related Party Disclosures*” on page 227.

### **Payment or benefits to our Promoter or our Promoter Group**

There has been no payment of benefits to our Promoters or the Promoter Group during the two years immediately preceding the date of filing of this Prospectus nor is there any intention to pay or give any benefit to our Promoter or any member of the Promoter Group by the Company as on the date of this Prospectus except remuneration received / sitting fees / Professional fees/Interest on Loan/Rent Received by Narain Prasad Lohia, Prabhu Lohia and Gyanesh Lohia as disclosed herein and as stated in “*Restated Financial Statements*” beginning on 189.

Our Company has not entered into any contract, agreement or arrangements during the two years immediately preceding the date of this Prospectus and does not propose to enter into any such contract in which our Promoters or the Promoter Group 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 other than as disclosed in “*History and Certain Corporate Matters—Shareholders’ Agreements and Other Agreements*”, “*Our Management*” and “*Financial Information —Related Party Transactions*” on pages 166, 167 and 227 respectively.

### **Companies or firms with which our Promoter has disassociated in the last three years**

Our Promoters has not disassociated himself from any company or firm in the three years immediately preceding the date of this Prospectus.

### **Material Guarantees**

Other than as disclosed in “*Financial Indebtedness – Guarantee*” on page 239, our Promoter have not given any material guarantees to any third parties with respect to the Equity Shares of our Company, on behalf of the Company.

### **Confirmations**

Our Promoter and members of our Promoter Group have not been declared 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 Reserve Bank of India.

Our Promoter and members of our Promoter Group have not been prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority.

Our Promoter and members of our Promoter Group is not and has never been promoter, director, or person in control of any other company which is prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority.

There are no conflict of interests between the third party service providers (crucial for operations of the Company) and the Company, Promoters and Promoter Group.

Except for the business relationship that may exist between the Company, Promoters and Promoter Group and the lessor of the immovable properties, (crucial for operations of the company), there are no conflict of interest between the lessor and the Company, Promoters and Promoter Group.

### **Our Promoter Group**

In addition to our Promoters, individuals and entities that form part of the Promoter Group of our Company in terms of Regulation 2(1) (pp) of the SEBI ICDR Regulations are set out below:

#### **A. Individuals forming part of our Promoter Group**

**The individuals forming a part of our Promoter Group are as follows:**

<b>Relationship with the Promoters</b>	<b>Narain Prasad Lohia</b>	<b>Prabhu Lohia</b>	<b>Gyanesh Lohia</b>
Father	Late Gobind Ram Lohia	Late Krishan Kumar Lohia	Narain Prasad Lohia
Mother	Late Bhawani Devi Lohia	Usha Kiran Lohia	Ambika Devi Lohia
Sister	Late Radha Devi Bajaj	-	-

Relationship with the Promoters	Narain Prasad Lohia	Prabhu Lohia	Gyanesh Lohia
Brother	Late Shyam Sundar Lohia, Late Krishan Kumar Lohia Ram Kumar Lohia	-	-
Daughter	-	Pritika Lohia Kaashvi Lohia	Manvi Lohia
Son	Gyanesh Lohia	-	Divyansh Lohia
Spouse	Ambika Devi Lohia	Kanika Lohia	Meghna Lohia
Spouse's Father	Late Ragunath Prasad Chandgotia	Suresh Kumar Pamasheardas Beriwal	Gopal Kumar Modi
Spouse's Mother	Late Shanti Devi	Anju Suresh Beriwal	Gayatri Devi Modi
Spouse's Sister(s)	Shakuntalla Devi Killa, Late Mohini Devi	-	-
Spouse's Brother(s)	Late Nawal Chandgotia, Jugal Chandgotia	B Nitesh Agarwal	Dipak Kumar Modi

**B. The entities forming a part of our Promoter Group**

S. No.	Entities
1	Kaberi Sales
2	Kaberi Sales Private Limited
3	Lohia Ovearses LLP
4	Krishna Enterprises
5	Vandana Finevest Private Limited
6	Hiphai Ecom Tech Private Limited
7.	Gyanesh Lohia HUF
8.	Prabhu Lohia HUF
9.	Gobindram Narain Prasad HUF

## OUR GROUP COMPANY

In terms of the SEBI ICDR Regulations, and the applicable accounting standards (Accounting Standard 18 and Indian Accounting Standard 24), “group companies” in relation to the disclosure in Offer Documents, our Company shall include (i) the companies (other than our Subsidiaries and Promoter, as applicable) with which there were related party transactions, in accordance with AS 18, as disclosed in the Restated Financial Information; and (ii) such other companies as considered material by our Board pursuant to the materiality policy.

With respect to (ii) above, our Board in its meeting held on March 13, 2025 has approved that such companies that are a part of the promoter group (as defined in the SEBI ICDR Regulations) with which there were transactions in the most recent financial year and stub period, if any, to be included in the Offer Documents (“Test Period”), which individually or in the aggregate, exceed 10% of the total Revenue from Operations of our Company for the Test Period, shall also be classified as group companies.

Accordingly, based on the parameters outlined above, as on the date of this Prospectus, our Company has identified and considered the following as our Group Company.

1. Kaberi Sales Private Limited
2. Vandana Finvest Private Limited
3. Hiphai Ecom Tech Private Limited

### Details of our Group Companies

#### 1. Kaberi Sales Private Limited

##### *Corporate Information:*

Kaberi Sales Private Limited having CIN U51109WB2007PTC115832 was incorporated on May 16, 2007. The registered office of the company is situated at 38, Parwati Ghose Lane Lohia Niwas, Kolkata, West Bengal, India, 700007.

##### *Financial Information:*

Certain financial information derived from the audited financial statements of Kaberi Sales Private Limited for Financial Years ended March 31, 2025, March 31, 2024 and March 31, 2023, as required by the SEBI ICDR Regulations, is available on our website at [www.vandanafashion.com](http://www.vandanafashion.com).

#### 2. Vandana Finvest Private Limited

##### *Corporate Information:*

Vandana Finvest Private Limited having CIN U17111WB1995PTC073252 was incorporated on July 31, 1995. The registered office of the company is situated at 180, M.G. Rd, Kolkata, West Bengal, India, 700007.

##### *Financial Information:*

Certain financial information derived from the audited financial statements of Vandana Finvest Private Limited for Financial Years ended March 31, 2024, March 31, 2023 and March 31, 2022, as required by the SEBI ICDR Regulations, is available on our website at [www.vandanafashion.com](http://www.vandanafashion.com).

#### 3. Hiphai Ecom Tech Private Limited

##### *Corporate Information:*

Hiphai Ecom Tech Private Limited having CIN U47820WB2023PTC261140 was incorporated on April 16, 2023. The registered office of the company is situated at 220 Mahatma Gandhi Road, 3rd Floor, Barabazar, Kolkata, Kolkata, West Bengal, India, 700007.

##### *Financial Information:*

Certain financial information derived from the audited financial statements of Hiphai Ecom Tech Private Limited for Financial Years ended March 31, 2024 as required by the SEBI ICDR Regulations, is available on our website at [www.vandanafashion.com](http://www.vandanafashion.com).

### ***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***

Our Group Companies are not interested in the properties acquired by us in the three years preceding the filing of this Prospectus or proposed to be acquired by us as on the date of this Prospectus. However, the Registered Office of our Company and Hiphai Ecom Tech Private Limited (Group Company) is the same i.e., 220, Mahatma Gandhi Road, Barabazar, Kolkata, Kolkata, West Bengal – 700007, India. Further, our Company has given NOC to Hiphai Ecom Tech Private Limited for using our existing premises as their premises wherein ₹10,000/- per month is payable by Hiphai Ecom Tech Private Limited to our Company.

#### ***In transactions for acquisition of land, construction of building and supply of machinery, etc.***

Our Group Companies are not interested in any transactions for the acquisition of land, construction of building or supply of machinery, except in ordinary course business and as disclosed in “*Restated Financial Information – Annexure VII: Related Party Disclosures*” on page 227.

#### ***Common pursuits among our Group Companies and our Company***

Except as disclosed in “*Restated Financial Information – Annexure VII: Related Party Disclosures*” on page 227, our Group Companies are not involved in any kind of common pursuits with our Company or other Group Companies as on the date of this Prospectus.

#### ***Related business transactions within our Group Companies and significance on the financial performance of our Company***

Except transaction as disclosed in “*Restated Financial Information – Annexure VII: Related Party Disclosures*” on page 227 which are in ordinary course of business, our Group Companies are not involved in any related business transaction with our Company as on the date of this Prospectus.

### ***Litigation***

As on the date of this Prospectus, there is no pending litigation involving our Group Companies which will have a material impact on our Company.

### ***Business interest of our Group Companies***

Except in the ordinary course of business and as stated in “*Restated Financial Information – Annexure VII: Related Party Disclosures*” on page 227, none of our Group Companies have any business interest in our Company.

### ***Other Confirmations***

None of our Group Companies have any securities listed on any stock exchange in India or abroad. Further, none of our Group Companies have made any public or rights issue (as defined under the SEBI ICDR Regulations) of securities in the three years preceding the date of this Prospectus.

There is no conflict of interest between the suppliers of raw materials and third-party service providers that are crucial for the operations of the Company and our Group Companies or their respective directors.

There is no conflict of interest between the lessor of the immovable properties that are crucial for the operations of the Company and our Group Companies or their respective directors.

## DIVIDEND POLICY

The declaration and payment of dividends on the Equity Shares, if any, will 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 and rules made thereunder, to the extent applicable to our Company, and the SEBI Listing Regulations and the dividend policy of our Company, which may be reviewed and amended periodically by the Board.

Our Company does not have formal dividend policy. The quantum of dividend, if any, and our ability to pay dividend will depend on a number of factors, including but not limited to the capital expenditure requirements, profit earned during the financial year and profit available for distribution, working capital requirements, business expansion and growth, cost of borrowing, economic environment, capital markets, and other factors considered by our Board. Our Company may also, from time to time, pay interim dividends. We may retain all our future earnings, if any, for use in the operations and expansion of our business.

In addition, our ability to pay dividends may be impacted by a number of other factors, including restrictive covenants under our current or future loan or financing documents. For more information on restrictive covenants under our current loan agreements, please see “*Financial Indebtedness*” on page 238 of this Prospectus. Our Company may pay dividend by cheque, or electronic clearance service, as will be approved by our Board in the future. Our Board may also declare interim dividend from time to time. For details of risks in relation to our capability to pay dividend, see “*Risk Factors*” beginning on page 29 of the Prospectus. 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 declared any dividends on our Equity Shares during the last three Financial Years 2025, 2024, 2023 for the period from April 01, 2025 until the date of this Prospectus.

**SECTION VII- FINANCIAL INFORMATION**  
**RESTATED FINANCIAL STATEMENTS**

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## **INDEPENDENT AUDITOR'S EXAMINATION REPORT ON RESTATED CONSOLIDATED FINANCIAL INFORMATION**

**(As required by Section 26 of Companies Act, 2013 read with Rule 4 of Companies (Prospectus and Allotment of Securities) Rules, 2014)**

**To,  
The Board of Directors,  
N R Vandana Tex Industries Limited  
(Formerly known as N.R. Design Centre Pvt Ltd)**

**220, Mahatma Gandhi Road, Barabazar, Kolkata, 700007**

Dear Madam/ Sir,

1. We J.B.S. & Company, Chartered Accountants ("we") have examined the attached Restated Consolidated Financial Statements of **N R Vandana Tex Industries Limited ("the Company" or the "Issuer")**, comprising the Restated Statement of Assets and Liabilities as at March 31, 2025, March 31, 2024, and March 31, 2023, the Restated Statements of Profit and Loss, the Restated Cash Flow Statement for the years ended March 31, 2025, March 31, 2024, and March 31, 2023 along with the Summary Statement of Significant Accounting Policies, the Notes and Annexures as forming part of these Restated Consolidated Financial Statements (collectively, the **"Restated Consolidated Financial Information"**), as approved by the Board of Directors of the Company at their meeting held on 17<sup>th</sup> May, 2025 for the purpose of inclusion in the Red Herring Prospectus (**"RHP"**) prepared by the Company in connection with its proposed SME Initial Public Offer of equity shares (**"Proposed SME IPO"**) prepared in terms of the requirements of:
  - i. Section 26 of Part I of Chapter III of the Companies Act, 2013 (the **"Act"**) read with Companies (Prospectus and Allotment of Securities) Rules 2014;
  - ii. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (**"ICDR Regulations"**); and
  - iii. The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India (**"ICAI"**), as amended from time to time (the **"Guidance Note"**).
2. The Company's Board of Directors is responsible for the preparation of the Restated Consolidated Financial Information for the purpose of inclusion in the RHP to be filed with Securities and Exchange Board of India (**"SEBI"**), and National Stock Exchange of India Limited where the equity shares of the company are proposed to be listed (**"Stock Exchanges"**) and the Registrar of Companies, Kolkata (**"ROC"**) in connection with the proposed SME IPO. The Restated Consolidated Financial Information has been prepared by the management of the Company on the basis of preparation stated in Annexure IV of the Restated Consolidated Financial

Information.

The Board of Directors responsibility includes designing, implementing, and maintaining adequate internal control relevant to the preparation and presentation of the Restated Consolidated Financial Information. The Board of Directors is also responsible for identifying and ensuring that the Company complies with the Companies Act, (ICDR) Regulations and the Guidance Note.

3. We, have been subjected to the peer review process of ICAI and holds the peer review certificate dated 02/06/2023 valid till 30.06.2026. We confirm that there is no express refusal by the peer review board of ICAI to renew the certificate and the process to renew the peer review certificate has been initiated by us.
4. We have examined such Restated Consolidated Financial Information taking into consideration:
  - i.The terms of reference and terms of our engagement agreed upon with you in accordance with our engagement letter dated May 05, 2025 in connection with the proposed IPO of equity shares of the Company;
  - ii.The Guidance Note also requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI;
  - iii.Concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence supporting the Restated Consolidated Financial Information; and,
  - iv.The requirements of Section 26 of the Act and the ICDR Regulations. Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act, the ICDR Regulations and the Guidance Note in connection with the IPO.
5. These Restated Consolidated Financial Information have been compiled by the management from the Audited Consolidated Financial Statements of the Company for the year ended March 31, 2025, March 31, 2024, and March 31, 2023 which has been approved by the Board of Directors. The financial statements of the Company for the year ended March 31, 2023 and March 31, 2024 and March 31, 2025 have been audited by M/s J.B.S. & Company (the Statutory Auditors).
6. For the purpose of our examination, we have relied on the Auditors' reports issued by us dated 16<sup>th</sup> May, 2025, 02<sup>nd</sup> September, 2024 and 04<sup>th</sup> September, 2023; on the Consolidated Financial statements of the Company as at and for the year ended March 31, 2025, March 31, 2024, March 31, 2023 respectively as referred in Paragraph 5 above;
7. Based on our examination and according to the information and explanations given to us, we report that the Restated Consolidated Financial Information have been prepared:

After incorporating adjustments for the changes in accounting policies and regrouping/reclassifications retrospectively, if any in the financial years ended March 31, 2025, March 31, 2024, and March 31, 2023 to reflect the same accounting treatment as per the accounting policies and grouping/classifications; and

  - i. in accordance with the Act, ICDR Regulations and the Guidance Note.
  - ii. Exceptional items, that need to be disclosed separately in the accounts has been disclosed wherever required;
  - iii. There were no qualifications in the Audit Reports issued by the Statutory Auditors for the years ended on March 31, 2025, March 31, 2024, and March 31, 2023 which would require adjustments in this Restated Consolidated Financial Statements of the Company;

- iv. We draw attention to the fact that the Statutory Auditors of the Company, in their audit report for the year ended 31st March, 2025, have included an adverse remark with respect to the remuneration paid to one of the Non-Executive Directors. The remark stated that

"The remuneration paid to one of the Non-Executive Directors subsequent to the Company's conversion into a public company exceeded the limits prescribed under Section 197 read with Schedule V of the Companies Act, 2013. The Company is in the process of taking appropriate steps to regularize the excess remuneration."

- v. Profits and losses have been arrived at after charging all expenses including depreciation and after making such adjustments/restatements and regroupings, if any, as in our opinion are appropriate and are to be read in accordance with the Significant Accounting Policies and Notes to Accounts as set out in ANNEXURE IV and ANNEXURE – V respectively to this report;
- vi. There was no change in the accounting policies, hence no adjustment in the Restated Consolidated Financial Statement
- vii. There are no revaluation reserves, which need to be disclosed separately in the Restated Consolidated Financial Statement;
- viii. The Company has paid Rs. Nil Dividend for the year ended March 31, 2025, March 31, 2024, and March 31, 2023.

8. As indicated in our audit reports referred above:

- i. We did not audit the financial statements of associate whose share of total revenues and share of profit/ loss in its associates included in the consolidated financial statements, for the relevant years is tabulated below, which have been audited by other auditors, Santosh K. Agrawalla & Associates, and whose reports have been furnished to us by the Company's management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these components, is based solely on the reports of the other auditors:

Particulars	(Rs. in Lakhs)		
	As at/for the year ended March 31, 2025	As at/for the year ended March 31, 2024	As at/for the year ended March 31, 2023
Share of Profit (%)	46.86	46.86	46.86
Total Profit	68.93	22.38	27.12

9. In accordance with the requirements of Part I of Chapter III of the Act, ICDR Regulations, Guidance Note and Engagement Letter, we report that:

- i. The "Restated Statement of Assets and Liabilities" as set out in Annexure I to this report, of the Company as at March 31, 2025, March 31, 2024, and March 31, 2023 are prepared by the Company and approved by the Board of Directors. These Statement of Assets and Liabilities, as restated have been arrived at after making such adjustments and regroupings to the financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to the Restated Consolidated Financial Information as set out in ANNEXURE IV and ANNEXURE – V respectively to this Report.
- ii. The "Restated Statement of Profit and Loss" as set out in Annexure II to this report, of the Company for the years ended March 31, 2025, March 31, 2024, and March 31, 2023 are prepared by the Company and approved by the Board of Directors. These Statement of Profit and Loss, as restated have been arrived at after making such adjustments and regroupings to the financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to the Restated Consolidated Financial Information as set out in ANNEXURE IV and ANNEXURE – V respectively to this Report.

- iii. The “Restated Statement of Cash Flow” as set out in Annexure III to this report, of the Company for the years ended March 31, 2025, March 31, 2024, and March 31, 2023 are 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 financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Restated Consolidated Financial Information as set out in ANNEXURE IV and ANNEXURE – V respectively to this Report.
- iv. We have also examined the following financial information ("Other Financial Information") proposed to be included in the offer document prepared by the management and approved by the board of directors of the company and annexed to this report:

<i>Annexure I</i>	Restated Statement of Assets & Liabilities
<i>Annexure II</i>	Restated Statement of Profit & Loss Account
<i>Annexure III</i>	Restated Cash Flow Statement
<i>Annexure IV</i>	Significant Accounting Policies
<i>Annexure V</i>	Notes to Restated Financial Statement
<i>Annexure VI</i>	Additional Notes to Restated Financial Statement
<i>Annexure VII</i>	Statement of Related Party Transactions
<i>Annexure VIII</i>	Statement of Adjustments to Audited Financial Statements
<i>Annexure IX</i>	Restated Statement of Capitalization
<i>Annexure X</i>	Other Financial Information
<i>Annexure XI</i>	Restated Statement of Tax Shelter
<i>Annexure XII</i>	Restated Statement of Contingent Liabilities
<i>Annexure XIII</i>	Restated Statement of Accounting Ratios

10. 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 in paragraph 4 above.
11. This report should not in any way be construed as a reissuance or re-dating of any of the previous audit reports issued by the Statutory Auditors/ Previous Statutory Auditors, nor should this report be construed as a new opinion on any of the financial statements referred to herein.
12. We have no responsibility to update our report for events and circumstances occurring after the date of the report.
13. Our report is intended solely for use of the Board of Directors for inclusion in the RHP to be filed with Securities and Exchange Board of India, and National Stock Exchange of India Limited, and Registrar of Companies, West Bengal, situated in Kolkata in connection with the proposed SME IPO. Our report should not be used, referred to, or distributed for any other purpose except with our prior consent in writing. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

14. In our opinion, the above financial information contained in Annexure I to Annexure III of this report read with the respective Significant Accounting Policies and Notes to Accounts as set out in Annexure IV & V are prepared after making adjustments and regrouping as considered appropriate and have been prepared in accordance with the Act, ICDR Regulations, Engagement Letter and Guidance Note and give a true and fair view in conformity with the accounting principles generally accepted in India, to the extent applicable.

**For J.B.S. & Company**  
**Chartered Accountants**  
**FRN: 323734E**  
**Peer Review No: 015434**

**S/d**

**CA Sudhanshu Sen**  
**Partner**  
**Membership No.: 306354**

**UDIN: 25306354BMOXZC8325**  
**Date: 17/05/2025**  
**Place: Kolkata**

**N R VANDANA TEX INDUSTRIES LIMITED**  
**(FORMERLY KNOWN AS : N.R.DESIGN CENTRE PVT LTD)**  
**220, M.G. ROAD, KOLKATA - 700 007**  
**CIN: U17299WB1992PLC055341**

**RESTATED CONSOLIDATED STATEMENT OF ASSETS & LIABILITIES**

(Amount in Rs. Lakhs, unless stated otherwise)

Particulars	Annexure V Note	As at 31.03.2025	As at 31.03.2024	As at 31.03.2023
<b>Equity and liabilities</b>				
<b>Shareholders' funds</b>				
Share capital	2	1,709.69	326.28	290.27
Reserves and surplus	3	1,993.07	2,516.97	1,763.52
		<b>3,702.76</b>	<b>2,843.25</b>	<b>2,053.79</b>
<b>Non-current liabilities</b>				
Long-term borrowings	4	1,523.51	2,769.03	2,826.56
Deferred tax liabilities (net)	5	15.47	13.10	12.54
Long-term provisions	6	17.21	15.65	12.14
		<b>1,556.19</b>	<b>2,797.78</b>	<b>2,851.24</b>
<b>Current liabilities</b>				
Short-term borrowings	7	5,378.62	4,128.48	3,681.80
Trade payables	8		696.80	904.36
- total outstanding dues of micro and small enterprises		261.64		
- total outstanding dues other than micro and small enterprises		8,885.91	7,231.15	6,746.75
Other current liabilities	9	218.88	514.99	494.76
Short-term provisions	6	289.59	142.25	63.02
		<b>15,034.64</b>	<b>12,713.67</b>	<b>11,890.69</b>
<b>Total</b>		<b>20,293.59</b>	<b>18,354.70</b>	<b>16,795.72</b>
<b>Assets</b>				
<b>Non-current assets</b>				
Property, plant and equipment	10	573.90	615.00	660.07
Intangible assets		-	-	-
Capital work-in-progress		-	-	-
Non-current investments	11	467.88	435.58	425.09
Long-term loans and advances	12	10.00	11.79	1.79
Other non-current assets				
		<b>1,051.78</b>	<b>1,062.37</b>	<b>1,086.95</b>
<b>Current assets</b>				
Inventories	13	5,584.36	8,050.72	6,459.23
Trade receivables	14	12,854.27	7,860.58	8,144.59
Cash and bank balances	15	115.98	305.75	397.17
Short-term loans and advances	12	138.95	399.70	283.67
Other current assets	16	548.25	675.58	424.11
		<b>19,241.81</b>	<b>17,292.33</b>	<b>15,708.77</b>
<b>Total</b>		<b>20,293.59</b>	<b>18,354.70</b>	<b>16,795.72</b>

**Note:**

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

As per our report of even date attached

**For and on behalf of the Board of Directors**

**For J.B.S & Company**  
**Chartered Accountants**

**PRABHU LOHIA**  
S/D

**NARAIN PRASAD LOHIA**  
S/D

**GYANESH LOHIA**  
S/D

**FRN No. 323734E**

**Managing Director**  
**DIN No.**  
**02621416**

**Director**  
**DIN No.**  
**00452515**

**Chief Financial Officer**  
**(Whole Time Director)**  
**DIN No.**  
**02621425**

S/D  
**CA Sudhanshu Sen**  
**M.No : 306354**  
**Partner**

S/D

**SWETA AGARWAL**  
**Company Secretary**  
**Membership No : A31918**

**Place: Kolkata**  
**Date: 17/05/2025**  
**UDIN : 25306354BMOXZC8325**

**N R VANDANA TEX INDUSTRIES LIMITED**  
**(FORMERLY KNOWN AS : N.R.DESIGN CENTRE PVT LTD)**  
**220, M.G. ROAD, KOLKATA - 700 007**  
**CIN: U17299WB1992PLC055341**

**RESTATED CONSOLIDATED STATEMENT OF PROFIT & LOSS**

(Amount in Rs. Lakhs, unless stated otherwise)

Particulars	Annexure V Note	For the year ended 31.03.2025	For the year ended 31.03.2024	For the year ended 31.03.2023
<b>Revenue</b>				
Revenue from operations	17	27,080.25	22,010.80	19,524.14
Other income	18	29.97	10.42	36.02
<b>Total Income</b>		<b>27,110.22</b>	<b>22,021.22</b>	<b>19,560.16</b>
<b>Expenses</b>				
Cost of materials consumed	19	15,499.45	13,523.01	14,403.37
Purchase of stock-in-trade		-	-	-
Changes in Inventories of Finished Goods	20	1,937.05	(367.19)	(2,557.64)
Manufacturing Expenses	21	6,011.20	5,854.51	5,373.16
Employee benefits expense	22	378.08	319.81	315.68
Finance costs	23	802.88	784.29	698.36
Depreciation and amortisation expense	10	41.10	49.51	51.84
Other expenses	24	1,326.50	1,295.16	1,012.78
<b>Total expenses</b>		<b>25,996.26</b>	<b>21,459.10</b>	<b>19,297.55</b>
<b>Profit before exceptional and extraordinary items and taxes</b>		<b>1,113.96</b>	<b>562.12</b>	<b>262.61</b>
<b>Exceptional and Extraordinary Items</b>		-	-	-
<b>Profit Before Tax</b>		<b>1,113.96</b>	<b>562.12</b>	<b>262.61</b>
<b>Tax expense</b>				
Current tax		287.43	141.18	62.40
Deferred tax (credit)/charge		2.38	0.56	14.24
Earlier Year Taxes		(3.06)	1.47	18.74
<b>Profit for the period / year</b>		<b>827.21</b>	<b>418.91</b>	<b>167.23</b>
Share of Profit/(Loss) of associates		<b>32.30</b>	<b>10.49</b>	<b>12.71</b>
<b>Profit/(Loss) for the period</b>		<b>859.51</b>	<b>429.40</b>	<b>179.94</b>
<b>Earnings per equity share of face value of Rs. 10 each</b>				
(1) Basic (in Rs.)	27	<b>5.03</b>	<b>2.56</b>	<b>1.18</b>
(2) Diluted (in Rs.)	27	<b>5.03</b>	<b>2.56</b>	<b>1.18</b>

**Note:**

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

**For and on behalf of the Board of Directors**

As per our report of even date attached

**For J.B.S & Company**  
**Chartered Accountants**

**PRABHU LOHIA**  
S/D

**NARAIN PRASAD LOHIA**  
S/D

**GYANESH LOHIA**  
S/D

**FRN No. 323734E**

**Managing Director**  
**DIN No.**  
**02621416**

**Director**  
**DIN No.**  
**00452515**

**Chief Financial Officer**  
**(Whole Time Director)**  
**DIN No.**  
**02621425**

S/D  
**CA Sudhanshu Sen**  
**M.No : 306354**  
**Partner**

S/D

**SWETA AGARWAL**  
**Company Secretary**  
**Membership No : A31918**

**Place: Kolkata**  
**Date: 17/05/2025**  
**UDIN : 25306354BMOXZC8325**

**N R VANDANA TEX INDUSTRIES LIMITED**  
**(FORMERLY KNOWN AS : N.R.DESIGN CENTRE PVT LTD)**  
**220, M.G. ROAD, KOLKATA - 700 007**  
**CIN: U17299WB1992PLC055341**

**Restated Consolidated Statement of Cash Flows**

(Amount in Rs. Lakhs, unless stated otherwise)

Particulars	As at		
	2025	2024	2023
<b>A. Cash flow from operating activities</b>			
Profit before tax, as restated	1,113.96	562.12	262.61
Adjustments for :			
Depreciation	41.10	49.51	51.84
Finance Costs	802.88	784.29	698.36
Profit on Sale of Fixed Assets	-	-	(1.37)
Provision for Gratuity	2.65	3.96	3.73
Interest Income	(29.97)	(8.35)	(12.65)
<b>Operating profit before working capital changes</b>	<b>1,930.62</b>	<b>1,391.53</b>	<b>1,002.52</b>
<b>Changes in working capital:</b>			
Inventories	2,466.36	(1,591.49)	(2,832.19)
Trade & Other Receivables	(4,442.89)	(83.49)	(809.69)
Trade & Other Payables	782.31	319.44	1,438.54
<b>Cash generated from/ (utilised in) operations</b>	<b>736.40</b>	<b>35.99</b>	<b>(1,200.83)</b>
Less : Income tax paid	157.87	86.24	81.14
<b>Net cash flow generated from/ (utilised in) operating activities (A)</b>	<b>578.53</b>	<b>(50.25)</b>	<b>(1,281.97)</b>
<b>B. Cash flow from investing activities</b>			
Purchase of Fixed Assets	-	(9.43)	(166.69)
Capital Advance	-	-	-
Sale of Fixed Assets	-	-	3.60
Sale of Investment	-	-	0.05
Interest Income	29.97	8.35	12.65
(Increase)/Decrease in Fixed Deposits			
<b>Net cash flow utilised in investing activities (B)</b>	<b>29.97</b>	<b>(1.08)</b>	<b>(150.39)</b>
<b>C. Cash flow from financing activities</b>			
Long Term Borrowings (Net)	(1,245.52)	297.52	1,031.22
Short Term Borrowings (Net)	1,250.14	446.68	1,383.53
Finance Costs	(802.88)	(784.29)	(698.36)
<b>Net cash flow generated from/ (utilised in) financing activities (C)</b>	<b>(798.26)</b>	<b>(40.09)</b>	<b>1,716.39</b>
<b>Net (decrease)/ increase in cash &amp; cash equivalents (A+B+C)</b>	<b>(189.76)</b>	<b>(91.43)</b>	<b>284.04</b>
Cash and cash equivalents at the beginning of the period/	305.75	397.17	113.13
<b>Cash and cash equivalents at the end of the period/ year (Refer Annexure V Note(15))</b>	<b>115.98</b>	<b>305.75</b>	<b>397.17</b>

**Note:**

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

The Cash Flow Statement has been prepared under indirect method as set out in Accounting Standard 3, 'Cash Flow Statements' notified under Section 133 of the Companies Act, 2013.

**For and on behalf of the Board of Directors**

As per our report of even date attached

**For J.B.S & Company**  
**Chartered Accountants**

**PRABHU LOHIA**  
S/D

**NARAIN PRASAD LOHIA**  
S/D

**GYANESH LOHIA**  
S/D

**FRN No. 323734E**

**Managing Director**  
**DIN No.**  
**02621416**

**Director**  
**DIN No.**  
**00452515**

**Chief Financial Officer**  
**(Whole Time Director)**  
**DIN No.**  
**02621425**

S/D  
**CA Sudhanshu Sen**  
**M.No : 306354**  
**Partner**

S/D

**SWETA AGARWAL**  
**Company Secretary**  
**Membership No : A31918**

**Place: Kolkata**  
**Date: 17/05/2025**

**UDIN : 25306354BMOXZC8325**



**N R VANDANA TEX INDUSTRIES LIMITED**  
**NOTES FORMING PART OF THE RESTATED CONSOLIDATED FINANCIAL STATEMENTS**

**Note 1: Statement of Notes to Restated Consolidated Financial Information**

**A. Corporate Information**

N R VANDANA TEX INDUSTRIES LIMITED (the Company) is a Public Limited Company (CIN - U17299WB1992PLC055341) incorporated under the provision of the Companies Act, 1956 having its registered office at 220, M.G. Road ,Kolkata -700007 , West Bengal , India . The company is an Manufacturing Company engaged in manufacturing and trading of textile goods.

**Disclosure related to entities considered in Restated Consolidated Financial Information**

Name of the Entity	Nature of Interest	As at March 31, 2025	As at March 31, 2024	As at March 31, 2023
Kaberi Sales Pvt Ltd	Indian Associate	46.86%	46.86%	46.86%

**B. Significant Accounting Policies**

**a) Statement of Compliance and Basis of Preparation**

The Restated Consolidated Financial Information comprise the Restated Consolidated Statement of Asset and Liabilities as at 31 March 2025, 31 March 2024, and 31 March 2023, Restated Consolidated Statement of Profit and Loss and Restated Consolidated Statement of Cash Flows for the year ended 31 March 2025 and years ended 31 March 2024, and 31 March 2023 and Significant Accounting Policies and Other Explanatory Notes to Restated Consolidated Financial Information (hereinafter referred to as 'Restated Consolidated Financial Information').

These Restated Consolidated Financial Information have been prepared by the management as required under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements Regulations, 2018, as amended ("ICDR Regulations") issued by the Securities and Exchange Board of India ('SEBI'), in pursuance of the Securities and Exchange Board of India Act, 1992, for the purpose of inclusion in the Red Herring Prospectus ("RHP") and the Prospectus, to be filed by the Company with the Registrar of Companies, Kolkata, West Bengal ("ROC"), Securities and Exchange Board of India ("SEBI"), and National Stock Exchange of India in connection with the proposed initial public offering of equity shares of face value of INR 10 each (also refer note 2) of the Company comprising fresh issue of equity shares, prepared by the Company in terms of the requirements of:

- Section 26 of Part I of Chapter III of the Companies Act, 2013 ("the Act");
- The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended; and
- The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India (ICAI) (the "Guidance Note")

The Restated Consolidated Financial Information of the Group have been prepared to comply in all material respects with the Accounting Standards ("AS"), presentation requirements of Division I of Schedule III to the Companies Act, 2013, as applicable to the Restated Consolidated Financial Information and other relevant provisions of the Act.

- Audited consolidated financial statements of the Group as at year ended March 31, 2025 is prepared in accordance with Accounting Standard (AS) and other accounting principles generally accepted in India, which have been approved by the Board of Directors at their meeting held on May 16, 2025. The Consolidated Financial Statements have been prepared by the Company for the purpose of preparation of the Restated Consolidated Financial Information, which will be included in the Red Herring Prospectus in connection with the proposed issue of equity shares of the Company by an offer for fresh issue of equity shares by the Company by way of initial public offer. Accordingly, the Consolidated AS Financial Statements may not be suitable for any other purpose and this report should not be used, referred to or distributed for any other purpose.

- Audited Consolidated financial statements of the Group as at and for the years ended March 31, 2025, March 31, 2024, and March 31, 2023 prepared in accordance with the Accounting Standards (referred to as "AS") and other accounting principles generally accepted in India, which have been approved by the Board of Directors at their meetings held on May 16, 2025, September 2, 2024, and September 4, 2023, respectively.

**N R VANDANA TEX INDUSTRIES LIMITED**  
**NOTES FORMING PART OF THE RESTATED CONSOLIDATED FINANCIAL STATEMENTS**

These Restated Consolidated Financial Information have been prepared as a going concern on the basis of relevant AS that are effective at the Group's reporting date, March 31, 2025.

These Restated Consolidated Financial Information are presented in Indian Rupees (INR), which is also the Company's functional currency. All amounts have been rounded to the nearest lakhs, unless otherwise indicated

The Restated Consolidated Financial Information are approved for issue by the Company's Board of Directors on May 17, 2025.

**b) Use of estimates**

The preparation of Restated Financial Statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities on the date of the Restated Financial Statements and reported amounts of revenues and expenses for the year.

Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as Management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the Restated Financial Statements in the period in which changes are made and if material, their effects are disclosed in the notes to the Restated Financial Statements.

**c) Property, plant and equipment**

Property, Plant & Equipment represent a significant proportion of the assets of the Company. Property, Plant & Equipment are stated at their original cost less accumulated depreciation/amortization. The Cost includes the purchase cost including import duties and non-refundable taxes and any directly attributable costs of bringing a Property, Plant & Equipment to the Location and Conditions of its intended use. Cost comprises of expenditure incurred in respect of the asset under development and includes any attributable/allowable cost and other incidental expenses.

**d) Depreciation**

All fixed assets, are depreciated on WDV Method. Depreciation is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013. Depreciation on additions to / deletions from fixed assets made during the period is provided on pro-rata basis from / up to the date of such addition / deletion as the case may be. In respect of an assets for which impairment loss is recognized, depreciation is provided on the revised carrying amount of the assets over its remaining useful life. The amortization period and the amortization method are reviewed at each reporting date. If the expected useful life of the asset is significantly different from previous estimates, the amortisation method is changed accordingly.

**e) Government Grant**

Grants of capital nature and related to specific Fixed Assets are deducted from gross value of assets. Other grants of capital nature are credited to Capital Reserve. Grants related to revenue are recognized in the statement of profit and loss on a systematic basis to match them with related costs.

**f) Employee benefits**

- (i) Contributions to Provident Fund are accounted for on accrual basis.
- (ii) Liability in respect of Gratuity is being provided on accrual basis.
- (iii) Liability in respect to Leave encasement is being provided on cash basis.

**g) Foreign currency transactions**

Transactions in foreign currency are accounted for at the exchange rates prevailing on the date of transaction. Monetary assets and liabilities related to foreign currency transaction remaining unsettled at the end of the year are translated at year end exchange rates Gains/Losses arising out of fluctuation in the exchange rates are recognized in statement of Profit and Loss in the period in which they arise.

**N R VANDANA TEX INDUSTRIES LIMITED**  
**NOTES FORMING PART OF THE RESTATED CONSOLIDATED FINANCIAL STATEMENTS**

**h) Inventories**

Inventory of the Company has been valued as follows:

- |                     |  |
|---------------------|--|
| (i) Raw Material    | At Lower of Cost or Net Realizable value |
| (ii) Finished Goods | At Lower of Cost or Net Realizable value |

Cost is determined using the weighted average cost method

**i) Revenue recognition**

- i) Sales revenue is recognized when property in the goods with all significant risk and rewards as well as the effective control of goods usually associated with ownership are transferred to the buyer. Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is recognized when it is earned and no significant uncertainty exists as to its realization or collection. Revenue from sale of goods or services are recognized on delivery of the products or services, when all significant contractual obligations have been satisfied, the property in the goods is transferred for price, significant risk and rewards of ownership are transferred to the customers and no effective ownership is retained. In the financial statement, revenue from operation does not include Indirect taxes like Goods & Service Tax.
- ii) Dividend income is recognised when the right to receive the dividend is established.
- iii) Interest income is recognised on time proportion basis.

**j) Investments**

Investment is treated as Non-Current assets & stated at cost. Provision for diminution in the value of long-term investment is made only if such a decline is other than temporary nature in the opinion of the management.

**k) Borrowing costs**

Borrowing costs relating to the acquisition / construction of qualifying assets are capitalized when all substantial activities necessary to prepare the qualifying assets for their intended use are complete. A qualifying asset is one that necessarily takes a substantial period of time to get ready for its intended use. All other costs related to borrowings are recognised as expense in the period in which they are incurred.

**l) Taxation**

Tax expense comprises current and deferred tax. Tax on income for the current period is determined on the basis of taxable income and tax computed in accordance with the provisions of the Income tax is determined in accordance with the provisions of the Income Tax Act, 1961 and based on expected outcome of assesment/ appeals. 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 and tax laws prevailing in the respective tax jurisdictions where the Company operates. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

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.

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.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set-off current tax assets against current tax liabilities and the deferred tax assets and deferred taxes relate to the same taxable entity and the same taxation authority.

**m) Earning per Share**

In determining the Earnings Per share, the company considers the net profit after tax including any post tax effect of any extraordinary / exceptional item. The number of shares used in computing basic earnings per share is the weighted average number of shares outstanding during the period. The number of shares used in computing Diluted earnings per share comprises the weighted average number of shares considered for computing Basic Earnings per share and also the weighted number of equity shares that would have been issued on conversion of all potentially dilutive shares.

**N R VANDANA TEX INDUSTRIES LIMITED**  
**NOTES FORMING PART OF THE RESTATED CONSOLIDATED FINANCIAL STATEMENTS**

**n) Impairment of assets**

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the higher of the asset's net selling price and value in use, which is determined by the present value of the estimated future cash flows.

**o) Provisions and contingent liabilities**

Provisions involving substantial degree of estimation in measurement, are recognized when the present obligation of or past events gives rise to a probable outflow embodying economic benefits on settlement and the amount of obligation can be reliably estimated. A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. Contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The contingent liability to be reported for the year have been reported in accordance with the requirement, if any. Contingent Assets are neither recognised nor disclosed in the Financial Statements. Provisions and Contingent Liabilities are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates.

**p) Segment Reporting****(a) Business Segment**

Based on the guiding principles given in Accounting Standard 17 (AS - 17) on Segment Reporting issued by ICAI, the Company has only one reportable Business Segment, which is Manufacturing of Saree. Accordingly, the figures appearing in these Restated Financial Statments relate to the Company's single Business Segment.

**(b) Geographical Segments:**

The Company activities / operations are confined to India and as such there is only one geographical segment. Accordingly, the figures appearing in these Restated Financial Statments relate to the Company's single geographical segment.

**q) Prior Period Items:**

Prior Period and Extraordinary items and Changes in Accounting Policies having material impact on the financial affairs of the Company are disclosed in Restated Financial Statments.

**N R VANDANA TEX INDUSTRIES LIMITED**  
**NOTES FORMING PART OF THE RESTATED CONSOLIDATED FINANCIAL STATEMENTS**

(Amount in Rs. Lakhs, unless stated otherwise)

**Note 2: Restated Statement of Share capital**

Particulars	As at 31.03.2025	As at 31.03.2024	As at 31.03.2023
<b>Authorised share capital</b>			
2,35,00,000 (PY: 1,00,00,000) Equity Shares of Rs.10/- each	2,350.00	1,000.00	1,000.00
	<b>2,350.00</b>	<b>1,000.00</b>	<b>1,000.00</b>
<b>Issued, subscribed and fully paid up</b>			
32,62,750 (PY: 32,62,750) Equity Shares of Rs.10/- each	326.28	326.28	290.27
Add : 1,38,34,059 Equity Shares of Rs. 10/- each issued as Bonus Shares	1,383.41	-	-
	<b>1,709.69</b>	<b>326.28</b>	<b>290.27</b>

**a) Reconciliation of equity share capital**

Particulars	As at 31.03.2025	As at 31.03.2024	As at 31.03.2023
<b>Balance at the beginning of the year</b>			
- Number of shares	3,262,750	2,902,700	2,902,700
- Amount in ₹ in Lakhs	326.28	290.27	290.27
<b>Add: Shares issued during the period/year</b>			
- Number of shares	13,834,059.00	360,050	-
- Amount in ₹ in Lakhs	1,383.41	36.01	-
<b>Balance at the end of the period/year</b>			
- Number of shares	17,096,809	3,262,750	2,902,700
- Amount in ₹ Lakhs	<b>1,709.69</b>	<b>326.28</b>	<b>290.27</b>

**b) Terms/Rights attached to Shares**

The company has one class of equity shares having a par value of Rs.10/- per share. Each Equity shareholder is eligible for one vote per share held and having same rights as to dividend. In the event of liquidation of the Company, the equity shareholders will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the Shareholders.

**c) Shareholders holding more than 5% of the shares of the Company**

Particulars	As at 31.03.2025	As at 31.03.2024	As at 31.03.2023
<b>Equity shares of ₹ 10 each</b>			
Narain Prasad Lohia			
- Number of shares	2,978,940	568,500	568,500
- Percentage holding (%)	17.42%	17.42%	19.59%
Ram Kumar Lohia			
- Number of shares	-	-	226,200
- Percentage holding (%)	0.00%	0.00%	7.79%
Ram Kumarar Lohia & Others HUF			
- Number of shares	-	-	252,600
- Percentage holding (%)	0.00%	0.00%	8.70%
Gyanesh Lohia			
- Number of shares	1,683,350	321,250	158,600
- Percentage holding (%)	9.85%	9.85%	5.46%
Ambika Devi Lohia			
- Number of shares	824,776	157,400	157,400
- Percentage holding (%)	4.82%	4.82%	5.42%
Usha Kiran Lohia			
- Number of shares	1,448,336	276,400	439,400
- Percentage holding (%)	8.47%	8.47%	15.14%
Kanika Lohia			
- Number of shares	1,424,232	271,800	208,600
- Percentage holding (%)	8.33%	8.33%	7.19%
Meghna Lohia			
- Number of shares	1,205,724	230,100	230,100
- Percentage holding (%)	7.05%	7.05%	7.93%
Prabhu Lohia			
- Number of shares	4,228,942	683,050	141,400
- Percentage holding (%)	24.74%	20.93%	4.87%
Kaberi Sales Pvt Ltd			

**N R VANDANA TEX INDUSTRIES LIMITED**  
**NOTES FORMING PART OF THE RESTATED CONSOLIDATED FINANCIAL STATEMENTS**

*(Amount in Rs. Lakhs, unless stated otherwise)*

- Number of shares	1,282,841	244,817	0.00%
- Percentage holding (%)	7.50%	7.50%	0.00%

**N R VANDANA TEX INDUSTRIES LIMITED**  
**NOTES FORMING PART OF THE RESTATED CONSOLIDATED FINANCIAL STATEMENTS**

(Amount in Rs. Lakhs, unless stated otherwise)

d) Shares held by holding/ultimate holding company and their subsidiaries/associates

Particulars	31.03.2025		31.03.2024		31.03.2023	
	No.	%	No.	%	No.	%
a) Shares held by holding company	-	-	-	-	-	-
b) Shares held by ultimate holding company	-	-	-	-	-	-
c) Shares held by subsidiaries or associates of holding/ultimate holding	-	-	-	-	-	-

e) Detail of Shareholding Pattern of the Promoters of the Company:

Equity Shares held by the promoters as at the end of the current period					
Promoters Name	As at 31st March, 2025		As at 31st March, 2024		% Change during the period
	No. of shares	% of Shares	No. of shares	% of Shares	
Narain Prasad Lohia	2,978,940	17.42	568,500	17.42	-
Gyanesh Lohia	1,683,350	9.85	321,250	9.85	-
Prabhu Lohia	4,228,942	24.74	683,050	20.93	3.81
<b>Total ::</b>	<b>8,891,232</b>	<b>52.01</b>	<b>1,572,800</b>	<b>48.20</b>	<b>3.81</b>

Equity Shares held by the promoters as at the end of the current year					
Promoters Name	As at 31st March, 2024		As at 31st March, 2023		% Change during the period
	No. of shares	% of Shares	No. of shares	% of Shares	
Narain Prasad Lohia	568,500	17.42	568,500	19.59	(2.17)
Gyanesh Lohia	321,250	9.85	158,600	5.46	4.39
Prabhu Lohia	683,050	20.93	141,400	4.87	16.06
<b>Total ::</b>	<b>1,572,800</b>	<b>48.20</b>	<b>868,500</b>	<b>29.92</b>	<b>18.28</b>

Equity Shares held by the promoters as at the end of the current year					
Promoters Name	As at 31st March, 2023		As at 31st March, 2022		% Change during the period
	No. of shares	% of Shares	No. of shares	% of Shares	
Narain Prasad Lohia	568,500	19.59	358,100	12.34	7.25
Gyanesh Lohia	158,600	5.46	158,600	5.46	(0.00)
Prabhu Lohia	141,400	4.87	141,400	4.87	(0.00)
<b>Total ::</b>	<b>868,500</b>	<b>29.92</b>	<b>658,100</b>	<b>22.67</b>	<b>7.25</b>

f) Shares reserved for issue under options and contracts/commitments for the sale of shares or disinvestment (including the terms and amounts):

No shares have been reserved for issue under options or contracts/commitments for the sale of shares or disinvestment as at the reporting date.

g) Detail of Share Capital Transactions carried out in the 5 years immediately preceding the Balance Sheet Date:

f) Details of share Capital transactions carried in the five years immediately preceding the Balance Sheet date:-												
Particulars	31.03.2025		31.03.2024		31.03.2023		31.03.2022		31.03.2021		31.03.2020	
	No.	Amount	No.	Amount	No.	Amount	No.	Amount	No.	Amount	No.	Amount
a) Aggregate number and class of shares allotted as fully paid up pursuant to contract(s) without payment received in cash	Nil	Nil	360,050	36.01	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
b) Aggregate number and class of shares allotted as fully paid up by way of bonus shares	13,834,059	#####	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
c) Aggregate number and class of shares bought back	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

h) Terms of any securities convertible into equity or preference shares (including the earliest date of conversion in descending order starting from the farthest such date):

The company has not issued any securities convertible into equity or preference shares as at the reporting date.

i) Calls unpaid (showing aggregate value of calls unpaid by directors and officers):

Nil. There are no unpaid calls, including by directors and officers.

j) Forfeited shares (amount originally paid-up):

Nil. No shares have been forfeited during the year or in earlier periods.

k) Changes To Share Capital

**N R VANDANA TEX INDUSTRIES LIMITED**  
**NOTES FORMING PART OF THE RESTATED CONSOLIDATED FINANCIAL STATEMENTS**

*(Amount in Rs. Lakhs, unless stated otherwise)*

The Company has increased the authorised share capital from existing 1,00,00,000 equity shares of Rs. 10/- each to 2,35,00,000 equity shares of Rs. 10/- each, which was approved by the Board of Directors in their meeting and shareholders in their Extra-Ordinary General Meeting held on September 20, 2024



**N R VANDANA TEX INDUSTRIES LIMITED**  
**NOTES FORMING PART OF THE RESTATED CONSOLIDATED FINANCIAL STATEMENTS**

*(Amount in Rs. Lakhs, unless stated otherwise)*

**1) Bonus/Buyback of Shares in the immediately preceeding 5 years**

There are no bonus shares issued or shares bought back during the period of 5 years immediately preceeding the reporting date. However, the Board of Directors in its meeting dated September 28, 2024 approved issue of equity shares in the ratio of 424:100 (i.e. 424 new Bonus Equity Share of face value of Rs. 10/- each on existing 100 Equity Share of face value of Rs. 10/- each), and the same was approved by the Shareholders of the Company on September 28, 2024.

**N R VANDANA TEX INDUSTRIES LIMITED**  
**NOTES FORMING PART OF THE RESTATED CONSOLIDATED FINANCIAL STATEMENTS**

*(Amount in Rs. Lakhs, unless stated otherwise)*

**Note 3: Restated Statement of Reserves and surplus**

Particulars	As at 31.03.2025	As at 31.03.2024	As at 31.03.2023
<b>A. Capital Reserve</b>			
On Account of Consolidation	327.29	327.29	327.29
	<b>327.29</b>	<b>327.29</b>	<b>327.29</b>
<b>B. Securities Premium</b>			
Balance at the beginning of the period / year	675.25	351.20	351.20
Add : On shares issued	-	324.05	-
<b>Balance at the end of the period/year</b>	<b>675.25</b>	<b>675.25</b>	<b>351.20</b>
<b>C. Surplus in the Restated Summary Statement of Profit and Loss</b>			
Balance at the beginning of the period/year	1,514.43	1,085.03	905.09
Add : Transferred from the Restated Summary Statement of Profit and Loss	859.51	429.40	179.94
Less: 1,38,34,059 Equity Shares of Rs. 10/- each issued as Bonus Shares	-1,383.41	-	-
<b>Balance at the end of the period/year</b>	<b>990.53</b>	<b>1,514.43</b>	<b>1,085.03</b>
<b>TOTAL (A+B)</b>	<b>1,993.07</b>	<b>2,516.97</b>	<b>1,763.52</b>

**Brief Description of Reserves and Surplus**

**a) Securities Premium** - This reserve represents amounts received in addition to the par value of the share. The utilisation of the security premium will be in accordance with the provisions of The Companies Act, 2013.

**b) Retained Earnings** - This reserve represents the cumulative profit of the Company. This reserve is a free reserve and can be utilised for any purpose as may be required.

**c) Capital Reserve** - This reserve represents the profit recognised on the acquisition of stake in the associate company.

**N R VANDANA TEX INDUSTRIES LIMITED**  
**NOTES FORMING PART OF THE RESTATED CONSOLIDATED FINANCIAL STATEMENTS**

(Amount in Rs. Lakhs, unless stated otherwise)

**Note 4: Restated Statement of Long- term borrowings**

Particulars	As at 31st March					
	2025		2024		2023	
	Current Maturities	Non Current	Current Maturities	Non Current	Current Maturities	Non Current
<b><u>Term Loans (Secured)</u></b>						
<b>From Bank</b>						
ECLGS Govt Secured Loan ( <i>Refer Note -4A</i> )	60.78	64.40	90.65	127.89	62.11	218.54
Loan against Property ( <i>Refer Note - 4A</i> )	-	-	38.73	265.27	24.37	405.93
<b>From Other Parties</b>	-	-	-	-	-	-
	60.78	64.40	129.38	393.16	86.48	624.47
<b><u>Unsecured Loan</u></b>						
From Directors ( <i>Refer Annexure VII</i> )	-	260.32	-	532.31	-	546.39
From Related Parties ( <i>Refer Annexure VII</i> )	-	545.82	-	194.73	-	314.41
From Body Corporates	-	652.97	-	1,648.83	-	1,341.29
	-	1,459.11	-	2,375.87	-	2,202.09
<b>TOTAL</b>	<b>60.78</b>	<b>1,523.51</b>	<b>129.38</b>	<b>2,769.03</b>	<b>86.48</b>	<b>2,826.56</b>

**N R VANDANA TEX INDUSTRIES LIMITED**  
**NOTES FORMING PART OF THE RESTATED CONSOLIDATED FINANCIAL STATEMENTS**

**Note 5: Deferred tax Liabilities (Net)**

(Amount in Rs. Lakhs, unless stated otherwise)

Particulars	As at 31st March		
	2025	2024	2023
As Per Last Financial Statement	13.10	12.54	(1.70)
<b>Deferred tax liabilities</b>			
Depreciation and amortisation	20.35	17.30	15.75
	<b>33.45</b>	<b>29.84</b>	<b>14.05</b>
<b>Deferred tax assets</b>			
Provision for employee benefits	4.88	4.21	3.21
	<b>4.88</b>	<b>4.21</b>	<b>3.21</b>
<b>Deferred tax (assets) / liabilities</b>	<b>15.47</b>	<b>13.10</b>	<b>12.54</b>

Also Refer Note 26 (Annexure VI) of the Restated Consolidated Financial Statements

**Note 6: Restated Statement of Provisions**

Particulars	As at 31st March					
	2025		2024		2023	
	Long-term	Short-term	Long-term	Short-term	Long-term	Short-term
<b>Provision for employee benefits</b>						
Provision for gratuity (refer note (a))	17.21	2.16	15.65	1.07	12.14	0.62
<b>Others</b>						
Provision for tax	-	287.43	-	141.18	-	62.40
	<b>17.21</b>	<b>289.59</b>	<b>15.65</b>	<b>142.25</b>	<b>12.14</b>	<b>63.02</b>

**Note:****(a) Gratuity**

The Company provides for gratuity benefit under a defined benefit retirement scheme (the "Gratuity Scheme") as laid out by the Payment of Gratuity Act, 1972 of India covering eligible employees. The Gratuity Scheme provides for a lump-sum payment to employees who have completed at least five years of service with the Company, based on salary and tenure of employment. Liabilities with regard to the Gratuity Scheme are determined by actuarial valuation carried out using the Projected Unit Credit Method by an independent actuary. The Gratuity Scheme is a non-funded scheme and the Company intends to discharge this liability through its internal resources.

**Note 7: Restated Statement of Short-term borrowings**

Particulars	As at 31st March		
	2025	2024	2023
Working Capital Loan from Scheduled Bank (Secured)			
<b><u>From HDFC Bank - Amount Sanctioned - Rs 2,300.00 Lakhs</u></b>	1,752.32	1,755.08	2,083.39
(i) <b>Primary:</b> Secured by hypothecation of Current assets viz. Stock & Debtors			
(ii) <b>Collateral:</b> Secured by equitable :-			
(a) Mortgage of Commercial building of the related party and Fixed Deposit for HDFC Bank.			
(iii) <b>Personal Guarantee:</b> Personal Guarantee of all the Directors and Gyanesh Lohia HUF excluding Independent Directors			
<b><u>From Union Bank- Amount Sanctioned - Rs 4500.00 Lakhs &amp; Disbursed Rs. 3,000.00 Lakhs</u></b>	3,565.52	2,244.02	1,511.92
(i) <b>Primary:</b> Secured by hypothecation of Current assets viz. Stock & Debtors			
(ii) <b>Collateral:</b> Secured by equitable :-			
(a) Mortgage of Factory Building And Fixed Deposit (Union Bank).			
(iii) <b>Personal Guarantee:</b> Personal Guarantee of the following person:			
1) Narain Prasad Lohia			
2) Prabhu Lohia			
3) Gyanesh Lohia			
4) Anant Lohia			
5) Usha Kiran Lohia			
6) Ambika Devi Lohia			
7) Satyabhama Lohia			
Current Maturities of Long Term Debt (Refer Note- 4A)	60.78	129.38	86.49
	<b>5,378.62</b>	<b>4,128.48</b>	<b>3,681.80</b>

7.1 Balance in Cash Credit loan account in excess of sanctioned limit are due to excess issue of cheques.

7.2 The total sanctioned limit from HDFC Bank is Rs. 2,300.00 Lakhs, out of which Rs. 700.00 Lakhs pertains to a Seasonal Cash Credit facility. The utilization terms for the Seasonal Cash Credit are as follows:

- A decrease of Rs. 100.00 Lakhs was due on or after 31st October 2024.
- A decrease of Rs. 200.00 Lakhs was due on or after 30th November 2024.
- A decrease of Rs. 400.00 Lakhs was due on or after 31st December 2024.

N R VANDANA TEX INDUSTRIES LIMITED													
NOTES FORMING PART OF THE RESTATED CONSOLIDATED FINANCIAL STATEMENTS													
Note 4A													
(Amount in Rs. Lakhs, unless stated)													
SL. No.	Bank Name	Amount Sanctioned	Amount Disbursed	No. of Installments	Amount of Installments	Last Installment on	Nature of Security	As at 31.03.2025			As at 31.03.2024		
								Loan Outstanding	Non Current	Current	Loan Outstanding	Non Current	Current
Term Loans from Bank													
1	HDFC Bank	170.00	170.00	49 monthly installment	EMI of Rs.1.17 Lakhs for 12 months, Rs. 5.35 Lakhs for 36 months & Rs. 1.74 Lakhs for the last month.	November' 2024	Primary Security:- Secured by Stock & Debtors Collateral Security:- Secured Against Property of Related Party & Fixed Deposit	-	-	-	37.94	-	37.94
2	HDFC Bank	185.00	185.00	61 monthly installment	EMI of Rs.1.27 Lakhs for 5 months, Rs. 1.34 Lakhs for 1 month, Rs. 1.43 Lakhs for 18 months, Rs. 5.82 Lakhs for 36 months & Rs. 3.58 Lakhs for the last month.	March' 2027		125.18	64.40	60.78	180.61	127.90	52.71
3	Kotak Mahindra Bank (Loan Against Property)	450.00	450.00	120 monthly installment	EMI of Rs.5.38 Lakhs for 119 months & Rs. 4.09 Lakhs for the last month	January' 2034	Primary Security:- Secured Against Building at 220 MG Road	-	-	-	304.01	265.27	38.73
TOTAL								125.18	64.40	60.78	522.56	393.17	129.38
Interest Rates varies from 7.50% p.a to 8.25% p.a.													
(Amount in Rs. Lakhs, unless stated)													
SL. No.	Bank Name	Amount Sanctioned	Amount Disbursed	No. of Installments	Amount of Installments	Last Installment on	Nature of Security	As at 31.03.2023			As at 31.03.2022		
								Loan Outstanding	Non Current	Current	Loan Outstanding	Non Current	Current
Term Loans from Bank													
1	HDFC Bank	170.00	170.00	49 monthly installment	EMI of Rs.1.17 Lakhs for 12 months, Rs. 5.35 Lakhs for 36 months & Rs. 1.74 Lakhs for the last month.	November' 2024	Primary Security:- Secured by Stock & Debtors Collateral Security:- Secured Against Property of Related Party & Fixed Deposit	95.66	37.94	57.72	148.82	127.64	21.18
2	HDFC Bank	185.00	185.00	61 monthly installment	EMI of Rs.1.27 Lakhs for 5 months, Rs. 1.34 Lakhs for 1 month, Rs. 1.43 Lakhs for 18 months, Rs. 5.82 Lakhs for 36 months & Rs. 3.58 Lakhs for the last month.	March' 2027		185.00	180.61	4.39	185.00	185.00	-
3	Kotak Mahindra Bank (Loan Against Property)	450.00	450.00	120 monthly installment	EMI of Rs.5.38 Lakhs for 119 months & Rs. 4.09 Lakhs for the last month	January' 2034	Primary Security:- Secured Against Building at 220 MG Road	430.31	405.93	24.37	-	-	-
TOTAL								710.96	624.48	86.49	333.82	312.64	21.18
Interest Rates varies from 7.50% p.a to 8.25% p.a.													

**N R VANDANA TEX INDUSTRIES LIMITED**  
**NOTES FORMING PART OF THE RESTATED CONSOLIDATED FINANCIAL STATEMENTS**

(Amount in Rs. Lakhs, unless stated otherwise)

**Note 8: Restated Statement of Trade payables**

Particulars	As at 31st March		
	2025	2024	2023
Dues of micro and small enterprises ( <i>Refer note 31</i> )	261.64	696.80	904.36
Dues other than micro and small enterprises	8,885.91	7,231.15	6,746.75
	<b>9,147.55</b>	<b>7,927.95</b>	<b>7,651.11</b>

**TRADE PAYABLE AGEING AS ON 31.03.2025**

PARTICULARS	Outstanding for following periods from due date of payment				
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 years	Total
(i) MSME	261.64				261.64
(ii) Others	8,872.24	13.67			8,885.91
(iii) Disputed Dues- MSME					-
(iv) Disputed Dues- Others					-

**TRADE PAYABLE AGEING AS ON 31.03.2024**

PARTICULARS	Outstanding for following periods from due date of payment				
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 years	Total
(i) MSME	696.80	-	-		696.80
(ii) Others	7,220.57	10.58	-		7,231.15
(iii) Disputed Dues- MSME	-	-	-		-
(iv) Disputed Dues- Others	-	-	-		-

**TRADE PAYABLE AGEING AS ON 31.03.2023**

PARTICULARS	Outstanding for following periods from due date of payment				
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 years	Total
(i) MSME	904.36		-		904.36
(ii) Others	6,746.45	0.30			6,746.75
(iii) Disputed Dues- MSME	-	-	-		-
(iv) Disputed Dues- Others	-	-	-		-

**Note 2: Unbilled Dues: Rs. NIL (PY: NIL)****Note 9: Restated Statement of Other current liabilities**

Particulars	As at 31st March		
	2025	2024	2023
Interest Accrued but not Due on Borrowings	0.75	-	-
Income Received in Advance	136.67	119.89	76.67
<b>Other Payables</b>			
Statutory Dues	36.19	46.89	52.74
Security Deposit Payable	0.50	-	-
Liability for Expenses	44.77	348.21	365.35
	<b>218.88</b>	<b>514.99</b>	<b>494.76</b>

N R VANDANA TEX INDUSTRIES LIMITED										
Note - 10										
Property, Plant & Equipment & Intangible Assets										
(Amount in Rs. Lakhs, unless stated)										
As at 31-03-2025										
PARTICULARS	GROSS BLOCK				DEPRECIATION & AMORTIZATION BLOCK			NET BLOCK		
	As at 01-04-2024	Addition/ Adjustments during the year	Deduction/ Adjustments during the year	As at 31-03-2025	As at 01-04-2024	Provided during the year	Deduction/ Adjustments during the year	As at 31-03-2025	As at 31-03-2025	As at 31-03-2024
Property, Plant & Equipment & Intangible Assets										
Land	69.33	-	-	69.33	-	-	-	-	69.33	69.33
Building	675.69	-	-	675.69	205.67	23.00	(0.02)	228.65	447.04	470.02
Plant & Machinery	260.55	-	-	260.55	233.16	4.32	-	237.48	23.07	27.39
Furniture & Fixture	108.57	-	-	108.57	89.79	4.86	-	94.65	13.92	18.78
Vehicle	43.84	-	-	43.84	22.20	5.72	0.01	27.92	15.92	21.64
Office Equipment	11.53	-	-	11.53	9.00	1.05	-	10.05	1.49	2.54
Computer	21.78	0.59	0.59	21.78	18.68	1.64	-	20.32	1.45	3.11
Electric Installation & Fittings	14.42	-	-	14.42	12.23	0.50	-	12.74	1.68	2.18
<b>TOTAL</b>	<b>1,205.72</b>	<b>0.59</b>	<b>0.59</b>	<b>1,205.72</b>	<b>590.72</b>	<b>41.10</b>	<b>(0.01)</b>	<b>631.81</b>	<b>573.90</b>	<b>615.00</b>
(Amount in Rs. Lakhs, unless stated)										
As at 31-03-2024										
PARTICULARS	GROSS BLOCK				DEPRECIATION & AMORTIZATION BLOCK			NET BLOCK		
	As at 01-04-2023	Addition/ Adjustments during the year	Deduction/ Adjustments during the year	As at 31-03-2024	As at 01-04-2023	Provided during the year	Deduction/ Adjustments during the year	As at 31-03-2024	As at 31-03-2024	As at 31-03-2023
Property, Plant & Equipment & Intangible Assets										
Land	69.33	-	-	69.33	-	-	-	-	69.33	69.33
Building	678.98	1.70	5.00	675.69	181.87	23.80	-	205.67	470.02	497.12
Plant & Machinery	257.42	3.13	-	260.55	227.08	6.08	-	233.16	27.39	30.34
Furniture & Fixture	108.28	0.29	-	108.57	83.27	6.52	-	89.79	18.78	25.01
Vehicle	43.84	-	-	43.84	14.64	7.56	-	22.20	21.64	29.20
Office Equipment	9.83	1.70	-	11.53	7.36	1.64	-	9.00	2.54	2.47
Computer	19.26	2.51	-	21.78	15.46	3.22	-	18.68	3.11	3.81
Electric Installation & Fittings	14.34	0.09	-	14.42	11.54	0.69	-	12.23	2.18	2.79
<b>TOTAL</b>	<b>1,201.29</b>	<b>9.43</b>	<b>5.00</b>	<b>1,205.73</b>	<b>541.22</b>	<b>49.51</b>	<b>-</b>	<b>590.73</b>	<b>615.00</b>	<b>660.07</b>
(Amount in Rs. Lakhs, unless stated)										
As at 31-03-2023										
PARTICULARS	GROSS BLOCK				DEPRECIATION & AMORTIZATION BLOCK			NET BLOCK		
	As at 01-04-2022	Addition/ Adjustments during the year	Deduction/ Adjustments during the year	As at 31-03-2023	As at 01-04-2022	Provided during the year	Deduction/ Adjustments during the year	As at 31-03-2023	As at 31-03-2023	As at 31-03-2022
Property, Plant & Equipment & Intangible Assets										
Land	69.33	-	-	69.33	-	-	-	-	69.33	69.33
Building	546.37	132.62	-	678.98	158.30	23.57	-	181.87	497.12	388.07
Plant & Machinery	254.79	2.63	-	257.42	220.25	6.83	-	227.08	30.34	34.54
Furniture & Fixture	124.59	7.37	23.68	108.28	99.38	7.57	23.68	83.27	25.01	25.21
Vehicle	36.60	18.68	11.44	43.84	18.02	5.84	9.22	14.64	29.20	18.59
Office Equipment	22.56	1.27	14.00	9.83	19.92	1.44	14.00	7.35	2.48	2.65
Computer	23.69	3.59	8.01	19.26	19.87	3.60	8.01	15.46	3.80	3.82
Electric Installation & Fittings	14.08	0.54	0.29	14.34	8.84	3.00	0.29	11.55	2.79	5.25

TOTAL	1,092.02	166.69	57.42	1,201.29	544.57	51.84	55.20	541.21	660.07	547.45
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**N R VANDANA TEX INDUSTRIES LIMITED**  
**NOTES FORMING PART OF THE RESTATED CONSOLIDATED FINANCIAL STATEMENTS**

(Amount in Rs. Lakhs, unless stated otherwise)

**Note 11: Restated Statement of Non-current investments**

Particulars	As at 31st March		
	2025	2024	2023
<b><u>Investment in Property</u></b>			
At Kolkata	34.99	34.99	34.99
<b><u>Investments in Equity Instruments</u></b>			
Long Term Non trade			
<b>In Equity Shares of Associate Company</b>			
Unquoted, Fully Paid			
1,79,000shares of Kaberi Sales Pvt.ltd	8.95	8.95	8.95
Add: Capital Reserve	327.29	327.29	327.29
Add: Accumulated Post-Acquisition Profits	64.35	53.86	41.15
Add: Profit for Current Year	32.30	10.49	12.71
	<b>467.88</b>	<b>435.58</b>	<b>425.09</b>

Particulars	As at 31st March		
	2025	2024	2023
Aggregate amount of unquoted investments	467.88	435.58	425.09

**N R VANDANA TEX INDUSTRIES LIMITED**  
**NOTES FORMING PART OF THE RESTATED CONSOLIDATED FINANCIAL STATEMENTS**

**Note 12: Restated Statement of Loans and advances***(Amount in Rs. Lakhs, unless stated otherwise)*

Particulars	As at 31st March					
	2025		2024		2023	
	Long-term	Short-term	Long-term	Short-term	Long-term	Short-term
Unsecured, considered good (unless otherwise stated) (Recoverable in Cash or Kind or Value to be received)						
Capital Advance	10.00	-	10.00	-	-	-
<u>Other Loans &amp; Advances</u>						
Deposits	-	-	1.79	-	1.79	-
Advance to Suppliers	-	41.65	-	220.98	-	146.11
Advance to Staff	-	97.30	-	178.72	-	137.55
	<b>10.00</b>	<b>138.95</b>	<b>11.79</b>	<b>399.70</b>	<b>1.79</b>	<b>283.67</b>

Annexure V

**N R VANDANA TEX INDUSTRIES LIMITED**  
**NOTES FORMING PART OF THE RESTATED CONSOLIDATED FINANCIAL STATEMENTS**

**Note 13: Restated Statement of Inventories**

(Amount in Rs. Lakhs, unless stated otherwise)

Particulars	As at 31st March		
	2025	2024	2023
<b>(As taken, valued and certified by Management)</b>			
Raw Material	1,774.40	2,303.71	1,079.41
Finished Goods	3,809.96	5,747.01	5,379.82
Inventories are stated at Cost or Net Reliasable value whichever is lower, cost is determined using the weighted average cost method			
	<b>5,584.36</b>	<b>8,050.72</b>	<b>6,459.23</b>

**Note 14: Restated Statement of Trade receivables**

Particulars	As at 31st March		
	2025	2024	2023
<b>Secured and Considered Good</b>	-	-	-
<b>Unsecured and Considered Good</b>			
Receivable from Related Parties (Refer Annexure VII)	534.13	32.77	-
Trade Receivables	12,320.14	7,827.81	8,144.59
<b>Doubtful</b>	-	-	-
	<b>12,854.27</b>	<b>7,860.58</b>	<b>8,144.59</b>

**TRADE RECEIVABLE AGEING AS ON 31.03.2025**

PARTICULARS	Outstanding for following periods from due date of payment <sup>#</sup>							Allowance for Doubtful Debts	Net Receivable
	Less than 6 Months	6 Months- 1 Year	1-2 Years	2-3 Years	More than 3 year	Total			
(i) Undisputed Trade Receivables – considered good	12,251.96	392.77	176.98	32.56	-	#####	-	-	12,854.27
(ii) Undisputed Trade Receivables – considered doubtful	-	-	-	-	-	-	-	-	-
(iii) Disputed Trade Receivables – considered good	-	-	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables – considered doubtful	-	-	-	-	-	-	-	-	-

**TRADE RECEIVABLE AGEING AS ON 31.03.2024**

PARTICULARS	Outstanding for following periods from due date of payment <sup>#</sup>							Allowance for Doubtful	Net Receivable
	Less than 6 Months	6 Months- 1 Year	1-2 Years	2-3 Years	More than 3 year	Total			
(i) Undisputed Trade Receivables – considered good	6,975.26	498.48	262.33	124.51	-	7,860.58	-	-	7,860.58
(ii) Undisputed Trade Receivables – considered doubtful	-	-	-	-	-	-	-	-	-
(iii) Disputed Trade Receivables – considered good	-	-	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables – considered doubtful	-	-	-	-	-	-	-	-	-

**TRADE RECEIVABLE AGEING AS ON 31.03.2023**

PARTICULARS	Outstanding for following periods from due date of payment <sup>#</sup>							Allowance for Doubtful Debts	Net Receivable
	Less than 6 Months	6 Months- 1 Year	1-2 Years	2-3 Years	More than 3 year	Total			
(i) Undisputed Trade Receivables – considered good	6,775.41	573.16	364.60	431.42	-	8,144.59	-	-	8,144.59
(ii) Undisputed Trade Receivables – considered doubtful	-	-	-	-	-	-	-	-	-
(iii) Disputed Trade Receivables – considered good	-	-	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables – considered doubtful	-	-	-	-	-	-	-	-	-

*Note 1: The credit period allowed on sales generally varies on a case-to-case basis, depending on the nature of business and prevailing market conditions. The typical credit period ranges from 90 to 120 days in the case of domestic sales.*

*As evident from the ageing analysis, a substantial portion of trade receivables is within the agreed credit terms, while certain receivables are outstanding beyond the normal credit period due to operational or commercial reasons. The Company is actively pursuing recovery of these dues and believes them to be good and recoverable.*

*Note 2: Unbilled Dues: Rs. NIL (PY: NIL)*

*# Where the Due Date of payment is not available, date of the transaction is considered*

**Note 15: Restated Statement of Cash and bank balances**

Particulars	As at 31st March		
	2025	2024	2023
<b>Cash and cash equivalents</b>			
Balances with banks			
Cash on hand (as Certified by Management)	54.74	47.02	77.41
	<b>59.26</b>	<b>177.49</b>	<b>147.39</b>
<b>Other Bank Balances</b>			
Fixed Deposit (Maturity Less than 12 months)*	56.72	128.26	249.78
Deposit with Banks (Maturity more than 12 months)	56.72	128.26	249.78
	<b>115.98</b>	<b>305.75</b>	<b>397.17</b>

\*Fixed Deposit held with banks as Margin Money against the Cash Credit Facilities availed by the Company

**Note 16: Restated Statement of Other current assets**

Particulars	As at 31st March		
	2025	2024	2023
Security Deposit Receivable	16.09	4.84	5.34
Prepaid Expenses	10.27	19.10	9.97
Deferred IPO expenses ( <i>Read with Note 32</i> )	30.63	-	-
Balance with Government Authorities	330.33	569.63	349.17
	<b>548.25</b>	<b>675.58</b>	<b>424.11</b>

**N R VANDANA TEX INDUSTRIES LIMITED**  
**NOTES FORMING PART OF THE RESTATED CONSOLIDATED FINANCIAL STATEMENTS**

(Amount in Rs. Lakhs, unless stated otherwise)

**Note 17: Restated Statement of Revenue from operations**

Particulars	For the year ended 31st March		
	2025	2024	2023
<b>Revenue from operations</b>			
Sale of Products (Manufacturing)	27,080.25	22,010.80	19,524.14
	<b>27,080.25</b>	<b>22,010.80</b>	<b>19,524.14</b>

**Note 18: Restated Statement of Other income**

Particulars	For the year ended 31st March		
	2025	2024	2023
Interest Income on Fixed Deposit	12.96	8.35	12.65
Profit on Sale of Fixed Assets	-	-	1.37
Rent Received	2.90	1.14	0.73
Insurance Claim Received	-	-	2.08
Interest income (Others)	14.11	-	-
Other Indirect Income	-	0.93	19.19
	<b>29.97</b>	<b>10.42</b>	<b>36.02</b>

**Note:**

- (a) All the items of other income are related to business activities. Further, out of all the items of other income only interest income from deposits and rent are recurring and the remaining are non-recurring in nature.
- (b) The classification of 'Other income' as recurring or non-recurring and related or non-related to business activity is based on the current operations and business activities of the Company, as determined by the management.

**Note 19: Restated Statement of Cost of Material Consumed**

Particulars	For the year ended 31st March		
	2025	2024	2023
Opening Stock	2,303.71	1,079.41	804.86
Add: Purchase	14,970.14	14,747.31	14,677.92
Less: Closing Stock	1,774.40	2,303.71	1,079.41
<b>Cost of Materials Consumed</b>	<b>15,499.45</b>	<b>13,523.01</b>	<b>14,403.37</b>

**Note 20: Restated Statement of Particulars of Material Consumed**

Particulars	For the year ended 31st March		
	2025	2024	2023
Bleach & Others	15,483.27	13,511.75	14,301.13
Stores Consumables	16.18	11.26	102.24
<b>Total</b>	<b>15,499.45</b>	<b>13,523.01</b>	<b>14,403.37</b>

**Note 20A: Restated Statement of Value of Material Consumed**

Particulars	For the year ended 31st March		
	2025	2024	2023
Materials	15,483.27	13,511.75	14,301.13
Stores Consumables	16.18	11.26	102.24
<b>Total</b>	<b>15,499.45</b>	<b>13,523.01</b>	<b>14,403.37</b>
<b>Percentage of Indigenous Consumption</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

**Note 20B: Restated Statement of Changes of Inventories of Finished Goods**

**N R VANDANA TEX INDUSTRIES LIMITED**

Particulars	For the year ended 31st March		
	2025	2024	2023
Closing Stock of Finished Goods	3,809.96	5,747.01	5,379.82
	<b>3,809.96</b>	<b>5,747.01</b>	<b>5,379.82</b>
Opening Stock of Finished Goods	5,747.01	5,379.82	2,822.17
	<b>5,747.01</b>	<b>5,379.82</b>	<b>2,822.17</b>
(Increase) / Decrease in Stock	<b>1,937.05</b>	<b>(367.19)</b>	<b>(2,557.65)</b>

**Note 21: Restated Statement of Manufacturing expense**

Particulars	For the year ended 31st March		
	2025	2024	2023
Power & fuel	16.10	15.48	18.91
Labour Charges	9.73	7.80	8.46
Brokerage on Purchase	1.65	1.16	23.92
Pigment Expenses	1.85	1.29	1.13
Printing Expenses	4,640.86	4,228.87	3,680.80
Transport Charges	398.74	416.79	415.89
Designing Expenses	1.17	1.53	2.75
Finishing Charges	79.25	72.37	57.94
Packing Expenses	405.35	533.36	395.00
Other Expenses	22.74	18.99	25.20
Processing Expenses	432.09	555.36	741.75
Checking Charges	1.67	1.51	1.40
<b>(A)</b>	<b>6,011.20</b>	<b>5,854.51</b>	<b>5,373.16</b>

**Note 22: Restated Statement of Employee benefits expense**

Particulars	For the year ended 31st March		
	2025	2024	2023
Salaries, Wages, Bonus & Allowances	285.72	214.06	208.70
Directors Remuneration	72.00	86.40	87.42
Contribution to Provident & Other Funds	9.28	11.12	9.87
Provision for Gratuity ( <i>Read with Note 25</i> )	2.65	3.96	4.16
Staff Welfare Expenses	8.43	4.27	5.53
	<b>378.08</b>	<b>319.81</b>	<b>315.68</b>

**Note 23: Restated Statement of Finance costs**

Particulars	For the year ended 31st March		
	2025	2024	2023
Interest expense	603.49	549.81	529.20
Processing Charges	9.45	9.78	12.12
Other Borrowing Costs	189.94	224.70	157.04
	<b>802.88</b>	<b>784.29</b>	<b>698.36</b>

**Note 10: Restated Statement of Depreciation and amortisation expense**

Particulars	For the year ended 31st March		
	2025	2024	2023
Depreciation and amortisation expense	41.10	49.51	51.84
	<b>41.10</b>	<b>49.51</b>	<b>51.84</b>

**N R VANDANA TEX INDUSTRIES LIMITED**  
**NOTES FORMING PART OF THE RESTATED CONSOLIDATED FINANCIAL STATEMENTS**

**Note 24: Restated Statement of Other expenses**

<b>Selling and Distribution Cost</b>			
Brokerage & Commission	111.39	114.29	189.13
Advertisement & Subscription	53.53	39.84	25.19
Business Promotion Expense	5.72	4.15	7.02
Modelling & Poster Expenses	240.10	231.29	248.45
Packaging & Forwarding Expense	7.90	15.48	115.20
Sales Support Service	504.91	638.08	154.34
<b>(A)</b>	<b>923.55</b>	<b>1,043.13</b>	<b>739.33</b>
<b>Establishment Expenses</b>			
Bank Charges & Commission	1.19	1.94	2.10
Loading & Unloading charges	91.98	64.31	75.55
Payment to Auditors *	2.50	3.00	2.50
CSR	6.08	-	-
Director Sitting Fees	1.08	-	-
Travelling & Conveyance	41.82	30.74	36.26
Motor Car Expenses	7.72	5.71	8.43
Rent	43.57	35.37	26.33
Insurance	8.26	16.31	12.44
Shop Expenses	12.36	11.77	11.33
Electrical Charges	13.45	12.58	11.05
Security Expenses	16.32	15.91	14.13
Computer Expense	5.19	3.22	3.49
Postage & Stamps	3.61	2.89	3.00
Legal & Trademark Expense	2.43	1.16	10.22
Filing Fees	2.76	0.63	0.61
Printing & Stationery	4.70	5.40	7.73
Telephone Charges	3.30	4.16	4.32
<b>Repairs &amp; Maintenance</b>			
For Plant & Machinery	1.76	1.76	1.91
For Others	18.60	12.58	6.22
Consultancy/ Professional Fees	43.56	13.97	14.98
General Expense	7.68	4.51	2.98
Sundry Balances Written off	3.36	-	2.97
Rates & Taxes	59.67	4.11	14.90
<b>(B)</b>	<b>402.95</b>	<b>252.03</b>	<b>273.45</b>
<b>Toal (A+B)</b>	<b>1,326.50</b>	<b>1,295.16</b>	<b>1,012.78</b>
<b>Payment to Auditors *</b>			
<b>Particulars</b>	<b>For the year ended 31st March</b>		
	<b>2025</b>	<b>2024</b>	<b>2023</b>
Statutory audit	2.00	2.00	2.00
Tax audit	0.50	0.50	0.50
Other Services	-	0.50	-
	<b>2.50</b>	<b>3.00</b>	<b>2.50</b>

Annexure - VI

**N R VANDANA TEX INDUSTRIES LIMITED**  
**ADDITIONAL NOTES TO RESTATED FINANCIAL STATEMENT**

**NOTE 25- GRATUITY**

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of services is entitled to gratuity on terms as per the provisions of the Payment of Gratuity Act, 1972. The scheme is non-funded. per AS-15(Revised) are provided below:

	(₹ in lakhs)		
	31.03.2025	31.03.2024	31.03.2023
<b>(i) Reconciliation of opening and closing balances of Defined Benefit obligation</b>			
(a) Opening defined benefit obligation	16.72	12.76	9.04
(b) Current service cost	3.71	3.50	2.61
(c) Interest Cost	1.17	0.93	0.64
(d) Benefits paid	-	-	-
(e) Actuarial (gains)/losses on obligation	(2.23)	(0.47)	0.47
<b>Closing benefit obligation</b>	<b>19.37</b>	<b>16.72</b>	<b>12.76</b>
<b>(ii) Net employee expense/(benefit)</b>			
(a) Current service cost	3.71	3.50	2.62
(b) Interest cost on benefit obligation	1.17	0.93	0.64
(c) Net Actuarial (gain)/loss recognized in the year	(2.23)	(0.47)	0.47
<b>Total employer expenses recognized in the Statement of Profit and Loss</b>	<b>2.65</b>	<b>3.96</b>	<b>3.73</b>
<b>(iii) ) Benefit (Asset) / Liability</b>			
(a) Defined benefit obligation	19.37	16.72	12.76
(b) Fair Value of plan assets	-	-	-
<b>Benefit (Asset) / Liability</b>	<b>19.37</b>	<b>16.72</b>	<b>12.76</b>

**iv) The principal actuarial assumption are as follows**

Discount rate	6.70%	7.20%	7.45%
Expected Return on Plan Assets	N.A.	N.A.	N.A.
Salary increase	7.00%	7.00%	7.00%
Withdrawal rates	Age 25 & Below: 10 % p.a. 25 to 35 : 8 % p.a. 35 to 45 : 6 % p.a. 45 to 55 : 4 % p.a. 55 & above : 2 % p.a.	Age 25 & Below: 10 % p.a. 25 to 35 : 8 % p.a. 35 to 45 : 6 % p.a. 45 to 55 : 4 % p.a. 55 & above : 2 % p.a.	Age 25 & Below: 10 % p.a. 25 to 35 : 8 % p.a. 35 to 45 : 6 % p.a. 45 to 55 : 4 % p.a. 55 & above : 2 % p.a.

**NOTE 26- DEFERRED TAX**

	(₹ in lakhs)		
Particulars	2024-2025	2023-2024	2022-2023
WDV as per Income Tax Act, 1961	423.72	476.91	528.17
WDV as per Companies Act, 2013	504.56	545.66	590.74
Depreciation as per Income Tax Act, 1961	-	-	-
Depreciation as per Companies Act, 2013	-	-	-
<b>Differential Net Timing Difference [A]</b>	<b>80.84</b>	<b>68.75</b>	<b>62.57</b>
<b>Unabsorbed Losses [B]</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Gratuity Provision as per Actuarial Valuation [C]</b>	<b>19.37</b>	<b>16.72</b>	<b>12.76</b>
<b>Substantively Enacted Tax Rate [D]</b>	<b>25.17%</b>	<b>25.17%</b>	<b>25.17%</b>
<b>Deferred Taxes (Debited)/ Credited to the Statement of Profit &amp; Loss</b>	<b>2.38</b>	<b>0.56</b>	<b>14.24</b>
Opening Net Deferred Tax Liability/ (Deferred Tax Assets)	13.10	12.54	(1.70)
<b>Closing Liability [A+B-C] x D</b>	<b>15.47</b>	<b>13.10</b>	<b>12.54</b>

**NOTE 27 - Basic And Diluted Earnings Per Share**

		(₹ in lakhs)		
Particulars		2024-2025	2023-2024	2022-2023
Profit after Tax	Rs. In Lakhs	859.51	429.40	179.94
Present Number of equity shares of Rs. 10/- each	Nos.	17,096,809	3,262,750	2,902,700
Weighted average number of Equity shares	Nos.	17,096,809	16,804,637	15,210,148
Basic earnings per share	Rupees	5.03	2.56	1.18
Diluted Earning per Share (Refer Note 27A)	Rupees	5.03	2.56	1.18

**27 (A) Reconciliation of Weighted Average Number of Shares for Diluted EPS**

Particulars		2024-2025	2023-2024	2022-2023
Equity Shares outstanding Pre Bonus Allotment	Nos.	3,262,750	3,262,750	2,902,700
Equity Shares issued as Bonus Shares	Nos.	13,834,059	13,834,059	12,307,448
Equity Shares outstanding Post Bonus Allotment	Nos.	17,096,809	17,096,809	15,210,148
Weighted Average no. of shares outstanding	Nos.	17,096,809	16,804,637	15,210,148



**Note:** The Board of Directors of the Company has approved the issue of 1,38,34,059 Bonus Equity Shares to its existing shareholders in the ratio of 424:100 (i.e. 424 new Bonus Equity Share of face value of Rs. 10/- each on existing 100 Equity Share of face value of Rs. 10/- each) in its meeting held on September 28, 2024 and the same was approved by the Shareholders of the Company on September 28, 2024. Accordingly, 1,38,34,059 Bonus Equity Shares were issued and allotted on October 16, 2024 and hence, Basic & Diluted Earnings Per Share has been adjusted against for the current and previous periods and presented in accordance with AS 20, "Earnings Per Share".

**NOTE 28 - Earning and Expenditure in Foreign currency**

Particulars	Currency	2024-2025	2023-2024	2022-2023
<b>Earning in Foreign Currency</b>				
Sales	INR (In Lacs)	-	-	-
Sales	USD	-	-	-
Sales	EURO	-	-	-
Sales	AUD	-	-	-
<b>Expenditure in Foreign Currency</b>				
Expenses	INR (In Lacs)	-	-	-
Expenses	USD	-	-	-
Expenses	INDONESIAN RUPEE	-	-	-
Expenses	UAE DIRAM	-	-	-
Expenses	MALAYSIAN RINGIT	-	-	-
Expenses	AUD	-	-	-
Expenses	BANGLADESH TAKA	-	-	-

**NOTE 29 Contingent Liabilities**

(i) The provision for Contingent Liability not provided in the books are

Particulars	2024-2025	2023-2024	2022-2023
Income Tax Demand for AY 19-20 against which the Company has filed an appeal with the Joint Commissioner of Income Tax (Appeals).	405.19	NIL	NIL

**NOTE 30 Corporate Social Responsibility**

As per Section 135 of the Companies Act, 2013, a company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. The areas for CSR activities are eradication of hunger and malnutrition, promoting education, art and culture, healthcare, destitute care and rehabilitation, environment sustainability, disaster relief, and rural development projects. A CSR committee has been formed by the company as per the Act. The funds were primarily utilized through the year on these activities which are specified in Schedule VII of the Companies Act, 2013.

Particulars	For the Year ended 31st March, 2025	For the Year ended 31st March, 2024
Amount required to be spent by the company during the year	7.05	-
Amount of expenditure incurred		
(i) Construction / acquisition of any asset	-	-
(ii) On purposes other than (i) above	6.08	-
Shortfall at the end of the year	0.97	-
Total of previous years shortfall	-	-
Amount Spend against previous year	-	-
Cumulative shortfall as at year end	0.97	-
Reason for shortfall	Due to identification and due diligence processes for suitable implementing agencies taking longer than anticipated during the reporting period.	
Nature of CSR activities	Support for animal welfare through contribution towards maintenance and care of cattle (Gaushala), falling under Schedule VII (iv) - Animal welfare and Contribution to a registered implementing agency (Sewa Trust) for undertaking eligible CSR activities as per Schedule VII of the Companies Act, 2013.	
Amount unspent, if any; *	0.97	-
Details of related party transactions	NA	NA
Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year shall be shown separately	NA	NA

\*Unspent amount Rs. 0.97Lakhs is yet to be deposited in the specified funds

**NOTE 31 Disclosure of all vendors regarding their status under Micro, Small and Medium Enterprises.**

Disclosure of Trade Payables under current liabilities is based on the information available with company regarding the status of the supplier as defined under the "Micro, Small and Medium Enterprises Development Act, 2006".

Trade Payables and payable for purchase of property, plant and equipments include the following dues to micro and small enterprises covered under "The Micro, Small and Medium Enterprises Development Act, 2006" (MSMED) to the extent such parties have been identified from the available information.

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024	For the year ended March 31, 2023
Amount remaining unpaid to suppliers under MSMED (suppliers) as at the end of year			
- Principal amount	261.64	696.8	904.36
- Interest due thereon	-	-	-
	<b>261.64</b>	<b>696.8</b>	<b>904.36</b>
Amount of payments made to suppliers beyond the appointed day during the year			
- Principal amount	-	-	-
- Interest actually paid under section 16 of MSMED	-	-	-
Amount of interest due and payable for delay in payment (which has been paid)	-	-	-
Interest accrued and remaining unpaid at the end of the year	-	-	-
- Interest accrued during the year	-	-	-
- Interest remaining unpaid as at the end of the year	-	-	-
Interest remaining disallowable as deductible expenditure under the	-	-	-

**NOTE 32 Deferred IPO Expenses:**

The Company has incurred expenses amounting to ₹30.63 lakhs related to IPO purposes which have been classified as Deferred IPO Expenses, which is disclosed under Other Current Assets in the Balance Sheet.

These expenses pertain to the proposed Initial Public Offering (IPO) of the Company and include, but are not limited to:

- Advances paid to Merchant Bankers and other intermediaries
- Auditor's fees specifically related to IPO certification and reporting
- Legal and professional charges
- Filing fees and other regulatory costs

In accordance with applicable accounting standards and provisions of the Companies Act, 2013 (including Section 52(2)(c)), these expenses are considered capital in nature and will be adjusted against the Securities Premium Account upon successful completion of the IPO.

No portion of these expenses has been routed through the Profit and Loss account during the year.

**NOTE 33** Party's Balance with respect to the Trade Receivables, Trade & Other Payables, Loans & advances are subject to confirmation/reconciliation. In the opinion of management, the same are receivable/ payable as stated in the books of accounts. Hence, no effect on the profitability due to the same for the respective period and year under review.

**NOTE 34 Additional Regulatory Information:**

- The Company does not own any immovable property whose title deeds are not registered in the name of the Company.
- During the year/period ended, the Company has not revalued its PPE and accordingly the disclosures in respect of these matters are not applicable to it.
- Loans or advances (repayable on demand or without specifying any terms or period of repayment) to specified persons:**  
The Company has not granted loans/advances in the nature of loans repayable on demand or without specifying any terms or period of repayment.
- There are no CWIP and accordingly disclosure is not applicable.
- There are no intangible assets and accordingly disclosure is not applicable.
- Benami Property:**  
The Company does not have any benami property. Further there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transaction Act, 1988 and rules made there under.
- The Company has borrowings from various bankers against security of current assets. The quarterly returns or statements of current assets filed by the company with the banks are mostly in agreement with the books of accounts. Discrepancies, if any, are not material.
- Wilful Defaulter:**  
The Company has not been declared as a wilful defaulter nor has received any show cause notice from any bank or financial institutions or government or any government authority
- Relationship with Struck off Companies:**  
The Company does not have transactions with any struck off company.
- No satisfaction or charge is pending for registration with registrar of companies.
- The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017 and does not hold any investments which are beyond the restrictions mentioned herein.
- The Company has not filed any Scheme of Arrangements in terms of sections 230 to 237 of the Companies Act, 2013 with any Competent Authority.
- The Company has not traded or invested in Crypto Currency.
- Undisclosed income:**  
The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year ended March 31, 2025, March 31, 2024, and March 31, 2023 in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961)
- Ratio Analysis and its elements:**  
The Financial Ratios has been disclosed by the Company in *Annexure XIII*

16 **Utilisation of Borrowed Fund & Share Premium:**

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: (a) 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 (b) provide any guarantee, security or the like on behalf of the ultimate beneficiaries.

The Company has not advanced or lent or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall: (a) 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 (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

**NOTE 35** Figures are rounded off to the nearest Rupee in Lakhs , unless otherwise stated.

**NOTE 36** Previous year/s/period's figure have been regrouped/rearranged whenever necessary to confirm to the current year's presentation.

The accompanying notes are an integral part of the Financial Statements

**For and on behalf of the Board of Directors**

**For J.B.S & Company**  
**Chartered Accountants**

**PRABHU LOHIA**  
S/D

**NARAIN PRASAD LOHIA**  
S/D

**GYANESH LOHIA**  
S/D

**FRN No. 323734E**

**Managing Director**  
**DIN No.**  
**02621416**

**Director**  
**DIN No.**  
**00452515**

**Chief Financial Officer**  
**(Whole Time Director)**  
**DIN No.**  
**02621425**

S/D  
**CA Sudhanshu Sen**  
**M.No : 306354**  
**Partner**

S/D

**SWETA AGARWAL**  
**Company Secretary**  
**Membership No : A31918**

**Place: Kolkata**  
**Date: 17/05/2025**

UDIN : 25306354BMOXZC8325

## STATEMENT OF RELATED PARTY TRANSACTIONS

A. List of Related parties

<u>Sl. No.</u>	<u>Name</u>	<u>Relation</u>
<b><u>Key Managerial Personnel (KMP)</u></b>		
1	Narain Prasad Lohia	Non Executive Director
2	Prabhu Lohia	Whole Time Director (Managing Director)
3	Gyanesh Lohia	Whole Time Director (Chief Financial Officer)
4	Anant Kumar Lohia	Director (Resigned on 30.05.2024)
5	Sweta Agarwal	Company Secretary
<b><u>Relative of Key Managerial Personnel</u></b>		
1	Kanika Lohia	Relative of KMP
2	Meghana Lohia	Relative of KMP
3	Usha Kiran Lohia	Relative of KMP
4	Ambika Devi Lohia	Relative of KMP
<b><u>Entities where KMP and their relative have Significant Influence</u></b>		
1	Kaberi Sales	Significant Influence of Whole Time Director
2	Vandana Finvest Pvt Ltd	Significant Influence of Whole Time Director
3	Lohia Overseas LLP	Significant Influence of Whole Time Director
4	Prabhu Lohia HUF	Whole Time Director is Karta
5	Gyanesh Lohia HUF	Whole Time Director is Karta
6	Krishna Enterprise	Sole Proprietorship of Director
7	Hiphai Ecom Tech Pvt Ltd	Significant Influence of Whole Time Directors
8	Gobindram Narain Prasad HUF	Director is Karta
<b><u>Associate/ Subsidiary Companies</u></b>		
1	Kaberi Sales Pvt Ltd	Associate Company

(Rs. in Lakhs)

**B. Transactions with Related Parties during the year**

<b>Nature of Transactions</b>	<b>For the year ended 31.03.2025</b>	<b>For the year ended 31.03.2024</b>	<b>For the year ended 31.03.2023</b>
<b>Director Remuneration</b>			
Narain Prasad Lohia	14.40	28.80	29.14
Prabhu Dayal Lohia	28.80	28.80	29.14
Gyanesh Lohia	28.80	28.80	29.14
<b>Unsecured Loans Taken</b>			
Narain Prasad Lohia	70.00	36.30	104.00
Prabhu Dayal Lohia	129.00	560.00	133.00
Gyanesh Lohia	65.00	327.62	254.05
Vandana Finvest Pvt Ltd	-	19.00	19.50
Prabhu Lohia HUF	24.00	85.00	-
Gyanesh Lohia HUF	25.00	85.00	-
Kaberi Sales Pvt Ltd	303.00	101.14	-
Kanika Lohia	65.00	-	-
Usha Kiran Lohia	54.00	-	-
Ambika Devi Lohia	104.00	-	-
Gobindram Narain Prasad HUF	135.00	-	-
<b>Unsecured Loans Repaid</b>			
Narain Prasad Lohia	24.70	7.46	-
Gyanesh Lohia	238.26	359.03	-
Prabhu Dayal Lohia	273.04	571.50	-
Kaberi Sales Pvt Ltd	70.61	8.95	60.50
Prabhu Lohia HUF	0.05	22.00	-
Vandana Finvest Pvt Ltd	0.21	11.52	-
Usha Kiran Lohia	54.00	-	-
Gyanesh Lohia HUF	30.06	-	-
Ambika Devi Lohia	104.00	-	-
Gobindram Narain Prasad HUF	135.00	-	-

<b>Interest Paid</b>			
Gyanesh Lohia	-	18.00	-
Prabhu Dayal Lohia	-	6.00	-
Prabhu Lohia HUF	6.59	0.06	-
Gyanesh Lohia HUF	5.47	0.06	-
Kaberi Sales Pvt Ltd	11.15	21.15	-
Vandana Finvest Pvt Ltd	-	9.24	-
Kanika Lohia	5.77	-	-
Usha Kiran Lohia	1.40	-	-
Ambika Devi Lohia	5.11	-	-
Gobindram Narain Prasad HUF	3.20	-	-
<b>Rent Paid</b>			
Gyanesh Lohia	18.60	18.00	9.00
Prabhu Lohia	6.00	6.00	6.00
<b>Security Deposit Paid</b>			
Gyanesh Lohia	4.75	-	-
Prabhu Lohia	1.50	-	-
<b>Security Deposit Received</b>			
Hiphai Ecom Tech Pvt Ltd	0.50	-	-
<b>Purchase</b>			
Lohia Overseas LLP	131.80	60.32	-
Kaberi Sales Pvt Ltd	-	-	200.44
Kaberi sales	-	245.71	-
Hiphai Ecom Tech Pvt Ltd	1.33	-	-
<b>Sales</b>			
Lohia Overseas LLP	159.03	39.99	-
Hiphai Ecom Tech Pvt Ltd	162.77	-	-
Krishna Enterprise	-	-	24.72
Kaberi Sales Pvt Ltd	-	-	240.02
Kaberi sales	509.69	-	-
<b>Share Issued</b>			
Vandana Finvest Pvt Ltd	-	11.52	-
Kaberi Sales Pvt Ltd	-	8.95	-
<b>Salary</b>			
Kanika Lohia	21.00	18.00	15.80
Meghna Lohia	21.00	18.00	15.80
Sweta Agarwal	2.49	-	-
<b>Rent Received</b>			
Hiphai Ecom Tech Pvt Ltd	1.20	-	-
<b>Advance Received</b>			
Vandana Finvest Pvt Ltd	2.00	-	-
<b>Advance Paid</b>			
Vandana Finvest Pvt Ltd	2.00	-	-
<b>C. Outstanding Balances</b>			
<b>Nature of Transactions</b>	<b>As at 31.03.2025</b>	<b>As at 31.03.2024</b>	<b>As at 31.03.2023</b>
<b>Remuneration Payable</b>			
Narain Prasad Lohia	-	-	-
Prabhu Lohia	-	-	-
Gyanesh Lohia	-	-	-
<b>Unsecured Loans Payable</b>			
Narain Prasad Lohia	185.60	140.30	111.46
Gyanesh Lohia	73.86	247.11	278.53
Prabhu Dayal Lohia	0.86	144.90	156.40
Vandana Finvest Pvt Ltd	-	-	87.94
Prabhu Lohia HUF	92.93	63.06	-
Gyanesh Lohia HUF	50.92	51.06	-
Kanika Lohia	70.19	-	-
Usha Kiran Lohia	1.26	-	-
Ambika Devi Lohia	4.60	-	-
Gobindram Narain Prasad HUF	2.88	-	-
Kaberi Sales Pvt Ltd	323.04	80.61	226.47
<b>Rent Payable</b>			
Gyanesh Lohia	-	-	-
<b>Director Remuneration</b>			
Prabhu Lohia	-	-	-
<b>Purchases</b>			

Lohia Overseas LLP	4.76	0.07	-
Hiphai Ecom Tech Pvt Ltd	1.33	-	-
Kaberi sales	-	80.61	-
<b>Sales</b>			
Lohia Overseas LLP	118.91	19.00	-

Kaberi sales	273.31	-	-
Hiphai Ecom Tech Pvt Ltd	141.91	13.77	-
<b>Advance Received</b>			
Vandana Finvest Pvt Ltd	-	-	-
<b>Rent Received</b>			
Hiphai Ecom Tech Pvt Ltd	0.60	-	-
<b>Security Deposit Receivable</b>			
Gyanesh Lohia	4.75	-	-
Prabhu Lohia	1.50	-	-
<b>Security Deposit Payable</b>			
Hiphai Ecom Tech Pvt Ltd	0.50	-	-
<b>Salary</b>			
Kanika Lohia	6.54	3.00	-
Meghna Lohia	-	3.00	-
<b>Share Issued</b>			
Kaberi Sales Pvt Ltd	-	8.95	-



# RESTATED STATEMENT OF ADJUSTMENTS TO AUDITED FINANCIAL STATEMENTS

## (i) Material Regrouping :

Appropriate adjustments have been made in the Restated Financial Statements of Assets and Liabilities, Profit and Losses and Cash Flows, wherever required, by reclassification of the corresponding items of income, expenses, assets and liabilities in order to bring them in line with the regroupings as per the audited financial statements of the company and the requirements of SEBI Regulations.

## (ii) Reconciliation of Restated Profit:

The reconciliation of Profit after tax as per audited financial statements and the Profit after tax as per Restated financial statements is presented below. This summarizes the results of restatements made in the audited accounts for the respective years/ period and its impact on the profit / loss of the company.

Particulars	For the year ended 31st March'25	For the year ended 31st March'24	For the year ended 31st March'23
<b>Profit after tax as per audited/ re-audited financial statements</b>	853.61	428.72	188.78
<b>(i) Adjustments on account of change in accounting policies:</b>	-	-	-
<b>(ii) Other material adjustments:</b>			
Employee benefit expenses - Gratuity	-	-	-
Depreciation and amortization expense	-	-	-
Finance cost	-	-	-
Income tax adjustments related to earlier years	-	-	-
Deferred tax adjustment	5.90	0.68	(8.84)
Preliminary Exps written off	-	-	-
Provision for Income tax	-	-	-
Exceptional Items	-	-	-
<b>(iii) Audit Qualifications:</b>	-	-	-
<b>Restated profit after tax</b>	<b>859.51</b>	<b>429.40</b>	<b>179.94</b>

## (a) Difference on Account of Change in Deferred Tax

Since the provision for gratuity figures has been restated the deferred tax also got changed. Moreover, Deferred Tax Computations for previous years were wrongly computed. Hence, the same has been rectified.

## (b) Difference on Account of Change in Provision of Tax

There is a difference due to rounding off issues.

## (iii) Reconciliation of Restated Shareholders Funds:

The reconciliation of Shareholder's funds as per audited financial statements and Shareholder's funds as per Restated financial statements is presented below. This summarizes the results of restatements made in the audited accounts for the respective years/ period and its impact on Shareholder's funds of the company.

Particulars	For the year ended 31st March'25	For the year ended 31st March'24	For the year ended 31st March'23
<b>Shareholder's funds as per Audited/ Re-audited financial statements</b>	3,702.75	2,849.15	2,060.36
<b>(i) Adjustments on account of change in accounting policies:</b>	-	-	-
<b>(ii) Differences carried over pertaining to changes in Profit/ Loss due to Restated Effect for the period covered in Restated Financial</b>	-	-	-
<b>(iii) Differences pertaining to changes in Profit/ Loss due to Restated Effect for the period covered in Restated Financial</b>	-	-	-
<b>(iv) Other material adjustments # :</b>			
Employee benefit expenses	-	-	-
Depreciation and amortization expense	-	-	-
Finance cost	-	-	-
Income tax adjustments related to earlier years	-	-	-
Goodwill Written off	-	-	-
Deferred tax adjustment	-	(5.90)	(6.57)
Provision for Income Tax	-	-	-
Preliminary Exps Adjustment	-	-	-
Rounding off errors	0.01	-	-
<b>(v) Audit Qualifications:</b>	-	-	-
<b>Restated Shareholder's funds</b>	<b>3,702.76</b>	<b>2,843.25</b>	<b>2,053.79</b>

## STATEMENT OF CAPITALISATION

(Rs in Lakhs)

PARTICULARS	Pre-Offer 31.03.2025	Post-Offer 31.03.2025
<b>Debt</b>		
- Short Term Debt	5,378.62	5,378.62
- Long Term Debt	1,523.51	1,023.51
<b>Total Debt</b>	<b>6,902.13</b>	<b>6,402.13</b>
<b>Shareholders' Fund (Equity)</b>		
- Share Capital	1,709.69	2329.49
- Reserves & Surplus	1,993.07	4162.37
<b>Total Shareholders' Fund (Equity)</b>	<b>3,702.75</b>	<b>6491.86</b>
<b>Total Debt / Equity (In Ratio)</b>	<b>1.86</b>	<b>0.99</b>

**Notes:-**

1. Short Term Debts represent which are expected to be paid/payable within 12 months and include installments of Term Loans repayable within 12 months.
2. Long Term Debts represent debts other than Short Term Debts as defined above but include installments of Term Loans repayable within 12 months grouped under short term debt.
3. The figures disclosed above are based on restated statement of Assets and Liabilities of the Company as at 31/03/2025

## OTHER FINANCIAL INFORMATION

(Rs. in Lakhs)

Particulars	As at 31.03.2025	As at 31.03.2024	As at 31.03.2023
Net Worth (A)	3,375.47	2,515.96	1,726.50
Operating Earnings Before Interest, Tax, Depreciation and Amortisation (Operating EBITDA)	1,927.97	1,385.50	976.79
Restated Profit after tax	859.51	429.40	179.94
Add: Prior Period Item	-	-	-
Adjusted Profit after Tax (B)	859.51	429.40	179.94
Number of Equity Share outstanding as on the End of Year/Period (C)	17,096,809	3,262,750	2,902,700
Weighted average no of Equity shares as on the end of the period year	17,096,809	16,804,637	15,210,148
Return on Net worth (%) (B/A)	25.46%	17.07%	10.42%
Net asset value per Equity share (A/C)	19.74	77.11	59.48

**Notes:-**

1. The ratios have been Computed as per the following formulas

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

Restated Net Worth of Equity Share Holders  
Number of equity shares outstanding at the end of the year / period

(ii) Return on Net worth (%)

Restated Profit after Tax available to equity shareholders  
Restated Net Worth of Equity Share Holders

2. Operating EBITDA represents Earnings (or Profit/ (Loss)) before Finance Costs, Income Taxes, and Depreciation and Amortization Expenses excluding other income. Extraordinary and Exceptional Items have been considered in the calculation of EBITDA as they were expense items.

3. Net Profit as restated, as appearing in the Statement of Profit and Losses, has been considered for the purpose of computing the above ratios. These ratios are computed on the basis of the Restated Financial Information of the Company.

4. Weighted average number of Equity Shares is the number of Equity Shares outstanding at the beginning of the period adjusted by the number of Equity Shares issued during period multiplied by the time weighting factor. The time weighting factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the period

## RESTATED STATEMENT OF TAX SHELTER

(Rs. in Lakhs)

Particulars	As at 31.03.2025	As at 31.03.2024	As at 31.03.2023
Net Profit/(Loss) before taxes (A)	1,113.96	562.12	262.61
Tax Rate Applicable %	25.17%	25.17%	25.17%
Minimum Alternate Taxes (MAT)			
<b>Adjustments</b>			
Add: Depreciation as per Companies act	41.10	49.51	51.84
Add: Disallowance of IPO Expenditure under section 37 of Income Tax Act, 1961	-	2.86	1.50
Add: CSR Expenses	6.08	-	-
Add: EPF Late Payment u/s 36(1)(va)	0.77	-	-
Add: Penalty on GST	0.10	-	-
Add: Interest on Income Tax	6.58	-	-
Add: Balances Written Off	3.36	-	-
Add: Donation debited to P/L	-	-	-
Less: Taxable under other heads of income	-	-	-
Less: Depreciation as per Income Tax Act, 1961	53.20	63.39	67.52
Less: Deductions under Income Tax Act, 1961	-	1.43	0.75
Less : Deferred Tax Credit Adjusted for computation of Tax under 115JB of Income Tax Act	-	-	-
<b>Net Adjustments(B)</b>	<b>4.79</b>	<b>(12.45)</b>	<b>(14.93)</b>
<b>Business Income (A+B)</b>	<b>1,118.75</b>	<b>549.67</b>	<b>247.68</b>
Income from Capital Gains	-	-	-
Sale Consideration	-	-	-
Less: Cost of Acquisition	-	-	-
Long/ Short Term Capital Gain	-	-	-
Less: Brought Forward Capital Gain	-	-	-
Income from Other Sources (Interest Income)	-	-	-
Interest on Income Tax Refund	-	-	-
Interest on security Deposit	-	-	-
Damages and claims received	-	-	-
Gross Total/ Taxable Income	1,118.75	549.67	247.68
Less: Deductions U/S 80JJAA	-	-	-
<b>Net Total/ Taxable Income</b>	<b>1,118.75</b>	<b>549.67</b>	<b>247.68</b>
Unabsorbed Depreciation	-	-	-
Tax Payable as per Normal Rate	-	-	-
Tax Payable as per Special Rate:	-	-	-
Interest payable on above	-	-	-
<b>Tax as per Income Tax (C)</b>	<b>281.57</b>	<b>138.35</b>	<b>62.34</b>
Adjusted Book Profits for Computation of MAT U/s 115JB	-	-	-
Tax Payable as per Minimum Alternate Tax U/S 115 JB of the Income Tax Act, 1961	-	-	-
Interest Payable on above	5.86	2.83	0.06
Tax as per MAT (D)	-	-	-
<b>Net Tax (Higher of C &amp; D)</b>	<b>281.57</b>	<b>141.18</b>	<b>62.40</b>
<b>Income tax for earlier years</b>			
<b>Current tax as per restated Statement of Profit &amp; Loss</b>	<b>287.43</b>	<b>141.18</b>	<b>62.40</b>

Annexure - XII			
RESTATED STATEMENT OF CONTINGENT LIABILITIES			
(Rs in Lakhs)			
Particulars	As at 31.03.2025	As at 31.03.2024	As at 31.03.2023
Claims against the company not acknowledged as Debts	Unascertainable	Unascertainable	Unascertainable
Bank Guarantee (Financial)	NIL	NIL	NIL
Bank Guarantee (Performance)	NIL	NIL	NIL
Income Tax Demand	405.19	NIL	NIL
TDS Demand	NIL	NIL	NIL
Sales Tax Demand	NIL	NIL	NIL
Other moneys for which the Company is contingently liable	NIL	NIL	NIL
Commitments (to the extent not provided for)	NIL	NIL	NIL
Estimated amount of contracts remaining to be executed on capital account and not provided for	NIL	NIL	NIL
Uncalled liability on shares and other investments partly paid	NIL	NIL	NIL
Other commitments	NIL	NIL	NIL
<b>Total</b>	<b>405.19</b>	<b>0.00</b>	<b>0.00</b>

## RESTATED STATEMENT OF ACCOUNTING RATIOS

Particulars	As at 31.03.2025	As at 31.03.2024	As at 31.03.2023
Current Assets	19,241.81	17,292.33	15,708.77
Current Liabilities	15,034.64	12,713.67	11,890.69
<b>Current Ratio</b>	<b>1.28</b>	<b>1.36</b>	<b>1.32</b>
<b>Change</b>	<b>-6%</b>	<b>3%</b>	<b>0%</b>
Debt	6,902.13	6,897.51	6,508.36
Equity	3,702.76	2,843.25	2,053.79
<b>Debt - Equity Ratio</b>	<b>1.86</b>	<b>2.43</b>	<b>3.17</b>
<b>Change</b>	<b>-23%</b>	<b>-23%</b>	<b>0%</b>
Earnings available for debt service	1,957.94	1,395.92	1,012.81
Debt Service	7,705.01	7,681.80	7,206.72
<b>Debt - Service Coverage Ratio</b>	<b>0.25</b>	<b>0.18</b>	<b>0.14</b>
<b>Change</b>	<b>40%</b>	<b>29%</b>	<b>0%</b>
Net Profit after Tax	859.51	429.40	179.94
Average Shareholder's Equity	3,273.00	2,448.52	1,963.82
<b>Return on Equity Ratio</b>	<b>26.26%</b>	<b>17.54%</b>	<b>9.16%</b>
<b>Change</b>	<b>50%</b>	<b>91%</b>	<b>0%</b>
COGS	23,488.80	19,059.84	17,270.73
Average Inventory	6,817.54	7,254.98	5,043.13
<b>Inventory Turnover Ratio</b>	<b>3.45</b>	<b>2.63</b>	<b>3.42</b>
<b>Change</b>	<b>31%</b>	<b>-23%</b>	<b>0%</b>
Net Credit Sales	27,080.25	22,010.80	19,524.14
Average Trade Receivables	10,357.43	7,254.98	7,821.92
<b>Trade Receivables Turnover Ratio</b>	<b>2.61</b>	<b>3.03</b>	<b>2.50</b>
<b>Change</b>	<b>-14%</b>	<b>22%</b>	<b>0%</b>
Net Credit Purchase	14,970.14	14,747.31	14,677.92
Average Trade Payables	8,537.75	7,789.53	6,989.80
<b>Trade Payables Turnover Ratio</b>	<b>1.75</b>	<b>1.89</b>	<b>2.10</b>
<b>Change</b>	<b>-7%</b>	<b>-10%</b>	<b>0%</b>
Net Sales	27,080.25	22,010.80	19,524.14
Current Assets	19,241.81	17,292.33	15,708.77
Current Liabilities	15,034.64	12,713.67	11,890.69
Average Working Capital	4,392.92	4,198.37	1,909.04
<b>Net Capital Turnover Ratio</b>	<b>6.16</b>	<b>5.24</b>	<b>10.23</b>
<b>Change</b>	<b>18%</b>	<b>-49%</b>	<b>0%</b>
Net Profit	827.21	418.91	167.23
Net Sales	27,080.25	22,010.80	19,524.14
<b>Net Profit Ratio</b>	<b>0.03</b>	<b>0.02</b>	<b>0.01</b>
<b>Change</b>	<b>61%</b>	<b>122%</b>	<b>0%</b>
Earning before interest and taxes	1,916.84	1,346.41	960.97
Capital Employed	10,604.89	9,740.76	8,562.15
<b>Return on Capital Employed</b>	<b>18.08%</b>	<b>13.82%</b>	<b>11.22%</b>
<b>Change</b>	<b>30.77%</b>	<b>23.16%</b>	<b>0.00%</b>
Net Return on Investment	N/A	NA	N/A
Cost of Investment	-	-	-
<b>Return on Investment</b>	<b>-</b>	<b>-</b>	<b>-</b>

**Management explanation in cases where difference in ratio is more than 25% over previous year :**

Particular	Reason (24-25/23-24)	Reason (23-24/22-23)
(i) Debt - Equity Ratio	NA	NA
(ii) Debt - Service Coverage Ratio	Ratio has increased due to increase in Net Profit After Tax	Ratio has increased due to increase in earning before interest, tax, depreciation and amortization
(iii) Return on Equity Ratio	Ratio has increased due to increase in Operating profit during the year	Ratio has increased due to increase in Operating profit during the year
(iv) Inventory Turnover Ratio	The ratio has increased due to higher cost of goods sold during the year while maintaining relatively stable inventory levels.	NA
(v) Trade Payable Turnover Ratio	NA	NA
(vi) Net Capital Turnover Ratio	NA	The decline in Net Capital Turnover Ratio is attributable to higher average working capital requirements driven by increased current assets during the year.
(vii) Net Profit Ratio	Ratio has increased due to increase in Operating profit during the year	Ratio has increased due to increase in Operating profit during the year
Viii) Return on Capital Employed	Ratio has increased due to increase in Operating profit during the year	NA

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## 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:

(₹ In Lakhs)

Category of borrowing	Sanctioned Amount (₹ in Lakhs) as on April 30, 2025	Outstanding amount (₹ in Lakhs) as on March 31, 2025	Outstanding amount (₹ in Lakhs) as on April 30, 2025
<b>Secured</b>			
<b>Fund Based</b>			
Working Capital Facilities			
- HDFC Bank	1600.00*	1,752.32	1,508.29
- Union Bank	3,000.00	3,565.52	2,998.00
Term Loan	185.00	125.18	120.33
<b>Total (A)</b>	<b>4,785.00</b>	<b>5,443.02</b>	<b>4,626.62</b>
<b>Unsecured</b>			
Loan to Director, Related Parties and Body Corporate	Nil	1,459.11	1,013.71
<b>Total (B)</b>	<b>Nil</b>	<b>1,459.11</b>	<b>1,013.71</b>
<b>Total (A+B)</b>	<b>4,785.00</b>	<b>6,902.13</b>	<b>5,640.33</b>

\*The total sanctioned limit from HDFC Bank is Rs. 2,300.00 Lakhs, out of which Rs. 700.00 Lakhs pertains to a Seasonal Cash Credit facility. The utilization terms for the Seasonal Cash Credit are as follows: a) A decrease of Rs. 100.00 Lakhs is due on or after 31st October 2024. b) A decrease of Rs. 200.00 Lakhs is due on or after 30th November 2024. c) A decrease of Rs. 400.00 Lakhs is due on or after 31st December 2024.

Note: Balance in Cash Credit Loan Account is in excess of sanctioned limit are due to excess issue of cheques.

### Details of Secured Borrowings:

Principal terms of the Financial arrangement of these secured loan entered into by our company are :

#### HDFC BANK

1. Purpose : Business Use
2. Interest payment : Monthly rests, unless otherwise specified. Interest needs to be serviced by the 3rd of every month.
3. Fees & Charges :
  - a) Processing Fees – 0.20%
  - b) Renewal Fees – 0.10%
4. Security -Primary : Debtors, Stock
5. Security -Collateral : Factory Building And Land, Fdrs, Fixed Deposit, Industrial, Industrial Property.
- 6. Other Covenants**
  - a) Interest Servicing : In case of a CC/OD facility, last day of every month. Interest to be serviced within 3 days of the applicable due date even if the utilization is within the sanctioned limits.
  - b) Interest Levy : Charged @ 18.00% p.a. on overdue/ delays/ defaults of any monies payable.
  - c) Stock Statement : To be submitted MONTHLY with ageing detail, on or before the 7th day of the month. < Only for CC facility >. The Book debts statements will not include receivables from affiliates of the borrower (including subsidiaries and employees)
  - d) Additional Interest levy : @ 2% p.a. additional interest levy over existing rate of interest on account of I. Maintaining Current Account with Other Bank while facility is granted under Sole Banking (applicable where specific permission is not taken by the customer). II. Deterioration in account conduct
  - e) Penal Interest levy : @ 2% p.a. Penal interest levy over existing rate of interest for: I. Non-submission of documents for renewal of credit facilities. II. Non submission of Stock statement. III. Non submission

of Stock and Property Insurance policy including renewal policy. IV. Non-compliance in documentation for the credit facility.

#### Union Bank

#### **Details of Limits with margin/interest/security:**

Nature of Limit	Amount	Margin	Applicable interest / commission	Approved interest / commission
CCTXT	4500.00	25% on stock & book debt	EBLR + 1.00%	EBLR + 1.00%

**Security:** Residential cum commercial land building owned by the Company and member of promoter group and Fixed Deposit

#### **Other Covenants:**

1. Minimum collateral coverage of 50 % of the credit exposure will be maintained at any time either in form immovable property or liquid security like Fixed Deposit / DRIC/LIC surrender value.
2. The borrower to submit Stock Statement and age wise party wise book debt statement along with details of sundry creditor and accordingly DP to be arrive.
3. The borrower to submit CA certified Book debt statement prior to disbursement of the limit.
4. The borrower to submit the statements from HDFC Bank Ltd of the borrower on quarterly basis.
5. If any of the condition spelt out hereunder are observed in the borrower account, the same will attract Penal Interest of 1 % p.a. each subject to maximum of 2 % p.a
  - (i) Non -Compliance of terms of sanction. Till such time the terms are complied with
  - (ii) Non – Submission / delayed submission of stock statement
6. Bank reserve right to obtain direct balance confirmation from debtors of borrowers with exposure limit of 5 crores and above annually.

#### **Principal terms of the Financial arrangement of these unsecured loan entered into by our company are:**

In case of loan availed from any body corporate or related party, interest will be levied @9% p.a.

**Guarantee-** Our Promoters Narain Prasad Lohia, Prabhu Lohia and Gyanesh Lohia and Usha Kiran Lohia and Ambika Devi Lohia being Promoter Groups have personally guaranteed the repayment of certain credit facilities availed by the Company.

#### **Details of Unsecured Borrowings**

(₹ In Lakhs)					
Sr No.	Name of Lender	Purpose	Terms of Repayment	Outstanding balance as on March 31, 2025	Outstanding balance as on April 30, 2025
1.	From Directors	Business Purpose	2 years from the date of disbursement	260.32	95.32
2.	From Related Parties	Business Purpose	2 years from the date of disbursement	545.82	377.93
3.	From Bodies Corporates	Business Purpose	2 years from the date of disbursement	652.97	540.46
<b>Total</b>				<b>1459.11</b>	<b>1013.71</b>

*As certified by our statutory auditor vide certificate dated May 21, 2025*

## 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 financial years ended on 2025, 2024 and 2023 is based on, and should be read in conjunction with, our Restated Financial Statements, including the schedules, notes and significant accounting policies thereto, included in the chapter titled "Restated Financial Statements" beginning on page 189 of this Prospectus. Our Restated Financial Statements have been derived from our audited financial statements and restated in accordance with the SEBI ICDR Regulations and the ICAI Guidance Note.

You should read the following discussion of our financial condition and results of operations together with our restated financial statements included in this Prospectus. You should also read the section titled "Risk Factors" beginning on page 29 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 NR Vandana Tex Limited, our Company. Unless otherwise indicated, financial information included herein are based on our "Restated Financial Statements" for the financial years ended on 2025, 2024 and 2023 included in this Prospectus beginning on page 189 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

We are engaged into designing, manufacturing and wholesale business of cotton textile products including a variety of high-quality cotton sarees, salwar suits and bed sheets. Our products are recognised in textile industry under our own brand name "Vandana" and "Tanaya". Our Company have been awarded "Best Debutant – Apparels" by Ajo Business Partnership Meet – 2022. Our Company operates into B2B business model, focusing on selling our products through a network of 1397 wholesalers as of March 31, 2025 spread across 31 states and union territories in India and through a channel of B2B e-commerce platform.

The table below sets forth our revenue from operations from our distribution channels, for the periods indicated:

Particulars	For the Financial year 2025		For the Financial year 2024		For the Financial year 2023	
	Revenue (₹ in Lakhs)	% of total revenue from operations	Revenue (₹ in Lakhs)	% of revenue from operations	Revenue (₹ in Lakhs)	% of revenue from operations
Network of Wholesalers	21,438.13	79.17	15511.52	70.47	15619.06	80.00
Online	5642.12	20.83	6499.28	29.53	3905.08	20.00
<b>Total</b>	<b>27,080.25</b>	<b>100.00</b>	<b>22,010.80</b>	<b>100.00</b>	<b>19,524.14</b>	<b>100.00</b>

Our manufacturing process includes cutting, dyeing, embroidery, sewing, embellishments, finishing, inspection and packing. We also outsource certain manufacturing on job work from time to time and provides the technical specifications such as designs, pattern, quality, fabric etc. to them who, based on our specifications begin the manufacturing process. As on March 31, 2025 we had engaged 229 job workers for our manufacturing process. As on March 31, 2025 we have presence in 31 states and union territories and has generated revenue 2.46 % from the south region, 2.10 % from the north region, 88.10 % from the east region and 7.34 % from the west region. Further, we actively engage with potential clients through direct visits and leverages strong local market connections to expand our reach.

For more details, please refer chapter titled "**Our Business**" beginning on page 131 of this Prospectus.

## **SIGNIFICANT DEVELOPMENTS AFTER MARCH 31, 2025**

In the opinion of the Board of Directors of our Company, since the date of the ending of the financial year in this Prospectus, there have not arisen any circumstance that materially or adversely affect or are likely to affect the profitability of our Company or the value of its assets or its ability to pay its material liabilities within the next twelve months.

## **FACTORS AFFECTING OUR RESULTS OF OPERATIONS**

Our business is subject to various risks and uncertainties, including those discussed in the section titled “*Risk Factors*” on page 29 beginning of this Prospectus.

Our Company’s future results of operations could be affected potentially by the following factors:

### **1. *Raw Material Cost***

Our raw materials like grey fabric, ready-to-use bleached or dyed fabric, and printed fabrics, etc. Any increase in raw material prices may affect our procurement of raw materials and will result in corresponding increases in our product costs, while the increase in the selling price of the finished products may not be in proportionate to the increase in raw material price. We do not enter into formal arrangements or contracts with certain of our suppliers and instead issue purchase orders to source our materials on an as-needed basis to such suppliers. Such change in pricing may adversely affect our sales, cash flow and our overall profitability.

Our Company’s cost of raw material consumed 57.24%, 61.44% and 73.77% of our revenues from operation in Fiscal 2025, Fiscal 2024 and Fiscal 2023, respectively. Our cost of goods sold is impacted by the amount of raw materials procured and the price at which we procure such raw materials and may fluctuate from time to time. The availability and price of our raw materials may be subject to a number of factors beyond our control, including macro and micro economic factors, seasonal factors, environmental factors and changes in Government policies and regulations.

### **2. *Dependency on Job workers for manufacturing of our Products***

We outsource partial manufacturing of our products to job workers, primarily under non-exclusive contract manufacturing agreement. We have not entered into long term job work agreements with our job workers and we have also not entered into job work agreements with few of our job workers, with such job workers we enter into purchase order. After approval of design by us, the raw material is purchased and sent to job work for bleaching, printing, embellishments and other. After job work, the finished product is ironed & packed at our facility and sent for dispatch. During the Fiscal 2025, Fiscal 2024 and Fiscal 2023, we have engaged 229, 159 and 166 job workers. Expenditure incurred by us during the Fiscal 2025, Fiscal 2024 and Fiscal 2023 in relation to job workers was ₹ 5,074.80 Lakhs, ₹ 4,785.52 Lakhs and ₹ 4423.69 Lakhs and representing 18.74 %, 21.74 % and 22.66% of the revenue from operations, respectively.

Our contract manufacturers do not manufacture products exclusively for us and accordingly, some of them may choose to manufacture products for other parties, including our competitors, at any time, which may lead to conflicts of interest that exacerbate the risks mentioned above. In addition, they may manufacture products identical to ours, and we may not be able to prevent the same, in the absence of adequate intellectual property protections, which in turn may adversely affect our business, results of operations, financial condition and cash flows.

### **3. *Changes in laws, government policies and regulations relating to the sectors in which we operate;***

Our business and revenues are dependent on policies and regulations in relation to the manufacturing activities. Any adverse changes in government policies, subsidies and benefits could materially and adversely affect our financing, capital expenditure, revenues, development or operations relating to our existing and proposed capacities as well as our ability to participate and compete with our peers. Further, policies not limited to our services rendered but largely affecting India could also affect the manner in which we carry out and intend to carry out our operations.

### **4. *Disruption in our manufacturing process;***

Our facility at Kolkata are subject to operating risks, such as shutdowns due to the breakdown or failure of equipment, power supply or processes, performance below expected levels of output or efficiency, adequate utilisation rates, obsolescence of equipment, labour disputes, strikes, lockouts, industrial accidents, disruption by extremist groups, or any other reason, and the need to comply with the directives and regulations of the Government of India (“GoI”) and relevant state government authorities. We are heavily reliant on floor workers at our unit, including those workers who are hired on a daily wage / per piece basis and are not on a fixed payroll. Our inability to continue to procure such services or any disputes with this group of labour would severely affect our operations and may cause a under-utilisation of our capacities or a total shut down. Our operations involve a significant degree of integration, and our results of operations are dependent on the successful operation of each facility.

## 5. Relationship with Wholesalers

We sell our product to network of wholesalers. We had a network of 1397, 893 and 886 wholesalers in the Fiscal 2025, Fiscal 2024 and Fiscal 2023. Our top ten customers contribute to a substantial portion of our revenues for March 31, 2025, March 31, 2024 and March 31, 2023. The table below sets forth details of revenue generated from our largest customer, top 5 customers and top 10 customers for our products for Fiscal 2025, Fiscal 2024 and Fiscal 2023 of our revenue from operations.

(Rs. In Lakhs)

Period	Revenue from Largest Customer	% Contribution of largest customer to revenue from operations	Revenue from Top 5 Customers	% Contribution of top 5 to revenue from operations	Revenue from Top 10 Customers	% Contribution of top 10 to revenue from operations
Fiscal 2025	565.87	2.09%	2345.00	8.66%	3930.63	14.51%
Fiscal 2024	590.70	2.68%	2416.04	10.98%	3850.56	17.49%
Fiscal 2023	519.99	2.66%	2034.25	10.41%	3312.00	16.96%

However, the composition and revenue generated from these clients might change as we continue to add new customers in normal course of business. Any decline in our quality standards, growing competition and any change in the demand for our products by these customers may adversely affect our ability to retain them. Also, any delay or default in payment by these customers may adversely affect our business, financial condition and results of operations

## SIGNIFICANT ACCOUNTING POLICIES

For Significant accounting policies please refer Significant Accounting Policies, “Annexure IV” beginning under “Restated Financial Statements” on page beginning 189 of this Prospectus.

The scale of our operations and vast distribution network along with our customers’ confidence have had a significant impact on our revenues and profitability. Set out below are a few key performance indicators

(₹ in Lakhs)

KPI	Financial year ended March 31,2025	Financial year ended March 31,2024	Financial year ended March 31,2023
Revenue from operation	27,080.25	22,010.80	19,524.14
Revenue Growth (%)	23.03	12.74	10.20
Revenue CAGR <sup>(1)</sup>	17.77%		
Total Income	27,110.22	22,021.22	19,560.16
Operating EBITDA <sup>(2)</sup>	1,927.97	1,385.50	976.79
Operating EBITDA Margin (%) <sup>(3)</sup>	7.12%	6.29%	5.00%
Restated profit for the period / year after tax ("PAT")	859.21	429.40	179.94
PAT Margin (%) <sup>(4)</sup>	3.17%	1.95%	0.92%
Net Worth <sup>(5)</sup>	3,375.46	2,515.95	1,726.50
Net Debt <sup>(6)</sup>	6,786.15	6,591.76	6,111.19

KPI	Financial year ended March 31,2025	Financial year ended March 31,2024	Financial year ended March 31,2023
Net Debt to Operating EBITDA <sup>(7)</sup>	3.52	4.76	6.26
Net Debt to Equity (Gearing Ratio) <sup>(8)</sup>	2.01	2.62	3.54
Return on Equity(RoE)(%) <sup>(9)</sup>	26.26	17.54	9.16
Return on Capital Employed (RoCE)(%) <sup>(10)</sup>	18.08	13.82	11.22
EPS <sup>(11)</sup>	5.03	2.56	1.18
Operating Cash Flow <sup>(12)</sup>	578.53	(50.25)	(1,281.97)

Notes:

1. Revenue CAGR is calculated by dividing the Revenue from operation for the FY 2025 by the Revenue from operation for the FY 2023, raising it to the power of one divided by the number of compounding periods i.e.; 2 years, and subtracting by one.
2. Operating EBITDA is calculated as Profit before tax +Depreciation+ Finance Cost – Other Income.
3. Operating EBITDA Margin is calculated as Operating EBITDA divided by Revenue from operation.
4. PAT Margin is calculated as PAT for the period/year divided by revenue from operations.
5. Net Worth is calculated by subtracting a company's Equity Shareholders fund and free reserves excluding capital reserves.
6. Net Debt is calculated as Short-term debt + Long-term debt – Cash and Cash Equivalents.
7. Net Debt to Operating EBITDA is calculated as Net Debt divided by Operating EBITDA.
8. Net Debt to Equity is calculated as Net Debt divided by Net Worth.
9. Return on Equity is ratio of Profit after Tax and Average Shareholder Equity.
10. Return on Capital Employed (RoCE) is calculated as EBIT divided by capital employed, which is defined as shareholders' equity plus total borrowings [Current & Non – Current]
11. Diluted EPS is calculated as PAT divided by outstanding number of equity shares (Post bonus issue).
12. Operating Cash Flow is calculated as PBT +/- Adjustment of non-cash items +/- Adjustment of non-operating Profit and losses +/- Changes in Working Capital – Direct tax Paid.

## COMPONENTS OF INCOME AND EXPENDITURE

### Total Revenue

Our total revenue is divided into revenue from operations and other income.

Revenue from operations consists of Sale of Products (Manufacturing), Sale of Products (Trading).

Other income consists of Interest Income on Fixed Deposit, Profit on Sale of Fixed Assets, Rent Received, Insurance Claim Received, Scheme from E-Commerce Operators, Other Indirect Income.

### Total Expenses

Our total expenses comprise of Cost of materials consumed, Purchase of stock-in-trade, Changes in Inventories of Finished Goods, Manufacturing Expenses, Employee benefits expense, Finance costs, Depreciation and amortisation expense, other expenses.

#### Finance Costs

Finance costs includes Interest expense, Processing Charges, Other Borrowing Costs.

#### Purchase in Stock in trade

Purchase in Stock in trade comprise of purchase of fabrics.

#### Employee benefits expenses

Employee benefit expenses comprise of Salary, Wages, Bonus & Allowance, Director's remuneration, Staff

Welfare Expense, Contribution to provident and other funds and Provision for Gratuity.

#### Depreciation, Amortization & Impairment Expenses

Depreciation and amortization expenses primarily include Depreciation and Amortisation expense.

#### Other Expenses

Other expenses include Selling and Distribution Cost which includes Brokerage & Commission, Advertisement & Subscription, Business Promotion Expense, Modelling & Poster Expenses, Packaging & Forwarding Expense, Sales Support Service, and Establishment Expenses which includes Bank Charges & Commission, Loading & Unloading charges, Payment to Auditors, Travelling & Conveyance, Motor Car Expenses, Rent, Insurance, Shop Expenses, Electrical Charges, Security Expenses, Computer Expense, Postage & Stamps, Legal & Trademark Expense, Filing Fees, Municipality/Property Tax, Printing & Stationery, Donation, Telephone Charges, Repairs & Maintenance which includes for Plant & Machinery, for Others, Consultancy/ Professional Fees, General Expense, Sundry Balance Written off, Rates & Taxes.

### RESULTS OF OPERATIONS

The following discussion on results of operations should be read in conjunction with the Restated Financial Statements of our Company for the financial years ended on 2025, 2024 and 2023:

(₹ in Lakhs)						
Particulars	For the Year ended on March 31, 2025	% of Total Revenue	For the Year ended on March 31, 2024	% of Total Revenue	For the Year ended on March 31, 2023	% of Total Revenue
<b>Revenue</b>						
Revenue from Operations	27,080.25	99.89	22,010.80	99.95	19,524.14	99.82
Other Income	29.97	0.11	10.42	0.05	36.02	0.18
<b>Total Income</b>	<b>27110.22</b>	<b>100.00</b>	<b>22,021.22</b>	<b>100.00</b>	<b>19,560.16</b>	<b>100.00</b>
<b>Expenses</b>						
Cost of materials consumed	15499.45	57.17	13,523.01	61.41	14,403.37	73.64
Purchase of stock-in-trade	-	-	-	-	-	-
Changes in Inventories of Finished Goods	1937.05	7.15	(367.19)	(1.67)	(2,557.64)	(13.08)
Manufacturing Expenses	6011.20	22.17	5,854.51	26.59	5,373.16	27.47
Employee benefits expense	378.08	1.39	319.81	1.45	315.68	1.61
Finance Cost	802.88	2.96	784.29	3.56	698.36	3.57
Depreciation and amortisation expense	41.1	0.15	49.51	0.22	51.84	0.27
Other expenses	1326.50	4.89	1,295.16	5.88	1,012.78	5.18
<b>Total expenses</b>	<b>25996.26</b>	<b>95.89</b>	<b>21,459.10</b>	<b>97.45</b>	<b>19,297.55</b>	<b>98.66</b>
<b>Profit before tax</b>	<b>1113.96</b>	<b>4.11</b>	<b>562.12</b>	<b>2.55</b>	<b>262.61</b>	<b>1.34</b>
<b>Tax expense</b>						
Current tax	287.43	1.06	141.18	0.64	62.40	0.32
Deferred tax (credit)/charge	2.38	0.01	0.56	0.00	14.24	0.07
Earlier Year Taxes	(3.06)	(0.01)	1.47	0.01	18.74	0.10
<b>Profit for the period / year</b>	<b>827.21</b>	<b>3.05</b>	<b>418.91</b>	<b>1.90</b>	<b>167.23</b>	<b>0.85</b>

Particulars	For the Year ended on March 31, 2025	% of Total Revenue	For the Year ended on March 31, 2024	% of Total Revenue	For the Year ended on March 31, 2023	% of Total Revenue
Share of Profit/(Loss) of associates	32.30	0.12	10.49	0.05	12.71	0.06
<b>Profit/(Loss) for the period</b>	<b>859.51</b>	<b>3.17</b>	<b>429.40</b>	<b>1.95</b>	<b>179.94</b>	<b>0.92</b>

## COMPARISON OF FINANCIAL YEAR ENDED 2025 TO FINANCIAL YEAR ENDED 2024

### Income

#### Total Income:

Our total revenue increased by 23.11% from ₹ 22,021.22 Lakhs for the financial year March 31, 2024 to ₹ 27,110.22 Lakhs for the financial year ended March 31, 2025 due to the factors described below:

#### Revenue from Operations.

Our income from Revenue from Operations was increased by 23.03% to ₹ 27,080.25 Lakhs for the FY 2025 from ₹ 22,010.8 Lakhs for the FY 2024. This was on account of expansion in our customer base and a ramp-up in orders from existing long-term client. Further, increase in revenue from sale of Bedsheets and Sarees.

#### Other Income

Other income increased by 187.62% from ₹10.42 Lakhs in FY 2024 to ₹29.97 Lakhs in FY 2025 due to increase in come from Interest on fixed deposit, interest income and rent received.

### Expenditure

#### Total Expenses:

Our total expenses increased by 21.14% to ₹ 25,996.26 Lakhs for the FY 2025 from ₹ 21,459.10 Lakhs for the FY 2024 from due to the factors described below:

#### Cost of materials consumed

Our Cost of materials consumed was increased by 14.62% from ₹ 13,523.01 Lakhs for the FY 2024 to ₹ 15,499.45 Lakhs in FY 2025. This was due to increase in our consumption of raw materials due to increase in sale.

#### Changes in Inventories of Finished Goods

Changes in inventories of finished goods, traded goods and work-in-progress was ₹ 1937.05 Lakh (decrease in stock) for the FY 2025 as compared to ₹ 367.19 Lakh (increase in stock) for the FY 2024. For the FY 2025, we had a total opening balance of ₹5747.01 Lakh and a total closing balance of ₹ 3809.96 Lakh. For the FY 2024, we had a total opening balance of ₹ 5379.82 Lakhs and a total closing balance of ₹ 5,747.01 Lakhs.

#### Manufacturing Expenses

Our Manufacturing Expenses was increased by 2.68% from ₹ 5854.51 Lakhs in FY 2024 to ₹ 6011.20 Lakhs in FY 2025. This was primarily due to increase in printing expense, finishing charges, labour charges, power & fuel and checking charges.

#### Employee benefits expense

The employee benefit expenses increased by 18.22% from ₹ 319.81 Lakhs in FY 2024 to ₹ 378.08 Lakhs in FY 2025. This increase was mainly due to increase in salaries, wages, bonus and allowances and staff welfare expense.



### Finance costs

The Finance costs increased by 2.37% from ₹ 784.29 Lakhs in FY 2024 to ₹ 802.88 Lakhs in FY 2025. This was on account of due to increase in interest expense.

### Depreciation and amortisation expense

The Depreciation and Amortization expenses Goods was decreased by 16.99% from ₹ 49.51 Lakhs in FY 2024 to ₹ 41.1 Lakhs in FY 2025. This was as result of depreciation of existing assets and fewer additions of assets in comparison to FY 2024

### Other expenses

Other expenses increased by 2.42% from ₹ 1295.16 Lakhs in FY 2024 to ₹ 1326.50 Lakhs in FY 2025. This was on account of increase of loading and unloading charges, CSR expenditure, director sitting fees, travelling & conveyance, rent, legal & trademark expense, repairs & maintenance, consultancy & professional fees and rates & taxes.

### Profit before Tax

Our profit before tax increased by 98.17% to ₹ 1113.96 Lakhs for the FY 2025 from ₹ 562.12 Lakhs for the FY 2024.

### Tax Expenses

Our total tax expense has increased by 104.52% to ₹292.89 Lakhs in FY 2025 from ₹143.21 Lakhs in the FY 2024. This was as result of increase in profit which led to increase in current tax and payment of earlier year tax.

### Share of Profit/(Loss) of associates

After accounting for taxes at applicable rates, our Share of Profit of associates increased by 207.91% to ₹ 32.3 Lakhs in FY 2025 from ₹ 10.49 Lakhs in FY 2024.

### Profit after Tax

After accounting for taxes at applicable rates, our Profit after Tax increased by 100.16 % to ₹ 859.5 Lakhs in FY 2025 from ₹ 429.4 Lakhs in FY 2024. This was due to (i) increase in revenue from sale of sarees by 21.83% in FY 2025 to ₹ 26625.67 Lakhs from ₹ 21854.60 Lakhs; and (ii) increase in revenue from sale of bedsheets by 257.23% in FY 2025 to ₹ 344.94 Lakhs from ₹ 96.56 Lakhs which is offset by overall increase in total expenses by 21.14% from ₹21,459.10 lakhs in FY 2024 to ₹25,996.26 lakhs in FY 2025, this increase was proportionally lower than the growth in income, thereby positively impacting our profitability margins.

### **Factors Contributing to the increase in PAT for FY2025:**

1. **Revenue Growth:** Revenue increased from ₹22,010.80 lakhs in FY2024 to ₹ 27,080.25 lakhs in FY2025, driven by higher sales.
2. **Lower Cost of Materials:** Cost of materials consumed reduced to 57% of revenue from operations in Fiscal 2025 as compare to 61% revenue from operations in Fiscal 2024 lakhs, improving margins.
3. **Controlled Expenses:** While other expenses rose, efficiency improvements resulted in a better profit margin.

### **COMPARISON OF FINANCIAL YEAR ENDED 2024 TO FINANCIAL YEAR ENDED 2023**

#### **Income**

#### Total Income:

Our total income increased by 12.58% from ₹ 19,560.16 Lakhs for the financial year March 31, 2023 to 22,021.22 Lakhs for the financial year ended March 31, 2024 due to the factors described below:

Revenue from Operations.

Our income from Revenue from Operations was increased by 12.74% to ₹ 22,010.80 Lakhs for the FY 2024 from ₹ 19,524.14 Lakhs for the FY 2023. This was on account of an increase in This was on account of an increase in due to introduction of new product i.e Bed Sheet and increase in online sale and sale from existing customer and addition of new customer.

Other Income

Other income decreased by 71.07% from ₹ 36.02 Lakhs in FY 2023 to ₹ 10.42 Lakhs in FY 2024 due to decrease in interest received from Fixed Deposit and decrease in incentive from E-Commerce Operator.

**Expenditure**

Total Expenses:

Our total expenses increased by 11.20% to ₹ 21,459.10 Lakhs for the FY 2024 from ₹ 19,297.55 Lakhs for the FY 2023 due to the factors described below:

Cost of materials consumed

Our Cost of materials consumed was decreased by 6.11% from 14,403.37 Lakhs in FY 2023 to ₹ 13,523.01 Lakhs for the FY 2024. This was due to increase in closing stock of raw material.

Changes in Inventories of Finished Goods

Our Inventories of Finished Goods was decreased by 85.64% from ₹2,557.64 Lakhs in FY 2023 to ₹ 367.19 Lakhs in FY 2024. This was as result of prior order received at end of FY 22-23 leading to an increase in production and stock accumulation at the close of that fiscal year.

Manufacturing Expenses

Our Manufacturing Expenses was increased by 8.96% from ₹ 5,373.16 Lakhs in FY 2023 to 5,854.51 Lakhs in FY 2023. This was on account of increase in printing expense due to increase in sale and processing expense.

Employee benefits expense

The Employee Benefit Expenses increased by 1.31% from ₹ 315.68 Lakhs in FY 2023 to ₹ 319.81 Lakhs in FY 2024. This increase was mainly due to increase in salaries, wages and bonus to employees.

Finance costs

The Finance costs increased by 12.30% from ₹ 698.36 Lakhs in FY 2023 to ₹ 784.29 Lakhs in FY 2024. This was primarily due to increase in interest on loans from increased borrowings.

Depreciation and amortisation expense

The Depreciation and Amortization expenses Goods was decreased by 4.49% from ₹ 51.84 Lakhs in FY 2023 to ₹ 49.51 Lakhs in FY 2024.

Other expenses

Other expenses increased by 27.88% from ₹ 1,012.78 Lakhs in FY 2023 to ₹ 1,295.16 Lakhs in FY 2024. This was on account of due to primarily increase in (i) Advertisement and subscription from ₹ 25.19 Lakhs to ₹ 39.84 Lakhs (ii) Sale Support Service from ₹ 154.34 to ₹ 638.08 Lakhs.

### Profit before Tax

Our profit before tax increased by 114.05 % to ₹562.12 Lakhs for the FY 2024 from ₹ 262.61 Lakhs for the FY 2023.

### Tax Expenses

Our total tax expense has increased by 50.14% to ₹ 143.21 Lakhs in FY 2024 from ₹ 95.38 Lakhs in the FY 2023.

### Profit after Tax

After accounting for taxes at applicable rates, our Profit after Tax increased by 127.11% to ₹ 429.40 Lakhs in FY 2024 from ₹ 179.94 Lakhs in FY 2023. This was due to increase in revenue from operations which was supported by (i) increase in revenue from online sales on B2B platform from ₹ 3905.08 Lakhs in FY 2023 to ₹6499.28 Lakhs in FY 2024 representing 66.43 YoY growth (ii) increase in sale from Bedsheets from ₹ 1.00 Lakhs in FY 2023 to ₹96.56 Lakhs in FY 2024 representing 9556.00 % YOY growth. With introduction of new product from Bedsheet and drastic increase in sales from online sale of products and marginal increase in sale from network of wholesaler, there has been increase in revenue from operations and consequently on PAT.

### **Reasons for the Significant Increase in PAT for FY2024:**

4. **Revenue Growth:** Revenue increased from ₹19,524.14 lakhs in FY2023 to ₹22,010.80 lakhs in FY2024, driven by higher sales.
5. **Lower Cost of Materials:** Cost of materials consumed reduced to ₹13,523.01 lakhs from ₹14,403.37 lakhs, improving margins.
6. **Controlled Expenses:** While other expenses rose, efficiency improvements resulted in a better profit margin.
7. **Lower Deferred Tax Liability:** A deferred tax reversal of ₹18.56 lakhs helped boost profitability

### **CASH FLOWS**

The table below is our cash flows for the financial years ended on March 31 2025, 2024 and 2023:

(₹ in Lakhs)

Particulars	For the financial year ended on March 31,		
	2025	2024	2023
Net cash (used)/from operating activities	578.53	(50.25)	(1,281.97)
Net cash (used)/from investing activities	29.97	(1.08)	(150.39)
Net cash (used)/from financing activities	(798.26)	(40.09)	1,716.39

### ***Cash Flows from Operating Activities***

#### For the year ended on March 31, 2025

Our net cash generated from operating activities was ₹578.53 Lakhs for the year ended March 31, 2025. Our operating profit before working capital changes was ₹1,930.62 Lakhs for the year ended March 31, 2025 which was primarily adjusted against Depreciation of ₹41.10 Lakhs, Finance Costs of ₹802.88 Lakhs, provision for gratuity of ₹2.65 Lakhs and offset by Interest Income of ₹29.97 Lakhs.

The main adjustments to operating profit before working capital changes included adjustments for (i) increase in trade and other receivables by ₹4,442.89 Lakhs, (ii) increase in trade and other payables ₹782.31 Lakhs and (iii) decrease in inventories by ₹2,466.36 Lakhs. Tax paid for year ended March 31, 2025 amount to ₹157.87 Lakhs.

#### For the year ended on March 31, 2024

Our net cash used from operating activities was ₹ 50.25 Lakhs for the year ended March 31, 2024. Our operating profit before working capital changes was ₹ 1391.53 Lakhs for the year ended March 31, 2024 which was primarily adjusted against Depreciation of ₹ 49.51 Lakhs, Finance Costs of ₹ 784.29 Lakhs, Provision for Gratuity of ₹ 3.96 Lakhs offset by Interest Income of ₹ 8.35 Lakhs.

The main adjustments to operating profit before working capital changes included adjustments for increase in (i) inventories by ₹ 1591.49 Lakh and (ii) trade and other payable by ₹ 319.44 Lakhs, and (iii) trade and other receivables by ₹ 83.49 Lakhs. Tax paid for March 31, 2024 amount to ₹ 86.24 Lakhs.

*For the year ended on March 31, 2023*

Our net cash used from operating activities was ₹ 1281.97 Lakhs for the year ended March 31, 2023. Our operating profit before working capital changes was ₹ 1002.52 Lakhs for the year ended March 31, 2023 which was primarily adjusted against Depreciation of ₹ 51.84 Lakhs, Finance Costs of ₹ 698.36 Lakhs, Provision for Gratuity of ₹ 3.73 Lakhs and offset by Interest Income of ₹ 12.65 Lakhs and profit on sale of fixed asset for ₹ 1.37 Lakhs.

The main adjustments to operating profit before working capital changes included adjustments for increase in (i) inventories by ₹ 2832.19 Lakh and (ii) trade and other payable by ₹ 1438.54 Lakhs, and (iii) trade and other receivables by ₹ 809.69 Lakhs. Tax paid for March 31, 2023 amount to ₹ 81.14 Lakhs

***Cash Flows from Investing Activities***

*For the year ended March 31, 2025*

Net cash flow generated from investing activities for the year ended March 31, 2025 was ₹ 29.97 Lakhs. This was primarily on account of received of interest of income.

*For the year ended on March 31, 2024*

Net cash flow used for investing activities for the year ended March 31, 2024 was ₹ 1.08 Lakhs. This was primarily on account of purchase of Fixed Assets ₹ 9.43 Lakhs and received of interest of income ₹ 8.35 Lakhs.

*For the year ended on March 31, 2023*

Net cash flow used from investing activities for the year ended March 31, 2023 was ₹ 150.39 Lakhs. This was primarily on account of purchase of Fixed Assets ₹ 166.69 Lakhs which was then offset by sale of fixed assets, sale of investment and received of Interest Income amounting at ₹ 3.60 Lakhs, ₹ 0.05 Lakhs and ₹ 12.65 Lakhs respectively.

***Cash Flows from Financing Activities***

*For the year ended March 31, 2025*

Net cash flow used for financing activities for the year ended March 31, 2025 was ₹ 798.26 Lakhs. This was primarily on account of account of payment of Long Term Borrowings of ₹ 1245.52 Lakhs and payment of Finance Cost of ₹ 802.88 lakhs and offset by proceeds from short Term Borrowings of ₹ 1250.14 Lakhs.

*For the year ended March 31, 2024*

Net cash flow used from financing activities for the year ended March 31, 2024 was ₹ 40.09 Lakhs. This was primarily on account of receipt of net proceeds from Long Term Borrowings of ₹ 297.52 Lakhs, Short Term Borrowings of ₹ 446.68 Lakhs and offset by payment of Finance Cost of ₹ 784.29 lakhs.

*For the year ended March 31, 2023*

Net cash flow generated from financing activities for the year ended March 31, 2023 was ₹ 1,716.39 Lakhs. This was primarily on account of net proceeds from Long Term Borrowings of ₹ 1,031.22 Lakhs, Short Term Borrowings of ₹ 1,383.53 Lakhs and offset by payment Finance Cost of ₹ 698.36 lakhs.

**Detailed rationale for Increase in Total Income of the Company:**

The company's total income has shown a consistent upward trend over the past financial years, attributed to the following key factors:

1. Expansion of Operations: The company has strategically expanded its operational capacities, leading to higher production levels and increased revenue generation across its product/service portfolio.
2. Market Penetration and Growth: Focused efforts on penetrating new markets and enhancing the company's market share in existing geographies have significantly contributed to revenue growth.
3. Enhanced Efficiency and Cost Optimization: The company has implemented advanced processes and technology-driven solutions, resulting in improved operational efficiencies, reduced costs, and higher margins.
4. Diversification of Revenue Streams: The company has diversified its revenue base by introducing new products/services and leveraging synergies from strategic business units.
5. Improved Demand and Pricing Strategies: Favorable market conditions, coupled with effective pricing strategies, have enabled the company to capitalize on increased demand and optimize its revenue potential.

This steady growth is reflected in the following revenue from operations figures:

1. FY 2022-23: ₹19,524.14 Lakhs
2. FY 2023-24: ₹22,010.80 Lakhs
3. FY 2024-25: ₹27080.25 Lakhs

These figures underscore the company's robust financial health affirming sustainable growth and value creation for stakeholders.

**Detailed rationale for Increase in Profit after Tax of the Company:**

Further, the company's Profit After Tax (PAT) has exhibited a significant improvement during the stated period, driven by the following factors:

1. Enhanced Operational Efficiencies: The company has implemented cost-effective measures, streamlined its operations, and optimized resource utilization, leading to better margins and improved profitability.
2. Revenue Growth: A steady increase in total income, driven by market expansion and robust demand, has directly contributed to higher PAT.
3. Cost Rationalization: Focused efforts on reducing operational and administrative expenses have had a favorable impact on the company's net earnings.
4. Strategic Pricing Policies: The adoption of competitive and dynamic pricing strategies has maximized revenue potential while maintaining profitability.
5. Tax Optimization: Improved financial planning and effective utilization of available tax benefits and exemptions have resulted in optimized tax liabilities, contributing to higher net profits.

The improvement in PAT is evident from the following figures:

1. FY 2022-23: ₹ 179.94 Lakhs
2. FY 2023-24: ₹429.40 Lakhs
3. FY 2024-25: ₹859.51 Lakhs

These figures underscore the company's financial resilience, highlighting its capability to sustain profitability.

**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 189 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 FINANCIAL STATEMENTS**

The Restated Financial Statements do not contain any qualifications which have not been given effect 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 189 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 this 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**

Our business has been subject, and we expect it to continue to be subject, to significant economic changes that materially affect or are likely to affect our income from continuing operations identified above in ‘*Management’s Discussion and Analysis of Financial Condition and Results of Operations -Significant factors affecting our financial condition and results of operations*’ and the uncertainties described in ‘*Risk Factors*’ on pages 241 and 29 respectively.

### **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 29 and 240 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 29 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 2024-2025, “Financial Year 2023-24 compared with financial year 2022-23”* above.

### Total turnover of industry segments

Our Company is engaged into designing, manufacturing and wholesale business of cotton textile products. Relevant industry data, as available, has been included in the chapter titled “*Industry Overview*” beginning on page 112 of this Prospectus.

### Significant dependence on a single or few Suppliers or Customers

Significant proportion of our purchases have historically been derived from a limited number of suppliers. The % of Contribution of our supplier’s vis a vis the total purchases for the financial year ended March 31, 2025, March 31, 2024 and 2023 are as follows:

Period	Revenue from Largest Supplier (₹ in Lakhs)	% Contribution of Largest Supplier To Purchases	Revenue from Top 5 Suppliers (₹ in Lakhs)	% Contribution of top 5 Suppliers to Purchases	Revenue from Top 10 Suppliers (₹ in Lakhs)	% Contribution of top 10 Suppliers to Purchases
Fiscal 2025	1384.32	9.25	4961.43	33.14%	7033.55	46.98
Fiscal 2024	1,092.04	7.41	4,693.20	31.82	7,268.71	49.29
Fiscal 2023	1387.60	9.45	4471.39	30.46	6796.96	46.31

Significant proportion of our total revenue have historically been derived from a limited number of Customers. The % of Contribution of our Customers vis a vis the revenue from operations for the financial year ended March 31, 2025, 2024 and 2023 are as follows:

Period	Revenue from Largest Customer (₹ in Lakhs)	% Contribution of largest customer to revenue from operations	Revenue from Top 5 Customers (₹ in Lakhs)	% Contribution of top 5 to revenue from operations	Revenue from Top 10 Customers (₹ in Lakhs)	% Contribution of top 10 to revenue from operations
Fiscal 2025	565.87	2.09%	2345.00	8.66%	3930.63	14.51%
Fiscal 2024	590.70	2.68%	2416.04	10.98%	3850.56	17.49%
Fiscal 2023	519.99	2.66%	2034.25	10.41%	3312.00	16.96%

### Status of any publicly announced new products or business segments

Please refer to the chapter titled “*Our Business*” beginning on page 131 of this Prospectus for new products or business segments.

**The extent to which the business is seasonal**

During the festive season, there is a notable increase in sales of sarees, and salwar suits. This rise in demand is attributed to consumer purchases for special occasions and cultural events.

**Competitive Conditions**

Competitive conditions are as described under the Chapters titled “Industry Overview” and “Our Business” beginning on pages 112 and 131 respectively of this Prospectus.



## SECTION VIII- LEGAL AND OTHER INFORMATION

### OUTSTANDING LITIGATIONS AND MATERIAL DEVELOPMENTS

*Except as stated in this section, as on the date of Prospectus, there are no outstanding, (i) criminal proceedings; (ii) actions (including all penalties and show cause notices) taken by statutory or regulatory authorities; (iii) claims related to direct or indirect taxes; or (iv) other pending litigation, as per the Materiality Policy, in each case involving our Company, Promoters, Directors, Group Companies (collectively, the “Relevant Parties”) (v) litigation involving our Group Companies, which has a material impact on our Company.*

*In accordance with the Materiality Policy, all outstanding litigation involving the Relevant Parties, other than (i) criminal litigation, (ii) tax matters, (iii) statutory and regulatory actions, and (iv) disciplinary actions by SEBI or Stock Exchanges in the last five years against Promoters, would be considered ‘material’, if the monetary amount of claim made by or against the Relevant Party in any such outstanding litigation exceeds the lower of the following: (a) two percent of turnover, as per the latest annual restated consolidated financial statements of the issuer; or (b) two percent of net worth, as per the latest annual restated consolidated financial statements of the issuer, except in case the arithmetic value of the net worth is negative; or (c) five percent of the average of absolute value of profit or loss after tax, as per the last three annual restated consolidated financial statements of the issuer.*

Further, there are no: (i) disciplinary actions (including penalties) imposed by SEBI or a recognized Stock Exchanges against our Promoters in the last five Financial Years immediately preceding the date of this Prospectus, including any outstanding action.

It is clarified that for the purposes of the Materiality Policy, pre-litigation notices (other than those issued by governmental, statutory or regulatory, judicial authorities) received by the Relevant Parties shall in any event not be considered as litigation until such time that Relevant Parties are made a party to proceedings initiated before any court, tribunal or governmental, statutory authority or any judicial authority, or is notified by any governmental, statutory or regulatory or any judicial authority of any such proceeding that may be commenced.

Except as stated in this section, there are no outstanding material dues to creditors of our Company. In terms of the Materiality Policy, our Board, at its meeting held on March 13, 2025 has determined ‘Material Dues’ as outstanding dues to any creditors of our Company if the amount due to any one of them (‘Material Creditor’) exceeds 2% of the trade payables of the Company as per the Restated Financial Statements of the Company. The trade payables of our Company, as per the restated audited Financial Statements for financial year September 30, 2024 is ₹ 8356.78 Lakhs and accordingly, any outstanding dues exceeding 2% have been considered as material outstanding dues for the purposes of disclosure in this section. Details of Material Dues to creditors as required under the SEBI ICDR Regulations have been disclosed on our [www.vandanafashion.com](http://www.vandanafashion.com). Further, for outstanding dues to any party which is a micro, small or a medium enterprise (“MSME”), the disclosure will be based on information available with our Company regarding status of the creditor as defined under section 2 of the Micro, Small and Medium Enterprises Development Act, 2006, as amended, as has been relied upon by the Statutory Auditors.

All terms defined in a particular litigation disclosure pertain to that litigation only. Unless stated to the contrary, the information provided below is as of date of this Prospectus

#### **A. LITIGATION INVOLVING OUR COMPANY**

##### **1. Litigation against our Company:**

###### **a. Litigation involving Criminal proceedings:**

As on the date of this Prospectus, there are no criminal proceedings against our Company.

###### **b. Litigation involving Material Civil proceedings:**

As on the date of this Prospectus, there are no material civil proceedings against our Company.

##### **2. Litigation filed by our Company:**

###### **a. Litigation involving Criminal proceedings:**

As on the date of this Prospectus, no criminal proceedings have been initiated by our Company except stated below:

- 1. N. R. Design Centre (P) Ltd. (Complainant) V/s. M/s. Narayan Das Shyam Sundar, represented by its proprietor Shyam Sundar Mall (aka. Anand Agarwal) [Accused] vide Miscellaneous Case No. 27/2022.**

It appears from the Application that had been filed by N R Design Centre (P) Ltd (now known as “N R Vandana Tex Limited” and to referred here as “**the Complainant**”), u/s. 156(3) Cr. P.C. before the Court of Ld. Additional Chief Metropolitan Magistrate-I, Calcutta on 21/02/2022, subsequent to lodging a written complaint before the Officer-in-charge, in Burrabazar Police Station under section 420 and 406 of I.P.C. Act on 27/01/2022, additionally, a letter outlining the entire incident was sent to the Deputy Commissioner of Police, Central Division, Kolkata, at 138, S.N. Banerjee Road, Kolkata, on 01/02/2022.

Further, in the said application, the complainant alleges that the accused had approached the complainant for the supply of sarees and dress material fabrics. Before Complainant accepting and delivering the order, the complainant sought assurance from the accused regarding their financial capacity to clear the issued invoice in a timely manner. Upon receiving the requisite confirmation, the complainant agreed to proceed with the supply. Accordingly, the complainant delivered sarees and dress materials, as per the accused’s demands and requirements amounting Rs. 5,66,678/- (Rupees Five Lakhs Sixty- Six Thousand Six Hundred and Seventy-Eight only) along with invoice including applicable taxes payment and the same was received and accepted by the accused without any objection. However, despite repeated requests for payment from the complainant’s staff, the accused failed to make the payment for the goods supplied.

It appears in initial order dated 21/06/2024 vide GR/296/22, the accused person is appearing as absconding and the matter scheduled to further date of hearing on 23/10/2024. The matter is still under investigation and adjourned to the next hearing date on 07/02/2025 and further, adjourned to 15/05/2025.

**b. Litigation involving Material Civil proceedings:**

As on the date of this Prospectus, no material civil proceedings have been initiated by our Company.

**c. Outstanding actions by Statutory / Regulatory Authorities:**

As on the date of this Prospectus, no actions on Statutory / Regulatory Authorities have been initiated by our Company.

**B. LITIGATION INVOLVING OUR DIRECTORS (other than individual promoter)**

**1. Litigation against our Directors:**

**a. Criminal Proceedings:**

As on the date of this Prospectus, there are no criminal proceedings against our Directors.

**b. Material Civil Proceedings:**

As on the date of this Prospectus, there are no material civil proceedings against our Directors except stated below:

**1. A. Nikhil Kumar Ray & Ors. (Plaintiff) V/s. Gyanesh Lohiya (Defendant) vide Title Suit No. 436/2022.**

The Plaintiff filed a Petition before The Court of LD. 2<sup>nd</sup> Civil Judge ( Jr. Divn) at Serampore, Hooghly vide Petition No. 436/2022 alleging that the properties herein referred to as **Schedule “A” Property** and **Schedule “A1” Property** belonged to the plaintiff which were further partly transferred to the defendant through Registered Deed of Sales bearing No.: 3324 of the year 1996 and 3325 for the year 1996 and since then both the parties were in actual Khas possession of Schedule “A” Property and Schedule “A1” Property respectively and further continued paying taxes and khaznas individually for their own respective property to the concerned authority.

The plaintiff alleges that the Defendant tried to breakdown the wall shared by them in the South-eastern passage dividing both the properties (**Schedule “A” and Schedule “A1”**), with an intension to wrongfully capture his land and also tried to cut down the trees which falls under his area/land. Although, the Learned court vide order dated 12/05/2023 to understand this matter in detail, appointed Ld. Advocate Sampreet Das as an advocate commissioner who conducted the inspection as instructed by the court on a date agreed by both the parties i.e.; on 15/12/2023 by serving prior notice through postal services on 07/12/2023, but he did not conclude to having seen any sign or evidence that the defendant is guilty in his report and the same was submitted in court. The matter was is still pending before the court and is adjourned to the next hearing date on 17/01/2025. Further, on the date of hearing held on 17/01/2025, the hon’ble court considered the prayer and allowed, accordingly directed to let the ad interim order of injunction be extended till the next date of hearing scheduled to be held on 08/05/2025. The matter is still pending before the court and is adjourned to the next hearing date on 15/09/2025.

**Property Description Details:**

**Schedule A Property includes:** All that piece and parcel of Viti Land along with structure in Mouza: Nabagram, being L.R. Khatian Nos:- 696, 697, 698 and 699 admeasuring 0.037Acres or more or less 23 Cottah 2 Chittaks and 20 Sq.Ft of Viti Land comprised in Baidyabati Municipal Holding No. 225/F and 226/C , Ghoshal Para, under police station Serampore, in the District of Hooghly along with a 16’Ft passage on the south-eastern side.

**Schedule “A1” Property includes:** All that piece and parcel of land alongwith a 16 Ft passage on the south-eastern side of L.R Dag No: 295, under LR Khaitian Nos: 696,697,698 and 699 of Mouza: Nabagram, comprised in 225/F and 226/C, Ghoshal Para, under Police station Serampore, in the District of Hooghly, which is part and parcel of the “A” schedule Property.

**B. Nikhil Kumar Ray & Ors. (Plaintiff) V/s. Gyanesh Lohiya (Defendant) vide Title Suit No. 436/2022, Temporary Injunction filed vide MISC Case No. 105/2022.**

Simultaneously, the plaintiff of original suit being Title Suit No. 436/2022 before the court of LD. 2nd Civil Judge (Jr. Division) at Serampore, filed a petition for Temporary Injunction under Order 39 Rule 1 and 2 of the Code of Civil Procedure vide Misc Case No.105/2022. Further, an Ad- interim order was passed vide Order No. 3, dated 18/08/2022 in which the court directed both the parties to maintain status quo in respect of nature, character and enjoyment of both the properties and the same is extended till the next date. The matter was still pending before the court and is adjourned to the next hearing date on 17/01/2025. Further, on the date of hearing held on 17/01/2025, the hon’ble court considered the prayer and allowed, accordingly directed to let the ad interim order of injunction be extended till the next date of hearing scheduled to be held on 08/05/2025. The matter is still pending before the court and is adjourned to the next hearing date on 15/09/2025.

## **2. Litigation filed by our Directors:**

### **a. Criminal Proceedings:**

As on the date of this Prospectus, no criminal proceedings have been initiated by our Directors.

### **b. Material Civil Proceedings:**

Except as stated below, no material civil proceedings have been initiated by our Directors.

#### **1. M/s. Kaberi Sales v/s. M/s. Saha Saree House, Arbitration matter vide case no. 66 of 2023.**

Mr. Gyanesh Lohia is a partner in M/s. Kaberi Sales, he raised series of invoices against M/s. Saha Saree in the year 2020 having total sum of Rs. 38,27,948/- (Thirty – Eight Lakh Twenty-Seven Thousand Nine Hundred and Forty – Eight Only). The payment for amount charged was not cleared by M/s. Saha Saree. Hence an application against M/s. Saha Saree was raised by M/s. Kaberi sales through Mr. Gyanesh Lohia before Micro, Small Enterprises Facilitation Council on 27/06/2022 vide application no. UDYAM-WB-10-0006216/S/0000. Further a letter issued by West Bengal State Micro Small Enterprises Facilitation Council, having Memo No.: D/1138(2)/Fe/24 the conciliation process as per section 18(2) of MSMED Act, 2006 was terminated and initiated Arbitration proceeding as per section 18 (3) of MSMED Act having Case No. 66 of 2023. The matter is still pending before the Council and next hearing date is yet to be notified.

### **c. Outstanding actions Statutory / Regulatory Authorities:**

As on the date of this Prospectus, no actions on Statutory / Regulatory Authorities has been initiated by our Directors.

## **C. LITIGATION INVOLVING OUR PROMOTERS**

### **1. Litigation against our Promoters:**

#### **a. Criminal Proceedings:**

As on the date of this Prospectus, there are no criminal proceedings against our Promoters.

#### **b. Material Civil Proceedings:**

As on the date of this Prospectus, there are no material civil proceedings against our Promoters except as mentioned in B (1) (b).

**2. Litigation filed by our Promoters:**

**a. Criminal Proceedings:**

As on the date of this Prospectus, no criminal proceedings have been initiated by our Promoters.

**b. Material Civil Proceedings:**

As on the date of this Prospectus, no material civil proceedings have been initiated by our Promoters except as mentioned in B (2) (b).

**c. Outstanding actions Statutory / Regulatory Authorities:**

As on the date of this Prospectus, no actions on Statutory / Regulatory Authorities have been initiated by our Promoters.

**D. LITIGATION INVOLVING OUR GROUP COMPANIES**

**1. Litigation against our Group Companies:**

**a. Criminal Proceedings:**

As on the date of this Prospectus, there are no criminal proceedings against our Group Companies.

**b. Material Civil Proceedings:**

As on the date of this Prospectus, there are no material civil proceedings against our Group Companies.

**2. Litigation filed by our Group Companies**

**a. Criminal Proceedings:**

As on the date of this Prospectus, no criminal proceedings have been initiated by our Group Companies.

**b. Material Civil Proceedings:**

As on the date of this Prospectus, no material civil proceedings have been initiated by our Group Companies.

**c. Outstanding actions Statutory / Regulatory Authorities:**

As on the date of this Prospectus, no actions on Statutory / Regulatory Authorities has been initiated by our Group Companies.

**E. LITIGATION INVOLVING OUR KEY MANAGERIAL PERSONNEL**

**1. Litigation against our Key Managerial Personnel:**

**a. Criminal Proceedings:**

As on the date of this Prospectus, there are no criminal proceedings against our Key Managerial Personnel.

**b. Outstanding actions Statutory / Regulatory Authorities:**

As on the date of this Prospectus, no actions on Statutory / Regulatory Authorities has been initiated against our Key Managerial Personnel.

**2. Litigation filed by our Key Managerial Personnel:**

**a. Criminal Proceedings:**

As on the date of this Prospectus, no criminal proceedings have been initiated by our Key Managerial Personnel.

**b. Outstanding actions Statutory / Regulatory Authorities:**

As on the date of this Prospectus, no actions on Statutory / Regulatory Authorities has been initiated by our Key Managerial Personnel.

**F. TAX PROCEEDINGS AGAINST OUR COMPANY, PROMOTERS, GROUP COMPANIES AND DIRECTORS.**

There are no claims related to direct and indirect taxes, involving our Company, Group Companies, Directors, Promoters:

Nature of Proceedings	Number of cases	*Amount involved
<b>Our Company</b>		
Direct tax	7	4,06,75,120/-
Indirect tax	2	31,11,478
<b>Directors</b>		
Direct tax	NIL	NIL
Indirect tax	NIL	NIL
<b>Promoters</b>		
Direct tax	NIL	NIL
Indirect tax	NIL	NIL
<b>Group Company</b>		
Direct tax	NIL	NIL
Indirect tax	NIL	NIL

\*Details are as under:

**1. N. R. Vandana Tex Limited: Company**

Outstanding demand pertains to the AY	Demand raised under section	Demand Reference No.	Demand raised Date	Amount in
2019	154	2024201937355309574C	19th March, 2025	Outstanding Demand Amount: Rs. 4,05,19,080/-
2020	1431a	2021202037026590620C	02 <sup>nd</sup> December, 2021	Outstanding Demand Amount: Rs. 9,890/-

**Narain Lohia: Promoter/Director**

Outstanding demand pertains to the AY	Demand raised under section	Demand Reference No.	Demand raised Date	Amount in ₹
2019	1431a	2019201937118036434T	01 <sup>st</sup> March, 2020	Outstanding Demand Amount: Rs. 7,960/-
3. Kaberi sales Pvt Ltd: Group Company Outstanding demand pertains to the AY	Demand raised under section	Demand Reference No.	Demand raised Date	Amount in ₹
2020	154	2022202037136736300C	10 <sup>th</sup> February, 2022	Outstanding Demand Amount: Rs. 1,130/- Accrued Interest: Rs 429/-

As per the information available on the portal of Goods and Service Tax, Government of India has issued few intimations notices against the company:

Sr.no	Demand Date	Demand ID	Integrated Tax	Central Tax	State/UT Tax	Total
1	14/09/2023	ZD1909230223692	24,82,875	71,389	71,389	26,25,653
2	18/04/2024	ZD190424029232M	0	2,08,797	2,77,028	4,85,825

As per the data available on the website of TDS centralized processing Cell, Government of India raised an outstanding demand against N R Vandana Tex Industries Limited (CALN01396D), for the below respective Financial Year:

(₹ in Rs)

Outstanding demand pertains to the FY	Outstanding demand amount/Accrued Interest
Prior Years	27090.00
2021-2022	39830.00
2022-2023	28970.00
2023-2024	6870.00
2024-2025	43390.00

As per the data available on the website of TDS centralized processing Cell, Government of India raised an outstanding demand against Vandana Finvest PVT LTD (CALV01316A), for the below respective Financial Year:

(₹ in Rs)

Outstanding demand pertains to the FY	Outstanding demand amount/Accrued Interest
Prior Years	3760.00
2021-2022	5000.00
2023-2024	11500.00

As per the data available on the website of TDS centralized processing Cell, Government of India raised an outstanding demand against Kaberi Sales Private Limited (CALK07059D), for the below respective Financial Year:

(₹ in Rs)

Outstanding demand pertains to the FY	Outstanding demand amount/Accrued Interest
Prior Years	1330.00

As per the data available on the website of TDS centralized processing Cell, Government of India raised an outstanding demand against Lohia Overseas LLP (CALL05042C), for the below respective Financial Year:

(₹ in Rs)

Outstanding demand pertains to the FY	Outstanding demand amount/Accrued Interest
2021-2022	320.00
2022-2023	1310.00
2023-2024	6550.00
2024-2025	6420.00

## **G. OUTSTANDING DUES TO CREDITORS OF OUR COMPANY**

As per the Materiality Policy, the Board deems all creditors above 2% of the trade payables of the Company as per the last audited financial statements. As of March 31, 2025, our Company owes the following amounts to micro, small and medium enterprises (as defined under Section 2 of the Micro, Small and Medium Enterprises Development Act, 2006), Material Creditors and other creditors:

Particulars	Number of Creditors	Amount Outstanding (₹ In Lakhs)
Micro, Small and Medium Enterprises	7	261.64
Other creditors	249	8885.91
<b>Total</b>	<b>256</b>	<b>9147.55</b>

As of March 31, 2025, the Company owed a total sum of ₹ 4554.27 Lakhs to a total number of 11 material creditors for further details please refer to the chapter titled “*Restated Financial Statements*” beginning on page 189 of this Prospectus.

## **H. DISCLOSURES PERTAINING TO WILFUL DEFAULTERS**

Neither our Company, Group Companies, our Promoters nor our directors are or have been classified as a wilful defaulter or fraudulent borrower by a bank or financial institution or a consortium thereof in accordance with the guidelines on wilful defaulters issued by RBI.

## **I. MATERIAL DEVELOPMENTS SINCE THE DATE OF THE LAST AUDITED ACCOUNTS:**

To our knowledge no circumstances have arisen since the date of the latest audited financials disclosed in this Prospectus which may materially and adversely affect or are likely to affect our operations, performance, prospects or profitability, or the value of our assets or our ability to pay material liabilities within the next 12 months.

## GOVERNMENT AND OTHER APPROVALS

Our business requires various approvals, licenses, registrations and permits issued by relevant Central and State regulatory authorities under various rules and regulations. For details, please refer to the chapter titled ***“Key Industry Regulations and Policies”*** beginning on page 153 of this Prospectus.

Our Company has received the necessary licenses, permissions and approvals from the Central and State Governments and other government agencies/regulatory, authorities/certification bodies required to undertake the Issue or continue our business activities. In view of the approvals listed below, we can undertake the Issue and our current/ proposed business activities and no further major approvals from any governmental/regulatory authority or any other entity are required to be undertaken, in respect of the Issue or to continue our business activities. It must, however, be distinctly understood that in granting the above approvals, the Government of India and other authorities do not take any responsibility for the financial soundness of the Company or for the correctness of any of the statements or any commitments made or opinions expressed in this behalf.

The main objects clause of the Memorandum of Association of the Company and the objects incidental, enable our Company to carry out its activities. Our Company is engaged in business of manufacturing, trading, agents, supplies, wholesaler, retailing, formulating, acquiring, dealing in, buying, selling, storing, importing & exporting all kinds of Textiles, Textile products, Garments, Garments Products, cotton, cotton blend, synthetic, linen and linen blended, suits & fabrics and other garments, printed embroidered sarees, made from mulmul and other clothes and of all articles similar to the foregoing on any of them or connected therewith which require various approvals and / or licenses under various laws, rules and regulations.

The Company has got following licenses/registrations/approvals/consents/permissions from the Government and various other Government agencies required for its present business.

### I. APPROVALS FOR THE ISSUE

The following approvals have been obtained or will be obtained in connection with the issue:

1. Our Board of Directors have, pursuant to a resolution passed in its meeting held on March 13, 2025 authorized the Issue subject to approval of the shareholders of our Company under the applicable provisions of the Companies Act, 2013
2. The shareholders of our Company have, pursuant to a special resolution passed in the Extraordinary general meeting of our Company held on March 17, 2025, authorized the Offer under the applicable provisions of the Companies Act, 2013
3. Our Company shall obtain in-principal approval from the stock exchange for the listing of our Equity Shares.

### II. CORPORATE APPROVALS

- a. Certificate of Incorporation dated May 4, 1992 issued to our Company by the Registrar of Companies Calcutta, West Bengal, in the name of ***“N.R. Design Centre Private Limited”***.
- b. Certificate of Incorporation dated May 31<sup>st</sup>, 2024 issued pursuant to the change in name of the Company to ***“N R Vandana Tex Industries Private Limited”*** by the Registrar of Companies, Central Processing Centre.
- c. Fresh Certificate of Incorporation dated August 13, 2024 issued pursuant to conversion from Private Company to Public Company to ***“N R Vandana Tex Industries Limited”*** by the Registrar of Companies, Central Registration Centre.

### III. AGREEMENTS WITH NSDL AND CDSL

- a. The Company has entered into an agreement dated July 31, 2024, with the Central Depositories Services (India) Limited (“CDSL”) and the Registrar and Transfer Agent, who in this case is Cameo Corporate Services Limited for the dematerialization of its shares.
- b. The Company has entered into an agreement dated August 19, 2024 with the National Securities Depository Limited (“NSDL”) and the Registrar and Transfer Agent, who in this case is Cameo Corporate Services Limited for the dematerialization of its shares.
- c. The Company’s International Securities Identification Number (“ISIN”) is INE104101014.



#### IV. TAX RELATED APPROVALS

Sr. No	Description	Authority	Registration No.	Date of Issue	Date of Expiry
1	Permanent account number (PAN)	Income Tax Department, Government of India	AAACN8906D	08/09/2024	Valid until cancel
2	Tax deduction account number (TAN)	Income Tax Department, Government of India	CALN01396D	26/11/2024	Valid until cancel
3	Importer-Exporter Code (IEC)***	Ministry of Commerce and Industry, Office of Zonal Director General of Foreign Trade, Calcutta	0205002536	10/05/2005	Valid until cancel
4	GST Registration Certificate	West Bengal Goods and Services Tax Government of India	19AAACN8906D1ZH	25/09/2024	Valid until cancel
5	GST Registration Certificate	Gujarat Goods and Services Tax Government of India	24AAACN8906D1ZQ	20/09/2024	Valid until cancel
6	Certificate of Enrolment (PTEC Certificate)	West Bengal State Tax on Professions, Trades, Callings and Employments Rules, 1979. Kolkata North Range.	192034604528	19/09/2024	Valid until cancel
7	Certificate of Registration (PTRC Certificate)	West Bengal State Tax on Professions, Trades, Callings and Employments Rules, 1979. Kolkata North Range.	191004778517	19/09/2024	Valid until cancel

\*\*\*The Certificate is in the name of N R Vandana Tex Industries Private Limited, the same is yet to be applied in the name of the N R Vandana Tex Industries Limited and which is under process.

#### V. BUSINESS AND LABOUR RELATED APPROVALS/ REGISTRATION/ CERTIFICATES

Our Company requires various other approvals to carry on our business in India. Some of these may expire in the ordinary course of business and applications for renewal of these approvals will be submitted in accordance with applicable procedures and requirements as and when required.

Sr. No.	Description	Authority	Registration No. /License No./ Certificate No.	Date of Issue/Renewal	Validity Date
1	Udyam Registration Certificate (MSME)	Ministry of Micro, Small & Medium Enterprises (Government of India)	UDYAM-WB-10-0006212	29/10/2020	Valid until cancel
2	Certificate of Compliance ISO (9001:2015)	Quality Assurance Advisory	QMS-2024-1029Y61931	29/10/2024	28/10/2027
3.	Employees State Insurance Certificate (ESIC)*	Employees State Insurance Corporation	41000540490001002	-	Valid until cancel
4	Employees Provident Fund (EPF)	Ministry of Labour and Employment	WBCAL0061013000	03/01/2025	Valid until cancel
5	Factory License 225/J – Serampore	Directorate of Factories, Government of West Bengal	18876	16/12/2024	Valid till 31/12/2026
6	Shops and Establishment 220 -Burrabazar	Government of West Bengal	KL04001N2024020600	31/08/2024	Valid until cancel

Sr. No.	Description	Authority	Registration No. /License No./ Certificate No.	Date of Issue/Renewal	Validity Date
7	Shops and Establishment Strand Bank Road, North Port	Government of West Bengal	KL04052N20240 01004	12/11/2024	Valid until cancel
8	Shops and Establishment 58/I – Serampore	Government of West Bengal	HG00142N20240 07285	12/11/2024	Valid until cancel
9	Shops and Establishment 225M – Serampore	Government of West Bengal	HG00142N20240 07034	12/11/2024	Valid until cancel
10	Shops and Establishment 225/O/B – Serampore	Government of West Bengal	HG00142N20240 06783	08/11/2024	Valid until cancel
11	Legal Entity Identifier (LEI)	LEI Register India Private Limited	98450001CEDC6 7D50B09	-	20/08/2025
12	Certificate of Enlishment 220 -Burrabazar	Kolkata Municipal Corporation (Licence Department)	042741004720	27/08/2024	31//03/2025
13	Certificate of Enlishment Strand Bank Road	Kolkata Municipal Corporation (Licence Department)	0055 7202 2426	11/11/2024	-
14	Certificate of Enlishment 225M – Serampore	Kolkata Municipal Corporation (Licence Department)	0917P282372418 9609	11/11/2024	10/11/2025
15	Certificate of Enlishment 58/I – Serampore	Kolkata Municipal Corporation (Licence Department)	0917P282372418 9916	12/11/2024	11/11/2025
16	GMP (Certificate of Compliance)	Quality Assurance Advisory	GMP- 48WQ- 361941	29/10/2024	28/10/2027
17	No Objection Certificate for ‘Embroidery’ work **	Directorate of Micro & Small Scale Enterprises (West Bengal Pollution Control Board)	Memo No. 264	27/05/2009	-

\*Company confirms that certificate copy has not issued by department only however, change of request application have been made on esic.in Portal.

\*\*The Certificate is in the name of N R Vandana Tex Industries Private Limited, the same is applied in the name of the N R Vandana Tex Industries Limited and which is under process.

## VI. INTELLECTUAL PROPERTY APPROVAL

As on the date of this Prospectus, the Company has not applied for intellectual property trademark registration:

Sr. No	Brand Name/ Logo Trademark	Class	Nature of Trademark	*Applicant	Application No. & Date	Status
1		25	Device	N. R.Design Centre (P) Ltd	2905229 19/02/2015	Registered

Sr. No	Brand Name/ Logo Trademark	Class	Nature of Trademark	*Applicant	Application No. & Date	Status
				N R Vandana Tex Industries Limited	434253 13/09/2024	
2	VANDANA SULTAN	25	Word	N. R.Design Centre (P) Ltd	5521936 08/07/2022	Registered
				N R Vandana Tex Industries Limited	4752907 14/09/2024	
3	VANDANA	25	Word	N. R.Design Centre (P) Ltd	5521935 08/07/2022	Registered
				N R Vandana Tex Industries Limited	4752907 14/09/2024	

*\*With reference to the above para II: the name of Company has changed from N.R. Design Centre Private Limited to "N R Vandana Tex Industries Limited".*

#### **VII. KEY APPROVALS THAT HAVE EXPIRED AND FOR WHICH RENEWAL APPLICATIONS HAVE BEEN MADE:**

There are no such key approvals which have expired and for which renewal applications have been made as on the date of this Prospectus.

#### **VIII. KEY APPROVALS APPLIED FOR BY OUR COMPANY BUT NOT RECEIVED**

Here are no such key approvals Applied by our company on the date of this Prospectus.

Sr. No	Description	Authority	Application No.
1	Labour Welfare Fund Certificate**	Labour Welfare Board	ON219908
2	Pollution Control Board Consent to Establish for printing of Sarees	Department of Environment, Government of West Bengal	5983711
3	Employees State Insurance Certificate (ESIC)**	Employees State Insurance Corporation- (41000540490001002)	-
4	Fire Safety Recommendation under Government of West Bengal	Government of West Bengal	211862406300009430

*\*\*The Certificate is in the name of N R Vandana Tex Industries Private Limited, the same is applied in the name of the N R Vandana Tex Industries Limited and which is under process.*

#### **IX. KEY APPROVALS REQUIRED BUT NOT OBTAINED OR APPLIED FOR BY OUR COMPANY**

There are no such key approvals required but not obtained or applied for as on the date of this Prospectus.

## **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 FDI through press notes and press releases. The Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India (earlier known as Department of Industrial Policy and Promotion) (“DPIIT”), issued the FDI Policy, which is effective from October 15, 2020, which subsumes and supersedes all previous press notes, press releases and clarifications on FDI issued by the DPIIT that were in force and effect prior to October 15, 2020. The FDI Policy will be valid until the DPIIT issues an updated circular. Under the current FDI Policy, 100% foreign direct investment is permitted in the other financial services sector, under the automatic route, subject to compliance with certain prescribed conditions.

The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the RBI, provided that (i) the activities of the investee company are under the automatic route under the FDI policy and transfer does not attract the provisions of the Takeover Regulations; (ii) the non-resident shareholding is within the sectoral limits under the FDI policy; and (iii) the pricing is in accordance with the guidelines prescribed by the SEBI/RBI. For further details of the aggregate limit for investments by NRIs and FPIs in our Company, see “Issue Procedure – Bids by Eligible NRIs” and “Issue Procedure – Bids by FPIs” on page 295 and 302 respectively.

As per the existing policy of the Government of India, OCBs cannot participate in this Issue. For further details, see “Issue Procedure” on page 292.

Further, in accordance with Press Note No. 3 (2020 Series), dated April 17, 2020 issued by the DPIIT and the FEMA Non-Debt Instruments Rules, any investment, subscription, purchase or sale of equity instruments by entities of a country which shares land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country, will require prior approval of the Government of India, as prescribed in the FDI Policy and the FEMA Non-Debt Instruments 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 of India. Furthermore, on April 22, 2020, the Ministry of Finance, Government of India has also made similar amendment to the FEMA Rules. Each Bidder should seek independent legal advice about its ability to participate in the Issue. In the event such prior approval of the Government of India is required, and such approval has been obtained, the Bidder shall intimate our Company and the Registrar to the Issue in writing about such approval along with a copy thereof within the Issue Period.

The Equity Shares offered in the Issue have not been and will not be registered under the U.S. Securities Act or any state securities laws in the United States, and unless so registered may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, such Equity Shares are being offered and sold (i) outside of 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 sales occur.

The Equity Shares have not been and will not be registered, listed, or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

The above information is given for the benefit of the Bidders. Our Company and the Lead Manager are not liable for any amendments or modification or changes in applicable laws or regulations which may occur after the date of this Prospectus. Bidders are advised to make their independent investigations and ensure that the number of Equity Shares Bid for do not exceed the applicable limits under laws or regulations.

*(Remainder page has been intentionally left blank)*

## **OTHER REGULATORY AND STATUTORY DISCLOSURES**

### **Authority for the Issue**

The Offer has been authorized by our Board pursuant to its resolution dated March 13, 2025 and the Fresh Issue has been authorized by our Shareholders pursuant to their special resolution dated March 17, 2025. Our Board has approved the Prospectus pursuant to its resolution dated May 30, 2025.

Our Company has received in-principle approvals from National Stock Exchange of India Limited for the listing of the Equity Shares pursuant to its letter dated May 02, 2025.

### **Prohibition by SEBI or other Governmental Authorities**

Our Company, our Promoters, members of the Promoter Group and our Directors have not been prohibited from accessing the capital markets and have not been debarred from buying, selling or dealing in securities under any order or direction passed by SEBI or any securities market regulator in any jurisdiction or any other authority/court.

Our Promoter and Directors are not directors or promoters of any other company which is debarred from accessing the capital market under any order or direction passed by SEBI or any other authorities.

Our Company, Promoter or Directors have neither been declared as wilful defaulters by any bank or financial institution or consortium thereof in accordance with the guidelines on wilful defaulters or fraudulent borrowers issued by the RBI.

Our Promoter and our Directors have not been declared as Fugitive Economic Offenders under section 12 of Fugitive Economic Offenders Act, 2018.

### **Association with Securities Market**

None of our Directors in any manner are associated with the securities market and there has been no action taken by the SEBI against the Directors or any other entity with which our directors are associated as promoters or directors.

### **Prohibition by RBI**

Neither our Company, our Promoter, our Directors, the relatives (as defined under the Companies Act, 2013) of Promoter have been identified as a wilful defaulter or a fraudulent borrower by the RBI or other governmental authority and there has been no violation of any securities law committed by any of them in the past and no such proceedings are pending against any of them except as details provided in the chapter “*Outstanding Litigations and Material Development*” beginning on page 254 of the Prospectus.

### **Confirmation under Companies (Significant Beneficial Owners) Rules, 2018**

Our Company, our Directors, our Promoter and members of Promoter Group are in compliance with the Companies (Significant Beneficial Owners) Rules, 2018, to the extent applicable, as on the date of this Prospectus.

### **Eligibility for the Issue**

Our Company is eligible for the Issue in accordance with Regulation 229(2) and other provisions of Chapter IX of the SEBI (ICDR) Regulations 2018, as we are an Issuer whose post issue face value paid-up capital would be more than 10 crores, and can issue Equity Shares to the public and propose to list the same on the Small and Medium Enterprise Exchange (in this case being the ‘National Stock Exchange of India Limited.’)

We further confirm that:

- Our Company is not ineligible in terms of Regulations 228 of SEBI ICDR Regulations for this Issue as:
- Neither our Company, nor any of its Promoters, Promoter Group or Directors are debarred from accessing the capital market by the Board.

- Neither our Promoters, nor any Directors of our Company is a promoter or director of any other company which is debarred from accessing the capital market by the Board.
- Neither our Promoters nor any of our directors is declared as Fugitive Economic Offender.
- Neither our Company, nor any of our directors are Wilful Defaulters or a fraudulent borrower.
- There are no outstanding convertible securities or any other right which would entitle any person with any option to receive equity shares of the Company

Our Company is eligible in terms of Regulations 229 of SEBI ICDR Regulations for this Issue as:

- Regulation 229(1) – Our Company is eligible under Regulation 229(2) and hence it is not applicable.
- Regulation 229(2) - Our Company is eligible for the Issue in accordance with Regulation 229(2) and other provisions of Chapter IX of the SEBI (ICDR) Regulations 2018, as we are an Issuer whose post issue paid-up capital shall be more than ₹ 1,000.00 Lakhs and shall not exceed ₹ 2,500.00 Lakhs.
- Regulation 229(3) - The Company has a track record of at least 3 years as on the date of this Prospectus and satisfies track record and other eligibility conditions of the NSE Emerge.
- Regulation 229(4) – Our Company incorporated as Private Limited Company in the year 1992 and hence in existence for at least one full financial year before the date of this Prospectus.
- Regulation 229(5) – Neither there is any change in our Promoters nor any new Promoter inducted (who have acquired more than fifty per cent of the shareholding) of our Company during the last 1 year from the date of this Prospectus.
- Regulation 229(6) – Our Company has operating profits (earnings before interest, depreciation and tax) of 1 crore from operations for at least 2 financial years out of 3 previous financial year as given below:

Particulars	March 31, 2025	March 31, 2024	March 31, 2023
Operating Profit (earnings before interest, depreciation and tax)	1758.55	1161.44	843.65

We further confirm that:

In accordance with Regulation 260 of the SEBI (ICDR) Regulations, this issue is 100% underwritten and that the Book Running Lead Manager to the Issue shall underwrite minimum 15% of the Total Issue Size. *please refer to the paragraph titled ‘Underwriting Agreement’ under the section titled ‘General Information’ on Page 68 of this Prospectus*

1. In accordance with Regulation 268 of the SEBI (ICDR) Regulations, we shall ensure that the total number of proposed Allottee’s in the issue shall be greater than or equal to 200, failing which, the entire application money will be refunded forthwith in accordance with the SEBI ICDR Regulations and other applicable laws.
2. In terms of Regulation 246(5) of the SEBI (ICDR) Regulations, we shall ensure that our Book Running Lead Manager submits a copy of the Prospectus along with a Due Diligence Certificate including additional confirmations as required to SEBI at the time of filing the Prospectus with Stock Exchange and the Registrar of Companies. Further, in terms of Regulation 246(2), SEBI shall not issue observation on the Prospectus. However, as per Regulation 246(2) of the SEBI (ICDR) Regulations, 2018, the SEBI shall not issue any observation on the offer document.
3. In accordance with Regulation 261 (1) of the SEBI (ICDR) Regulations, we hereby confirm that we have entered into an agreement dated May 16, 2025 with the Book Running Lead Manager and a Market Maker to ensure compulsory Market Making for a minimum period of three (3) years from the date of listing of Equity Shares on the NSE. For further details of the arrangement of market making please refer to the paragraph titled ‘Details of the Market Making Arrangements for this Issue’ under the section titled General Information’ on page 68 of this Prospectus.
4. In accordance with Regulation 230(1)(a) of the SEBI (ICDR) Regulations, Application is being made to Emerge platform of National Stock Exchange of India Limited is the Designated Stock Exchange.

5. In accordance with Regulation 230(1)(b) of the SEBI (ICDR) Regulations, our Company has entered into agreement with depositories for dematerialisation of specified securities already issued and proposed to be issued.
6. In accordance with Regulation 230(1)(c) of the SEBI (ICDR) Regulations, all the present Equity share Capital is fully Paid-up.
7. In accordance with Regulation 230(1)(d) of the SEBI (ICDR) Regulations, all the specified securities held by the promoter is already in dematerialised form.

We further confirm that we shall be complying with all the other requirements as laid down for such an Offer under Chapter IX of SEBI (ICDR) Regulations, 2018 as amended from time to time and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

Our Company is an 'unlisted issuer' in terms of the SEBI (ICDR) Regulations; and this Issue is an 'Initial Public Issue' in terms of the SEBI (ICDR) Regulations.

### **NSE ELIGIBILITY NORMS**

- ***Incorporation: The Issuer should be a company incorporated under the Companies Act 1956 / 2013 in India.***

Our Company is incorporated under the Companies Act, 1956 in India.

- ***Post Issue Paid up Capital: The post issue paid up capital of our Company (face value) shall not be more than ₹ 25 crores***

The present paid up capital of our Company is ₹ 1709.68 Lakhs and we are proposing IPO of 61,98,000<sup>^</sup> Equity shares of ₹ 10/- each at Issue price of ₹ 45 per Equity Share including share premium of ₹ 35 per Equity Share, aggregating to ₹ 2789.10 Lakhs. Hence our post issue Paid up capital will be ₹ 2329.48 Lakhs.

<sup>^</sup>Subject to Basis of Allotment.

- ***Track Record***

The Company should have a track record of at least 3 years.

Our Company was incorporated on May 04, 1992 under the provisions of the Companies Act, 1956 vide certificate of incorporation issued by Registrar of Companies, West Bengal. Therefore, we are in compliance with criteria of having track record of 3 years.

- ***Operating Profit (earnings before interest, depreciation and tax) from operations for atleast 2 (two) out of 3 (three) financial years:***

Our Company is having operating profit, details are mentioned as below.

(₹ in lakhs)			
Particulars	March 31, 2025	March 31, 2024	March 31, 2023
Total Income	27,110.22	22,021.22	19,560.16
Operating Profit (earnings before interest, depreciation and tax)	1758.55	1161.44	843.65

- ***\*Net-worth: Positive Net-worth***

As per Restated Financial Statement, the net-worth of our Company is ₹ 3375.47 Lakhs as on March 31, 2025.

- ***It is mandatory for a company to have a website.***

Our Company has website i.e.; [www.vandanafashion.com](http://www.vandanafashion.com).



- *The company/entity should have positive Free cash flow to Equity (FCFE) for at least 2 out of 3 financial years preceding the application.*

(₹ In Lakhs)

Particulars	2025	2024	2023
Net Cash Flow from operating activities	578.53	(50.25)	(1281.97)
Less: Purchase of Fixed Asset	-	9.43	163.09
Add: Net Borrowings	4.62	744.20	2414.75
Less: Interest (Post Tax)	451.60	411.43	396.01
<b>Free Cash Flow to Equity (FCFE)</b>	<b>131.55</b>	<b>273.09</b>	<b>573.68</b>

- *It is mandatory for the company to facilitate trading in demat securities and enter into an agreement with both the depositories.*

Our Company shall mandatorily facilitate trading in demat securities and have entered into an agreement with both the depositories. Our Company has entered into an agreement for registration with the Central Depository Services Limited dated July 31, 2024 and National Securities Depository Limited dated August 19, 2024 for establishing connectivity.

- Our Company has not been referred to erstwhile Board for Industrial and Financial Reconstruction (BIFR) and no proceedings have been admitted under Insolvency and Bankruptcy Code against the issuer and Promoting companies.
- Our Company has not received any winding up petition admitted by a NCLT/Court.
- We confirm that no material regulatory or disciplinary action has been taken against our Company by a stock exchange or regulatory authority in the past three years.
- There have been no instances in the past 6 months, whereby any IPO draft offer document filed by the BLRM with the Exchange was returned. The merchant banker draft offer document filed with NSE have been returned. However, pursuant to return letter they have not been debarred by the Exchange to file Draft Offer Document.

#### Other Disclosures:

We further confirm that:

- There is no material regulatory or disciplinary action taken by a stock exchange or regulatory authority in the past one year in respect of our Promoter and Group Companies.
- There is no default in payment of interest and/or principal to the debenture/bond/fixed deposit holders, banks, FIs by our Company and Promoter during the past three years.
- There are no litigations record against our Company, Promoter except disclosed on page 254 in section “Outstanding Litigation and Other Material Developments”.
- There are no criminal cases/investigation/offences filed or has been charge-sheeted with serious crimes like murder, rape, forgery, economic offences against the director of our Company.

We further confirm that we shall be complying with all the other requirements as laid down for such an issue under Chapter IX of SEBI (ICDR) Regulations 2018, as amended from time to time and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

#### DISCLAIMER CLAUSE OF SEBI

**IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF PROSPECTUS TO SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE PROSPECTUS. THE LEAD MERCHANT BANKER, MARWADI CHANDARANA INTERMEDIARIES**

**BROKERS PRIVATE LIMITED HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018 IN FORCE FOR THE TIME BEING. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED ISSUE.**

**IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE OUR COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE PROSPECTUS, THE LEAD MERCHANT BANKER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT OUR COMPANY DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BOOK RUNNING LEAD MERCHANT BANKER, MARWADI CHANDARANA INTERMEDIARIES BROKERS PRIVATE LIMITED HAVE FURNISHED TO SEBI, A DUE DILIGENCE CERTIFICATE DATED MARCH 20, 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 THE PROSPECTUS DOES NOT, HOWEVER, ABSOLVE OUR COMPANY FROM ANY LIABILITIES UNDER THE COMPANIES ACT, 2013 OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY AND OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED ISSUE. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP AT ANY POINT OF TIME, WITH THE BOOK RUNNING LEAD MANAGER ANY IRREGULARITIES OR LAPSES IN THE PROSPECTUS.**

All legal requirements pertaining to this Issue is complied with at the time of filing of this Prospectus with the RoC including in terms of Section 32 of the Companies Act. All legal requirements pertaining to this Issue is complied with at the time of filing of this Prospectus with the RoC including in terms of Sections 26, 30, 32, 33(1) and 33(2) of the Companies Act.

#### **Disclaimer from our Company and the Book Running Lead Manager**

Our Company, our Promoter, our Directors and the Book Running Lead Manager accepts no responsibility for statements made otherwise than in this Prospectus or in the advertisements or any other material issued by or at our instance and anyone placing reliance on any other source of information, including our website, [ib.marwadichandaranagroup.com](http://ib.marwadichandaranagroup.com) would be doing so at his or her own risk.

The Book Running Lead Manager accept no responsibility, save to the limited extent as provided in the Issue Agreement entered between the Book Running Lead Manager and our Company on December 27, 2024 and the Underwriting Agreement dated May 16, 2025 entered into between the Underwriters and our Company and the Market Making Agreement dated May 16, 2025 entered into among the Market Maker and our Company.

All information shall be made available by our Company and the Book Running Lead Manager to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever including at road show presentations, in research or sales reports, at collection centres or elsewhere. Neither our Company nor any member of the Syndicate shall be liable to the Bidders for any failure in uploading the Bids, due to faults in any software or hardware system, or otherwise; the blocking of Bid Amount in the ASBA Account on receipt of instructions from the Sponsor Bank on account of any errors, omissions or noncompliance by various parties involved in, or any other fault, malfunctioning or breakdown in, or otherwise, in the UPI Mechanism.

The Book Running Lead Manager and their respective associates and affiliates may engage in transactions with, and perform services for, our Company, our subsidiary, our Promoter Group, Group Entities, or our affiliates or associates in the ordinary course of business and have engaged, or may in future engage, in commercial banking and investment banking transactions with our Company, our Promoter Group, Group Entities, and our affiliates or associates, for which they have received and may in future receive compensation.

#### **Disclaimer in respect of jurisdiction**

This Issue is being made in India to persons resident in India (including Indian nationals resident in India who are

competent to contract under the Indian Contract Act, 1872, HUFs, companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in equity shares, Indian Mutual Funds registered with SEBI, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to permission from the RBI), trusts under the applicable trust laws and who are authorized under their respective constitutions to hold and invest in equity shares, public financial institutions as specified under Section 2(72) of the Companies Act 2013, state industrial development corporations, provident funds (subject to applicable law), National Investment Fund, insurance funds set up and managed by army, navy or air force of Union of India, insurance funds set up and managed by the Department of Posts, GoI, systemically important NBFCs registered with the RBI, venture capital funds, permitted insurance companies and pension funds, permitted non-residents including Eligible NRIs, AIFs, FPIs registered with SEBI and QIBs. This Prospectus does not, however, constitute an issue to sell or an invitation to subscribe to Equity Shares offered hereby, in any jurisdiction to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession this Prospectus comes is required to inform himself or herself about, and to observe, any such restrictions. Any dispute arising out of this Issue will be subject to the jurisdiction of appropriate court(s) at Kolkata, West Bengal, India only.

No action has been, or will be, taken to permit a public offering in any jurisdiction where action would be required for that purpose, except that this Prospectus has been filed with SEBI for its observations.

Accordingly, the Equity Shares represented thereby may not be offered or sold, directly or indirectly, and this Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this Prospectus nor any sale hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of our Company since the date hereof or that the information contained herein is correct as of any time subsequent to this date.

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.

#### **Disclaimer Clause of the National Stock Exchange of India Limited**

As required, a copy of this Prospectus has been submitted to NSE. The disclaimer clause as intimated by NSE to our Company, post scrutiny of this Prospectus, shall be included in the Red Herring Prospectus / Prospectus prior to the filing with the RoC.

As required, a copy of this Offer Document has been submitted to National Stock Exchange of India Limited (hereinafter referred to as NSE). NSE has given vide its letter Ref.: NSE/LIST/5324 dated May 02, 2025, permission to the Issuer to use the Exchange's name in this Offer Document as one of the Stock Exchanges on which this Issuer's securities are proposed to be listed. The Exchange has scrutinized this draft offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Issuer. It is to be distinctly understood that the aforesaid permission given by NSE should not in any way be deemed or construed that the offer document has been cleared or approved by NSE; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; nor does it warrant that this Issuer's securities will be listed or will continue to be listed on the Exchange; nor does it take any responsibility for the financial or other soundness of this Issuer, its promoters, its management or any scheme or project of this Issuer.

Every person who desires to apply for or otherwise acquire any securities of this Issuer may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription /acquisition whether by reason of anything stated or omitted to be stated herein or any other reason whatsoever.

### **Disclaimer Clause under Rule 144A of The U.S. Securities Act, 1993**

The Equity Shares have not been and will not be registered under the U.S. Securities Act 1933, as amended (the “**Securities Act**”) or any state securities laws in the United States and may not be offered or sold within the United States or to, or for the account or benefit of, “U.S. persons” (as defined in Regulations of the Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Equity Shares will be offered and sold (i) in the United States only to “qualified institutional buyers”, as defined in Rule 144A of the Securities Act, and (ii) outside the United States in offshore transactions in reliance on Regulation S under the Securities Act and in compliance with the applicable laws of the jurisdiction where those offers and sales occur.

Accordingly, the Equity Shares are being offered and sold only outside the United States in offshore transactions in compliance with Regulations under the Securities Act and the applicable laws of the jurisdictions where those offers and sales occur.

The Equity Shares have not been, and will not be, registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction. Further, each applicant, wherever requires, agrees that such applicant will not sell or transfer any Equity Share or create any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with applicable laws and legislations in each jurisdiction, including India

### **Filing**

This Prospectus is being filed with the EMERGE Platform of National Stock Exchange of India Limited, where the Equity Shares are proposed to be listed. National Stock Exchange of India Limited is located at the Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E) Mumbai – 400 051

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

A copy of the Red Herring Prospectus/Prospectus, along with the material contracts and documents required to be filed under Section 26 of the Companies Act, 2013 would be filed with the ROC Office situated at Nizam Palace, 2nd MSO Building, 2nd Floor, 234/4, A.J.C.B. Road, Kolkata - 700020, West Bengal.

### **Listing**

Application will be made to the NSE for obtaining permission to deal in and for an official quotation of our Equity Shares. NSE EMERGE is the Designated Stock Exchange, with which the Basis of Allotment will be finalized.

Our company has received an In-principle Approval letter dated May 02, 2025 from National Stock Exchange of India Limited for using its name in this Offer document for listing our shares on the NSE EMERGE.

If the permissions to deal in and for an official quotation of our Equity Shares are not granted by the NSE, our Company will forthwith repay, without interest, all moneys received from the Applicants in pursuance of the Prospectus. If such money is not repaid within Four days after our Company becomes liable to repay it (i.e.; from the date of refusal or within 15 working days from the Issue Closing Date), then our Company and every Director of our Company who is an officer in default shall, on and from such expiry of four days, be liable to repay the money, with interest at the rate of 15 per cent per annum on application money, as prescribed under section 40 of the Companies Act, 2013.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the NSE mentioned above are taken within three Working Days from the Issue Closing Date.

## Consents

Consents in writing of (a) Our Directors, Our Promoters, Our Company Secretary & Compliance Officer, Chief Financial Officer, Senior Managerial Personnel (SMP), Our Statutory Auditor, Our Peer Review Auditor, Our Banker(s) to the Company; (b) Book Running Lead Manager, Registrar to the Issue, Banker(s) to the Issue, Legal Advisor to the Issue, Underwriter(s) to the Issue, Market Maker to the Issue have been obtained as required under section 26 of the Companies Act, 2013 and shall be filed along with a copy of the Red Herring Prospectus/Prospectus with the RoC, as required under Sections 32 of the Companies Act, 2013 and such consents will not be withdrawn up to the time of delivery of the Prospectus for registration with the RoC.

Our Company has received written consent dated May 21, 2025 from the Peer Reviewed Auditors to include their name as required under Section 26(5) of the Companies Act 2013 read with SEBI ICDR Regulations in this Prospectus as an “expert” as defined under Section 2(38) of the Companies Act 2013 to the extent and in its capacity as an independent Peer Reviewed Auditor and in respect of its (i) examination report dated May 17, 2025 on our restated financial information; and (ii) its report dated May 21, 2025 on the statement of special tax benefits in this Prospectus and such consent has not been withdrawn as on the date of this Prospectus.

## Experts

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

Our company has received a written consent dated May 21, 2025 from our Statutory Auditor, namely J.B.S. & Company, Chartered Accountants, to include their names as required under section 26(1) of the companies Act, 2013 read with SEBI ICDR Regulations, in this Draft Red Herring Prospectus/Red Herring Prospectus/Prospectus, and as an “Expert” as defined under section 2(38) of the Companies Act, 2013 (and not under the U.S. Securities Act) to the extent and in their capacity as Peer Reviewed Auditor, and in respect of their (a) examination report dated May 17, 2025 for the financial year ended March 31, 2025, March 31, 2024 and March 31, 2023 on the restated financial statements (b) report dated May 21, 2025 on the statement of possible tax benefits available to our Company and its Shareholders.

Additionally, our company has also received a written consent dated May 15, 2025 from Chartered Engineer, namely M/s Debabrata Ghosh in their capacity as Chartered Engineer, in connection with manufacturing facilities to include their name as required under section 26(1) of the companies Act, 2013 read with SEBI ICDR Regulations, in this Red Herring Prospectus/Prospectus, and as an “Expert” as defined under section 2(38) read with Section 26(5) of the Companies Act, 2013 (and not under the U.S. Securities Act).

The consent has not been withdrawn as of the date of this Prospectus.

## Impersonation

**Attention of the Applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:**

***“Any person who-***

- a) Makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or***
- b) Makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or***
- c) Otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable to action under section 447 of the Companies, Act 2013***

The liability prescribed under Section 447 of the Companies Act, 2013 - any person who is found to be guilty of fraud involving an amount of at least ten lakh rupees or one per cent. of the turnover of the company, whichever is lower shall be punishable with imprisonment for a term which shall not be less than six months but which may extend to ten years (provided that where the fraud involves public interest, such term shall not be less than three years) and shall also be liable to fine which shall not be less than the amount involved in the fraud, but which may extend to three times the amount involved in the fraud.

Provided further that where the fraud involves an amount less than ten lakh rupees or one per cent. of the turnover of the company, whichever is lower, and does not involve public interest, any person guilty of such fraud shall be punishable with imprisonment for a term which may extend to five years or with fine which may extend to fifty lakh rupees or with both.

#### **Particulars regarding Public or Rights Issues during the last five (5) years and performance vis-à-vis objects**

Our Company has not made any previous public issues during the last five (5) years preceding the date of this Prospectus, further for details in relation to right issue made by our Company during the five years preceding the date of this Prospectus, please refer to section titled “*Capital Structure*” on page 71 of this Prospectus.

#### **Commission or brokerage on previous issues of the Equity Shares in the last five years**

Since this is the initial public offer of the Equity Shares, no sum has been paid or has been payable as commission or brokerage for subscribing to or procuring or agreeing to procure subscription for any of the Equity Shares for the last five years by our Company.

#### **Particulars regarding capital issues in the preceding three years**

Except as disclosed in the section titled “*Capital Structure*” on page 71, our Company has not made any capital issues during the three years immediately preceding the date of this Prospectus. Further, our Company does not have any listed group companies. Further, our Company has not made any capital issues during the three years immediately preceding the date of this Prospectus.

Certain debt securities of Our Company are listed. For further details, see “*Financial Indebtedness*” on page 238.

#### **PRICE INFORMATION AND THE TRACK RECORD OF THE PAST ISSUED HANDLED BY THE BRLM:**

For details regarding the track record of the Marwadi Chandarana Intermediaries Brokers Private Limited Limited, as specified under Circular reference CIR/MIRSD/1/2012 dated January 10, 2012 issued by the SEBI, please refer to the website of [ib.marwadichandaranagroup.com](http://ib.marwadichandaranagroup.com)

#### **PRICE INFORMATION AND THE TRACK RECORD OF THE PAST ISSUES HANDLED BY THE LEAD MANAGER**

Sr. No.	Financial Year	Issue Name	Issue Size (₹ in Crores)	Issue Price (₹)	Listing date	Opening Price on Listing Date (₹)	+/- % Change in Closing Price, [+/- % Change in Closing Benchm ark]- 30thCalendar Days from the Listing Day	+/- % Change in Closing Price, [+/- % Change in Closing Benchm ark]- 90thCalendar Days from the Listing Day	+/- % Change in Closing Price, [+/- % Change in Closing Benchm ark]- 180thCalendar Days from the Listing Day
<b>SME Board</b>									
1.	2024-25	Hamps Bio Limited	6.22	51.00	December 20, 2024	96.90	-34.39(- 1.24)	-53.71(- 2.17)	-

Sr. No.	Financial Year	Issue Name	Issue Size (₹ in Crores)	Issue Price (₹)	Listing date	Opening Price on Listing Date (₹)	+/-% Change in Closing Price, [+/-% Change in Closing Benchm ark]- 30thCalendar Days from the Listing Day	+/-% Change in Closing Price, [+/-% Change in Closing Benchm ark]- 90thCalendar Days from the Listing Day	+/-% Change in Closing Price, [+/-% Change in Closing Benchm ark]- 180thCalendar Days from the Listing Day
2.	2024-25	Kabra Jewels Limited	40.00	128.00	January 22, 2025	243.20	-47.13(-70.16)	-52.48 (1.57)	-
<b>Main Board - Nil</b>									

Notes:

1. The BSE SENSEX and CNX NIFTY are considered as the Benchmark Index.
2. Price on BSE/NSE are considered for all the above calculations.
3. In case 30th, 90th and 180th day is not a trading day, closing price of the previous trading day has been considered.
4. In case 30th, 90th and 180th day, scripts are not traded then the last trading price has been considered.
5. Designated Stock Exchange as disclosed by the respective Issuer at the time of the issue has been considered for disclosing the price information.

As per SEBI Circular No. CIR/CFD/DIL/7/2015 dated October 30, 2015, the above table should reflect maximum 10 issues (Initial Public Offers) managed by the Lead Manager. Hence, disclosure pertaining to recent 10 issues handled by the lead manager are provided.

As per SEBI Circular No. CIR/CFD/DIL/7/2015 dated October 30, 2015, the above table should reflect maximum 10 issues (Initial Public Offers) managed by the Lead Manager. Hence, disclosure pertaining to recent 10 issues handled by the lead manager are provided.

**Summary statement of price information of past issues handled by Marwadi Chandarana Intermediates Brokers Private Limited:**

Financial Year	Total No of IPOs	Total Funds Raised (₹ Cr)	Nos of IPOs trading at discount as on the 30 <sup>th</sup> calendar days from listing date			Nos of IPOs trading at premium as on the 30 <sup>th</sup> calendar days from listing date			Nos of IPOs trading at discount as on the 180 <sup>th</sup> calendar days from listing date			Nos of IPOs trading at premium as on the 180 <sup>th</sup> 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 %
SME Board														
2024-25	2	46.22	-	2	-	-	-	-	-	-	-	-	-	-

Financial Year	Total No of IPOs	Total Funds Raised (₹ Cr)	Nos of IPOs trading at discount as on the 30 <sup>th</sup> calendar days from listing date			Nos of IPOs trading at premium as on the 30 <sup>th</sup> calendar days from listing date			Nos of IPOs trading at discount as on the 180 <sup>th</sup> calendar days from listing date			Nos of IPOs trading at premium as on the 180 <sup>th</sup> 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 %
2023-24	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
2022-23	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Main Board – Nil														

### Stock market data of the Equity Shares

As the Offer is the initial public offering of the Equity Shares, the Equity Shares are not listed on any stock exchange as on the date of this Prospectus, and accordingly, no stock market data is available for the Equity Shares.

### Mechanism for Redressal of Investor Grievances

The Registrar Agreement provides for retention of records with the Registrar to the Offer for a minimum period of eight years from the date of listing and commencement of trading of the Equity Shares on the Stock Exchanges, in order to enable the investors to approach the Registrar to the Offer for redressal of their grievances. The Registrar to the Offer shall obtain the required information from the Self Certified Syndicate Banks (“SCSBs”) for addressing any clarifications or grievances of application supported by blocked amount (“ASBA”) Bidders.

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

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, Unified Payments Interface Identity (“UPI ID”), Permanent Account Number (“PAN”), address of Bidder, number of the 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 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.

For Offer-related grievances, investors may contact the BRLM, details of which are given in “General Information – Book Running Lead Manager” on page 62.

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.

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 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, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking.

Pursuant to the SEBI master circular for Issue of Capital and Disclosure Requirements bearing reference number SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023 (“SEBI ICDR Master Circular”) and the circular bearing number SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 (“March 2021 Circular”), SEBI has identified the need to put in place measures, in order to manage and handle investor issues arising out of the UPI Mechanism *inter alia* in relation to delay in receipt of mandates by Bidders for blocking of funds due to systemic issues faced by Designated Intermediaries/SCSBs and failure to unblock funds in cases of partial allotment/non-allotment within prescribed timelines and procedures.

In terms of SEBI ICDR Master Circular issued by the SEBI, 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, 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 circular March 2021 Circular, the following compensation mechanism shall be applicable for investor grievances in relation to Bids made through the UPI Mechanism, for which the relevant SCSBs shall be liable to compensate the investor:

Scenario	Compensation amount	Compensation period
Delayed unblock for cancelled / 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 / deletion is placed on the bidding platform of the Stock Exchanges till the date of actual unblock
Blocking of multiple amounts for the same Bid made through the UPI Mechanism	1. Instantly revoke the blocked funds other than the original application amount; and 2. ₹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	1. Instantly revoke the difference amount, i.e., the blocked amount less the Bid Amount; and 2. ₹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 BRLM shall be liable to compensate the investor ₹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.

All grievances relating to Bids submitted with Registered Brokers, may be addressed to the Stock Exchanges, with a copy to the Registrar to the Offer.

#### Disposal of Investor Grievances by our Company

Our Company estimates that the average time required by our Company or the Registrar to the Issue for the redressal of routine investor grievances shall be fifteen (15) Working Days from the date of receipt of the complaint. In case of complaints that are not routine or where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

Our Company has constituted Stakeholders Relationship Committee in the meeting of our Board of Directors held on October 16, 2024. For further details on the Stakeholders Relationship Committee, please refer to section titled “Our Management” beginning on page 167 of this Prospectus.

The members of the Stakeholders’ Relationship Committee are:

Name of Director	Position in the Committee	Designation
Narain Prasad Lohia	Chairperson	Non-executive Director
Vandana Nahata	Member	Independent Director
Prabhu Lohia	Member	Managing Director

The Company Secretary of our Company shall serve as the secretary of the Stakeholders’ Relationship Committee.

**Our Company has appointed Sweta Agarwal, Company Secretary and the Compliance Officer to redress complaints, if any, of the investors participating in the Issue. Contact details for our Company Secretary and Compliance Officer are as follows:**

**Sweta Agarwal**

**Address:** 220, Mahatma Gandhi Road, Barabazar, Kolkata, Kolkata, West Bengal – 700007, India

**Telephone No.:** +91 9331281999

**E-mail:** [cs@vandanafashion.com](mailto:cs@vandanafashion.com)

Investors can contact the Compliance Officer or the Registrar in case of any pre-Issue or post-Issue related problems such as non-receipt of letters of allocation, credit of allotted Equity Shares in the respective beneficiary account etc.

Pursuant to the press release no. PR. No. 85/2011 dated June 08, 2011, SEBI has launched a centralized web-based complaints redress system “**SCORES**”. This would enable investors to lodge and follow up their complaints and track the status of redressal of such complaints from anywhere. For more details, investors are requested to visit the website [www.scores.gov.in](http://www.scores.gov.in)

#### **STATUS OF INVESTOR COMPLAINTS**

We confirm that we have not received any investor complaint during the three years preceding the date of this Prospectus and hence there are no pending investor complaints as on the date of this Prospectus.

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

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

## SECTION IX: ISSUE RELATED INFORMATION

### TERMS OF THE ISSUE

*The Equity Shares being issued and allotted pursuant to the Issue shall be subject to the provisions of the Companies Act 2013, the SEBI (ICDR) Regulations, 2018, the SCRA, the SCRR, the MOA, the AOA, the SEBI Listing Regulations, the terms of this Prospectus, the Application Form, the Revision Form, the Confirmation of Allocation Note ('CAN'), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other documents and certificates that may be executed in respect of the Issue. The Equity Shares will also be subject to all applicable laws, guidelines, rules, notifications and regulations relating to issue and listing and trading of securities, issued from time to time, by the SEBI, the Government of India, the Stock Exchanges (NSE), the RoC, the RBI and/or other authorities to the extent applicable or such other conditions as may be prescribed by such governmental and/or regulatory authority, as in force on the date of the Issue and to the extent applicable.*

#### Authority for the Issue

The present Issue of 61,98,000<sup>^</sup> Equity Shares for cash at a price of ₹ 45 each, aggregating up to ₹ 2789.10 lakhs comprising of a fresh issue which have been authorized by a resolution of the Board of Directors of our Company at their meeting held on March 13, 2025 and was approved by the Shareholders of our Company by passing special resolution at their Extra-Ordinary General Meeting held on March 17, 2025 in accordance with the applicable provisions of the Companies Act, 2013.

<sup>^</sup>Subject to Basis of Allotment.

#### Ranking of the Equity Shares

The Equity Shares being issued shall be subject to the provisions of the Companies Act, 2013 and our Memorandum and Articles of Association and shall rank pari-passu in all respects with the existing Equity Shares of our Company including in respect of the rights to receive dividends and other corporate benefits, if any, declared by us after the date of Allotment. For further details, please refer to “Description of Equity shares and terms of the Articles of Association” on page 324 of this Prospectus.

#### Mode of Payment of Dividend

The declaration and payment of dividend will be as per the provisions of Companies Act, the Articles of Association, the provision of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, other applicable laws including guidelines or directives that may be issued by the GoI in this respect and as recommended by the Board of Directors and the Shareholders at their discretion and will depend on a number of factors, including but not limited to earnings, capital requirements and overall financial condition of our Company. We shall pay dividends in cash and as per provisions of the Companies Act. For further details, please refer to “Dividend Policy” on page 188 of this Prospectus.

#### Face Value, Issue Price, Floor Price and Price Band

The Face Value of each Equity Share is ₹ 10/- each and the Issue Price at the lower end of the Price Band is ₹ 42/- per equity Share (“**Floor Price**”) and at the higher end of the Price Band is ₹ 45/- per equity Share (“**Cap Price**”). The Anchor Investor Offer Price is ₹ 45/- per Equity Share.

The Price Band and the minimum Bid Lot will be decided by our Company in consultation with the BRLM and will be advertised, at least two Working Days prior to the Bid/ Issue Opening Date, in all Editions of an English national daily newspaper and all editions of an Hindi national daily newspaper and Bengali edition, a regional newspaper each with wide circulation where the registered office of the Company is situated and shall be made available to the Stock Exchange for the purpose of uploading on its website. The Price Band, along with the relevant financial ratios calculated at the Floor Price and at the Cap Price, shall be pre filled in the Bid cum Application Forms available on the website of the Stock Exchange. The Issue Price shall be determined by our Company and in consultation with the BRLM, after the Bid/ Issue Closing Date, on the basis of assessment of market demand for the Equity Shares offered by way of Book Building Process.

At any given point of time there shall be only one denomination of the Equity Shares of our Company, subject to applicable laws.

The Issue price shall be determined by our company in consultation with the BRLM and is justified under the chapter titled “*Basis of Issue Price*” beginning on page 102 of this Prospectus.

#### **Compliance with SEBI (ICDR) Regulations**

Our Company shall comply with all requirements of the SEBI (ICDR) Regulations, 2018. Our Company shall comply with all disclosure and accounting norms as specified by SEBI from time to time

#### **Rights of the Equity Shareholders**

Subject to applicable laws, rules, regulations and guidelines and the Articles of Association, the equity Shareholders will have the following rights:

- Right to receive dividends, if declared;
- Right to receive Annual Reports and notices to members;
- Right to attend general meetings and exercise voting powers, unless prohibited by law;
- Right to vote on a poll either in person or by proxy, in accordance with the provisions of the Companies Act;
- Right to receive offers for rights shares and be allotted bonus shares, if announced;
- Right to receive any surplus on liquidation subject to any statutory and preferential claims being satisfied;
- Right of free transferability of their Equity Shares, subject to applicable foreign exchange regulations and other applicable law; and
- Such other rights as may be available to a shareholder of a listed public company under the Companies Act, the terms of the SEBI Listing Regulations and our Memorandum of Association and Articles of Association and other applicable laws.

For a detailed description of the main provisions of the Articles of Association of our Company relating to voting rights, dividend, forfeiture and lien, transfer, transmission and/or consolidation/splitting, see “*Description of Equity Shares and Terms of the Articles of Association*”, beginning on page 324 of this Prospectus.

#### **Allotment only in dematerialised form**

As per the provisions of the Depositories Act, 1996 and in terms of Section 29(1) of the Companies Act 2013, the Equity Shares shall be allotted only in dematerialized form, i.e., not in the form of physical certificates but be fungible and be represented by the statement issued through electronic mode. As per the existing SEBI ICDR Regulations, 2018, the trading of the Equity Shares shall only be in dematerialized form for all investors. Hence, the Equity Shares being offered can be applied for in the dematerialized form only.

In this context, two agreements have been signed among our Company, the respective Depositories and the Registrar to the Issue:

- Tripartite Agreement dated August 19, 2024 between NSDL, our Company and Registrar to the Issue; and
- Tripartite Agreement dated July 31, 2024 between CDSL, our Company and Registrar to the Issue.

**Furnishing the details depository account is mandatory and applications without a depository account shall be treated as incomplete and rejected.**

#### **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 two lots (which shall be above ₹2 lakhs).

The trading of the Equity Shares will happen in the minimum contract size of 6000 Equity Shares and the same may be modified by the Stock Exchange from time to time by giving prior notice to investors at large.

Allocation and allotment of Equity Shares through this Issue will be done in multiples of 3000 Equity Shares and is subject to a minimum allotment of 6000 Equity Shares to the successful applicants in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012.

#### **Minimum Number of Allotees**

In accordance with the Regulation 268 (1) of SEBI ICDR Regulations, the Minimum number of allottees in this

Issue shall be 200 (Two Hundred) shareholders. In case the minimum number of prospective allottees is less than 200, no allotment will be made pursuant to this Issue and all the monies blocked by the SCSBs or Sponsor Bank shall be unblocked as per SEBI ICDR Regulations and SEBI Circulars

### **Joint Holders**

Subject to the provisions of the AOA, where two or more persons are registered as the holders of the Equity Shares, they will be deemed to hold such Equity Shares as joint tenants with benefits of survivorship.

### **Jurisdiction**

Exclusive jurisdiction for the purpose of this Issue is with the competent courts/ authorities in Maharashtra.

**The Equity Shares have not been and will not be registered under the Securities Act or any state securities laws in the United States, and may not be offered or sold within the United States, except pursuant to an exemption from or in a transaction not subject to, registration requirements of the Securities Act. Accordingly, the Equity Shares are only being offered or sold outside the United States in compliance with Regulations under the Securities Act and the applicable laws of the jurisdictions where those offers and sales occur.**

**The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.**

*The above information is given for the benefit of the Applicants. Our Company and the Book Running Lead Manager are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this 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.*

### **Nomination facility to investors**

In accordance with Section 72 of the Companies Act, read with the rules notified thereunder, the sole Bidder, or the first Bidder along with other joint Bidders, may nominate any one person in whom, in the event of the death of sole Bidder or in case of joint Bidders, 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 the death of the original holder(s), shall be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale/transfer/alienation of Equity Share(s) by the person nominating. A nomination may be cancelled or varied by the Shareholder by nominating any other person in place of the present nominee, by giving a notice of such cancellation. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at our Registered Office or to the registrar and transfer agents of our Company.

Any person who becomes a nominee by virtue of the provisions of Section 72 of the Companies Act shall upon the production of such evidence as may be required by the Board, elect either:

- (a) to register himself or herself as the holder of the Equity Shares; or
- (b) to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, 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 ninety (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 Issue 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 the nomination, they are requested to inform their

respective Depository Participant.

### **Restrictions, if any on Transfer and Transmission of Equity Shares**

Except for lock-in of the pre-Issue Equity Share capital and Promoter's minimum contribution under the SEBI ICDR Regulations as provided in "Capital Structure", beginning on page 71 of this Prospectus and except as provided under the AOA, there are no restrictions on transfer of the Equity Shares. Further, there are no restrictions on transmission of any shares of our Company and on their consolidation or splitting, except as provided in the AOA. For details, see "Description of Equity Shares and Terms of the Articles of Association", beginning on page 324 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.*

### **Withdrawal of the Issue**

Our Company in consultation with the Book Running Lead Manager, reserves the right not to proceed with the Issue at any time after the Issue Opening Date but before the Board meeting for Allotment. In such an event our Company would issue a public notice in the newspapers, in which the pre-issue advertisements were published, within two (2) working days of the issue Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Issue. The Book Running Lead Manager, through the Registrar to the Issue, shall notify the SCSBs to unblock the bank accounts of the ASBA Applicants within one (1) working day of receipt of such notification. Our Company shall also promptly inform the Stock Exchange on which the Equity Shares are proposed to be listed.

Notwithstanding the foregoing, the Issue is also subject to obtaining i) the final listing and trading approvals of the Stock Exchange, which our Company shall apply for after Allotment. ii) the final RoC approval of the Prospectus after it is filed with the RoC. If our Company in consultation with the BRLM withdraws the Issue after the Issue Closing Date and thereafter determines that it will proceed with an IPO, our Company shall be required to file a fresh Red Herring Prospectus/ Prospectus with the Stock Exchange.

### **Bid/Issue Programme**

<b>ANCHOR PORTION OPENS ON</b>	Tuesday, May 27, 2025 <sup>(1)</sup>
<b>ISSUE OPENS ON</b>	Wednesday, May 28, 2025 <sup>(1)</sup>
<b>ISSUE CLOSES ON</b>	Friday, May 30, 2025 <sup>(2)(3)</sup>
Finalisation of Basis of Allotment with the Designated Stock Exchange	On or about Monday, June 02, 2025
Initiation of Allotment/ refunds/unblocking of funds from ASBA Account or UPI ID linked bank account	On or about Tuesday, June 03, 2025
Credit of Equity Shares to demat accounts of Allottees	On or about Tuesday, June 03, 2025
Commencement of trading of the Equity Shares	On or about Wednesday, June 04, 2025

*Note:*

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

*(2) Our Company shall, in consultation with the Book Running Lead Manager, consider closing the Bid/Issue Period for QIBs one Working Day prior to the Bid/Offer Closing Date in accordance with the SEBI ICDR Regulations.*

*(3) UPI mandate end time and date shall be at 4.00 p.m. on the Bid / Issue Closing Date.*

\*In case of (i) 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 / deleted ASBA Forms, the Bidder shall be compensated at a uniform rate of ₹ 100 per day or 15% per annum of the Bid Amount, whichever is higher from the date on which the request for cancellation/ deletion is placed in the Stock Exchanges bidding platform until the date on which the amounts are unblocked (ii) any blocking of multiple amounts for the same ASBA Form (for amounts blocked through the UPI Mechanism), the Bidder shall be compensated at a uniform rate ₹ 100 per day or 15% per annum of the total cumulative blocked amount except the original application amount, whichever is higher from the date on which such multiple amounts were blocked till the date of actual unblock; (iii) any blocking of amounts more than the Bid Amount, the Bidder shall be compensated at a uniform rate of ₹ 100 per day or 15% per annum of the difference in amount, whichever is higher from the date on which such excess amounts were blocked till the date of actual unblock; (iv) any delay in unblocking of nonallotted/ partially allotted Bids, 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 SCSB 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. The post Offer BRLM shall be liable for compensating the Bidder at a uniform rate of ₹100 per day or 15% per annum of the Bid Amount, whichever is higher from the date of receipt of the investor grievance until the date on which the blocked amounts are unblocked. For the avoidance of doubt, the provisions of the March 2021 Circular, as amended pursuant to June 2021 Circular shall be deemed to be incorporated in the agreements to be entered into by and between our Company and the relevant intermediaries, to the extent applicable.

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

**The above timetable is indicative and does not constitute any obligation or liability on our Company or the BRLM.**

**While 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 such period of the Bid / Offer Closing Date, as may be prescribed by the SEBI, the timetable may be extended 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, and delay in respect of final certificates from SCSBs. 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.**

In terms of the UPI Circulars, in relation to the Issue, 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 / Issue Closing Date, identifying non-adherence to timelines and processes and an analysis of entities responsible for the delay and the reasons associated with it.

**Submission of Bids (other than Bids from Anchor Investors):**

<b>Bid/ Issue Period (except the Bid/ Issue Closing Date)</b>	
Submission and Revision in Bids	Only between 10.00 a.m. and 4.00 p.m. IST
<b>Bid/ Offer Closing Date*</b>	
Submission of Electronic Applications (Online ASBA through 3-in-1 accounts) – For IBs other than QIBs and NIIs	Only between 10.00 a.m. and 4.00 p.m. IST
Submission of Electronic Applications (Bank ASBA through Online channels like Internet Banking, Mobile Banking and Syndicate UPI ASBA applications where Bid Amount is up to ₹0.50 million)	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 3:00 p.m. IST

Submission of Physical Applications (Bank ASBA)	Only between 10.00 a.m. and 1:00 p.m IST
Submission of Physical Applications (Syndicate Non-Retail, Non-Individual Applications where Bid Amount is more than ₹0.50 million)	Only between 10.00 a.m. and 12:00 p.m IST
<b>Modification/ Revision/cancellation of Bids</b>	
Upward Revision of Bids by QIBs and Non-Institutional Bidders categories#	Only between 10.00 a.m. and up to 4.00 p.m. IST on Bid/ Offer Closing Date
Upward or downward Revision of Bids or cancellation of Bids by IBs	Only between 10.00 a.m. and up to 4.00 p.m. IST

*\*UPI mandate end time and date shall be at 4.00 pm on Bid/Offer Closing Date.*

*# QIBs, Individual Investor 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

On Bid / Offer Closing Date, extension of time will be granted by the Stock Exchanges only for uploading Bids received by Individual Bidders, after taking into account the total number of Bids received and as reported by the BRLM to the Stock Exchanges.

The Registrar to the Offer shall submit the details of cancelled / deleted applications to the SCSB's on daily basis within 60 minutes of the Bid closure time from the Bid / Offer Opening Date till the Bid / Offer Closing Date by obtaining the same from the Stock Exchanges. The SCSB's shall unblock such applications by the closing hours of the Working Day.

To avoid duplication, the facility of re-initiation provided to Syndicate Members shall preferably be allowed only once per bid/batch and as deemed fit by the Stock Exchanges, after closure of the time for uploading Bids.

**It is clarified that Bids not uploaded on the electronic bidding system or in respect of which the full Bid Amount is not blocked by SCSBs or not blocked under the UPI Mechanism in the relevant ASBA Account, as the case may be, would be rejected.**

Due to limitation of time available for uploading the Bids on the Bid/ 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 p.m. 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, as is typically experienced in public offerings in India, it may lead to some Bids not being uploaded due to lack of sufficient time to upload. Such Bids that cannot be uploaded will not be considered for allocation under this Offer. Bids and any revision to the Bids, will be accepted only during Working Days, during the Bid/ Offer Period. Bids will be accepted only during Monday to Friday (excluding any public holiday), during the Bid/Offer period. None among our Company or the Member of the Syndicate shall be liable for any failure in (i) uploading the Bids due to faults in any software/ hardware system or blocking of application amount by the SCSBS on receipt of instructions from the Sponsor Bank on account of any errors, omissions or non-compliance by various parties involved in, or any other fault, malfunctioning or breakdown in, or otherwise, in the UPI Mechanism.

In case of any discrepancy in the data entered in the electronic book vis-a-vis data contained in the physical Bid cum Application Form, for a particular Bidder, the details of the Bid file received from the Stock Exchanges may be taken. Our Company in consultation with the BRLM, reserve the right to revise the Price Band during the Bid/Offer Period, provided that the Cap Price shall be less than or equal to 120% of the Floor Price and the Floor Price shall not be less than the face value of the Equity Shares. The revision in the Price Band shall not exceed 20% on either side, i.e. the Floor Price can move up or down to the extent of 20% of the Floor Price and the Cap Price will be revised accordingly. The Floor Price shall not be less than the face value of the Equity Shares.

**In case of any revision to the Price Band, the Bid/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 a total of 10 Working Days. In cases of force majeure, banking strike or similar circumstances, our Company**



**in consultation with the BRLM, for reasons to be recorded in writing, extend the Bid/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 the terminal of the Syndicate Member, if any and by intimation to SCSBs, other Designated Intermediaries and the Sponsor Bank, as applicable. In case of revision of Price Band, the Bid Lot shall remain the same.**

### **Minimum Subscription**

In accordance with Regulation 260(1) of the SEBI (ICDR) Regulations, our Issue shall be 100% underwritten. Thus, the underwriting obligations shall be for the entire hundred percent of the offer through the Prospectus and shall not be restricted to the minimum subscription level. Further, in accordance with Regulation 267 (2) of the SEBI ICDR Regulations, our Company shall ensure that the minimum application size shall not be less than ₹ 1,00,000 (Rupees One Lakh) per application.

As per Section 39 of the Companies Act, 2013, if the “stated minimum amount” has not been subscribed and the sum payable on application is not received within a period of 30 days from the date of the Prospectus, the application money has to be returned within such period as may be prescribed. If our Company does not receive the 100% subscription of the issue through the Issue Document including devolvement of Underwriters, our Company shall forthwith refund the entire subscription amount received within two working days from the closure of the issue. If there is a delay beyond such time, our Company becomes liable to pay the amount, our Company and every officer in default will, on and from the expiry of this period, be jointly and severally liable to repay the money, with interest or other penalty as prescribed under the SEBI Regulations, the Companies Act 2013 and applicable laws.

The minimum number of allottees in this Issue shall be two hundred (200) shareholders. In case the minimum number of prospective allottees is less than two hundred (200), no allotment will be made pursuant to this Issue and the monies blocked by the SCSBs shall be unblocked as per SEBI ICDR Regulations and SEBI Circulars

In accordance with Regulation 260(1) of the SEBI ICDR Regulations, our Issue shall be hundred percent underwritten. Thus, the underwriting obligations shall be for the entire hundred percent of the Issue through this Prospectus and shall not be restricted to the minimum subscription level. Further, in accordance with Regulation 267(2) of the SEBI ICDR Regulations, our Company shall ensure that the minimum application size shall not be less than ₹ 2,00,000 (Rupees Two Lakh) per application.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be issued or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

### **Migration to Main Board**

As per the provisions of the Chapter IX of the SEBI ICDR Regulations, our Company may migrate to the main board Platform of Stock Exchanges on a later date subject to the following:

1. If the paid-up capital of the Company is likely to increase above Rs.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 NSE 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.
2. If the paid-up capital of the Company is more than Rs.10 crores but below Rs.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 favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal
3. Shall comply with the conditions laid down by the Stock Exchanges time to time.

Provided further that where the post-issue paid-up capital pursuant to further issue of capital including by way of rights issue, preferential issue, bonus issue, is likely to increase beyond ₹25 crores, the issuer may undertake further issuance of capital without migration from SME exchange to the main board, subject to the issuer undertaking to comply with the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as applicable to companies listed on the main board of the stock exchange(s).

#### **Arrangements for Disposal of Odd Lots**

The trading of the Equity Shares will happen in the minimum contract size of 6000 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 NSE.

#### **Application by Eligible NRIs, FPIs or VCFs registered with SEBI**

It is to be understood that there is no reservation for Eligible NRIs, FPIs or VCF registered with SEBI. Such Eligible NRIs, FPIs or VCF registered with SEBI will be treated on the same basis with other categories for the purpose of Allocation.

NRIs, FPIs/FIIs and foreign venture capital investors registered with SEBI are permitted to purchase shares of an Indian company in a public Offer without the prior approval of the RBI, so long as the price of the equity shares to be Offered 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.

#### **As per the extant Guidelines of the Government of India, OCBs cannot participate in this Issue**

The current provisions of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, provides a general permission for the NRIs, 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.

#### **Market Making**

The shares issued and transferred through this Issue are proposed to be listed on the NSE EMERGE with compulsory market making through the registered Market Maker of the SME Exchange for a minimum period of three years or such other time as may be prescribed by the Stock Exchange, from the date of listing on the NSE EMERGE. For further details of the market making arrangement please refer to chapter titled “*General Information*” beginning on page 68 of this Prospectus.

#### **Pre-Issue Advertisement**

Subject to Section 30 of the Companies Act, 2013 our Company shall, after filing the Red Herring Prospectus/ Prospectus with the RoC publish a pre-Issue advertisement, in the form prescribed by the SEBI (ICDR) Regulations, in one widely circulated English language national daily newspaper; one widely circulated Hindi language national daily newspaper and one regional newspaper with wide circulation where the Registered Office of our Company is situated.

#### **New Financial Instruments**

There are no new financial instruments such as deep discounted bonds, debenture, warrants, secured premium notes, etc. issued by our Company.

## ISSUE STRUCTURE

*This Issue is being made in terms of Regulation 229(2) of Chapter IX of SEBI (ICDR) Regulations, 2018, as amended from time to time, whereby, an issuer whose post Offer paid up capital is more than ₹ 10 crores and up to ₹ 25 crores, shall Offer equity shares to the public and propose to list the same on the Small and Medium Enterprise Exchange ("SME Exchange", in this case being the NSE Emerge). For further details regarding the salient features and terms of such an Offer, please refer chapter titled "Terms of the Issue" and "Issue Procedure" on page no. 280 and 292 respectively of this Prospectus.*

### Issue Structure:

The present initial public offer is \*61,98,000 Equity Shares for cash at a price of ₹ 45/- each, aggregating up to ₹ 2789.10 lakhs which have been authorized by a resolution of the Board of Directors of our Company at their meeting held on March 13, 2025 and was approved by the Shareholders of the Company by passing Special Resolution at the Extra-Ordinary General Meeting held on March 17, 2025 in accordance with the applicable provisions of the Companies Act, 2013. The Issue comprises a reservation of 3,12,000 Equity Shares of ₹ 45/- each for subscription by the designated Market Maker (the "Market Maker Reservation Portion") and a Net Issue to Public of 58,86,000 Equity Shares of ₹ 45/- each is hereinafter referred to as the Net Issue. The Offer and the Net Offer will constitute 26.61% and 25.27 %, respectively of the post Issue paid up Equity Share Capital of the Company.

*\*Subject to Basis of Allotment.*

This Issue is being made by way of Book Building Process:

Particulars of the Issue (2)	Market Maker Reservation Portion	QIBs	Non-Institutional Applicants	Individual Investors
<b>Number of Equity Shares available for allocation</b>	Up to 3,12,000 Equity shares	Not more than 29,37,000 Equity Shares.	Not less than 8,85,000 Equity Shares	Not less than 20,64,000 Equity Shares
<b>Percentage of Issue size available for allocation</b>	5.03% of the Offer size	<p>Not more than 50% of the Net Issue being available for allocation to QIB Bidders. However, up to 5% of the Net QIB Portion may be available for allocation proportionately to Mutual Funds only. Mutual Funds participating in the Mutual Fund Portion will also be eligible for allocation in the remaining QIB Portion. The unsubscribed portion in the Mutual Fund Portion will be added to the Net QIB Portion</p> <p>Up to 60.00% of the QIB Portion may be available for allocation to Anchor Investors and one third of the Anchor Investors Portion shall be available for allocation to domestic mutual funds only."</p>	<p>Not less than 15% of the Net Issue</p> <p>(a) one third of the portion available to non-institutional investors shall be reserved for applicants with application size of more than two lots and up to such lots equivalent to not more than ₹10 lakhs;</p> <p>(b) two third of the portion available to non-institutional investors shall be reserved for applicants with application size of more than ₹10 lakhs:</p> <p>Provided that the unsubscribed portion</p>	Not less than 35% of the Net Issue

Particulars of the Issue <sup>(2)</sup>	Market Maker Reservation Portion	QIBs	Non-Institutional Applicants	Individual Investors
			in either of the sub-categories specified in clauses (a) or (b), may be allocated to applicants in the other sub-category of non-institutional investors.”	
<b>Basis of Allotment</b> <sup>(3)</sup>	Firm Allotment	Proportionate as follows: (excluding the Anchor Investor Portion): a) Up to 57,000 Equity Shares shall be available for allocation on a proportionate basis to Mutual Funds only; and b) Up to 11,76,000 Equity Shares shall be available for allocation on a proportionate basis to all QIBs, including Mutual Funds receiving allocation as per (a) above  Up to 60% of the QIB Portion (of up to 17,61,000 Equity Shares may be allocated on a discretionary basis to Anchor Investors of which one-third shall be available for allocation to Mutual Funds only, subject to valid Bid received from Mutual Funds at or above the Anchor Investor Allocation Price.	Proportionate basis subject to minimum allotment of 9000 Equity Shares and further allotment in multiples of 3000 Equity Shares.	Proportionate basis subject to minimum allotment of 6000 Equity Shares
<b>Mode of Bid</b>	Only through the ASBA Process	Only through the ASBA process. (Except for Anchor investors)	Through ASBA Process through banks or by using UPI ID for payment	Through ASBA Process through banks or by using UPI ID for payment
<b>Mode of Allotment</b>	Compulsorily in dematerialized form			
<b>Minimum Bid Size</b>	3,12,000 Equity Shares	9,000 Equity Shares and in multiples of 3,000 Equity Shares	9,000 Equity Shares and in multiples of 3,000 Equity Shares	6000 Equity Shares (Minimum application size i.e.; 3000 X 2 lots) such that the amount exceeds 2 lakhs
<b>Maximum Bid Size</b>	3,12,000 Equity Shares	Such number of Equity Shares in multiples of 3000 Equity Shares not exceeding the size of the Net Issue, subject to	Such number of Equity Shares in multiples of 3000 Equity Shares not	6000 Equity Shares (Minimum application size

Particulars of the Issue (2)	Market Maker Reservation Portion	QIBs	Non-Institutional Applicants	Individual Investors
		applicable limits	exceeding the size of the Offer (excluding the QIB portion), subject to limits as applicable	i.e.; 3000 X 2 lots) such that the amount exceeds 2 lakhs
<b>Trading Lot</b>	3000 Equity Shares, however, the Market Maker may accept odd lots if any in the market as required under the SEBI ICDR Regulations	3000 Equity Shares and in multiples thereof	3000 Equity Shares and in multiples thereof	3000 Equity Shares and in multiples thereof
<b>Terms of Payment</b>	<p><b>In case of Anchor Investors:</b> Full Bid Amount shall be payable by the Anchor Investors at the time of submission of their Bids<sup>(4)</sup></p> <p><b>In case of all other Bidders:</b> Full Bid Amount shall be blocked by the SCSBs in the bank account of the ASBA Bidder or by the Sponsor Bank(s) through the UPI Mechanism (for IBs or individual investors bidding under the Non – Institutional Portion for an amount of more than ₹0.20 million and up to ₹0.50 million, using the UPI Mechanism), that is specified in the ASBA Form at the time of submission of the ASBA Form.</p>			
<b>Mode of Bid</b>	Through ASBA process only (except Anchor Investors). In case of UPI Bidders, ASBA process will include the UPI Mechanism			

- (1) This Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time.
- (2) In terms of Rule 19(2) of the SCRR read with Regulation 252 of the SEBI (ICDR) Regulations, 2018, this is an Issue for at least 25% of the post issue paid-up Equity share capital of the Company. This Issue is being made through Book Building Process, wherein allocation to the public shall be as per Regulation 252 of the SEBI (ICDR) Regulations.
- (3) Subject to valid Bids being received at or above the Issue price, under subscription, if any, in any category, except in the QIB Portion, would be allowed to be met with spill-over from any other category or combination of categories of Bidders at the discretion of our Company in consultation with the Book Running Lead Manager and the Designated Stock Exchange, subject to applicable laws.
- (4) Our Company, in consultation with the BRLM may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis, in accordance with the SEBI (ICDR) Regulations, 2018, as amended. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Price.
- (5) Full Bid Amount shall be payable by the Anchor Investors at the time of submission of the Anchor Investor Application Forms provided that any difference between the Anchor Investor Allocation Price and the Anchor Investor Offer Price shall be payable by the Anchor Investor Pay-In Date as indicated in the CAN. For further details see “Issue Procedure” beginning on page 292 of this Prospectus. Anchor Investors are not permitted to use the ASBA process. 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 investor's bank accounts. Accordingly, Stock Exchanges shall, for all categories of investors viz. Retail, QIB, NIB and other reserved categories 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.

The Bids by FPIs with certain structures as described under “Issue Procedure - Bids by FPIs” on pages 302 and having same PAN may be collated and identified as a single Bid in the Bidding process. The Equity Shares Allocated and Allotted to such successful Bidders (with same PAN) may be proportionately distributed. If the Bid is submitted in joint names, the Bid cum Application Form should contain only the name of the first Bidder whose name should also appear as the first holder of the depository account held in joint names. The signature of only the first Bidder would be required in the Bid cum Application Form and such first Bidder would be deemed to have signed on behalf of the joint holders. Bidders will be required to confirm and will be deemed to have represented to our Company, the Underwriters, their respective directors, officers, agents, affiliates and representatives that they are eligible under applicable law, rules, regulations, guidelines and

approvals to acquire the Equity Shares.

## ISSUE PROCEDURE

All applicants should read the General Information Document for Investing in Public Issues prepared and issued in accordance with the circular (SEBI/HO/CFD/DIL1/CIR/P/2020/37) dated March 17, 2020 notified by SEBI and updated pursuant to the circular (CIR/CFD/POLICYCELL/11/2015) dated November 10, 2015 as amended and modified by the circular (SEBI/HO/CFD/DIL1/CIR/P/2016/26) dated January 21, 2016, and SEBI Circular bearing number (SEBI/HO/CFD/DIL2/CIR/P/2018/22) dated February 15, 2018 and Circular (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 01, 2018, notified by SEBI (“General Information Document”) and SEBI Circular No. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 08, 2019, included below under Section “PART B – 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, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the ICDR Regulations. The General Information Document is available on the websites of the Stock Exchanges and the Lead Manager. Please refer to the relevant portions of the General Information Document which are applicable to this Issue.

All Designated Intermediaries in relation to the Issue should ensure compliance with the SEBI circular (CIR/CFD/POLICYCELL/11/2015) dated November 10, 2015, as amended and modified by the SEBI circular (SEBI/HO/CFD/DIL1/CIR/P/2016/26) dated January 21, 2016 and SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2018/22) dated February 15, 2018 and (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 1, 2018, in relation to clarifications on streamlining the process of public issue of equity shares and convertibles as amended and modified by the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019 circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 June 28, 2019, circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 and circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 08, 2019.

Additionally, all Applicants may refer to the General Information Document for information in relation to (i) category of investors eligible to participate in the Issue; (ii) maximum and minimum Bid size; (iii) price discovery and allocation; (iv) payment instructions for ASBA Bidders; (v) issuance of Confirmation of Allocation Note and Allotment in the Issue; (vi) general instructions (limited to instructions for completing the Application Form); (vii) Designated Date; (viii) disposal of applications; (ix) submission of Application Form; (x) other instructions (limited to joint bids in cases of individual, multiple bids and instances when an application would be rejected on technical grounds); (xi) applicable provisions of Companies Act, 2013 relating to punishment for fictitious applications; (xii) mode of making refunds; and (xiii) interest in case of delay in Allotment or refund.

SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 read with its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, has introduced an alternate payment mechanism using Unified Payments Interface (“UPI”) and consequent reduction in timelines for listing in a phased manner. From January 1, 2019, the UPI Mechanism for IBs applying through Designated Intermediaries was made effective along with the existing process and existing timeline of T+6 days. (“UPI Phase I”). The UPI Phase I was effective till June 30, 2019.

With effect from July 1, 2019, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, read with circular bearing number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 with respect to Bids by IBs through Designated Intermediaries (other than SCSBs), the existing process of physical movement of forms from such Designated Intermediaries to SCSBs for blocking of funds has been discontinued and only the UPI Mechanism for such Bids with existing timeline of T+6 days was mandated for a period of three months or launch of five main board public issues, whichever is later (“UPI Phase II”). Subsequently, however, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020 extended the timeline for implementation of UPI Phase II till further notice. The final reduced timeline will be made effective using the UPI Mechanism for applications by UPI Bidders (“UPI Phase III”), and modalities of the implementation of UPI Phase III has been 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 Issue will be undertaken pursuant to the processes and procedures under UPI Phase II, subject to any circulars, clarification or notification issued by the SEBI from time to time. Further, SEBI, vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 and circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and SEBI circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 has introduced certain additional measures for

streamlining the process of initial public offers and redressing investor grievances.

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 (opening on or after May 1, 2022) whose application sizes are up to ₹500,000 shall use the UPI Mechanism. This circular has come into force for initial public offers opening on or after May 1, 2022 and the provisions of this circular are deemed to form part of this Prospectus.

Subsequently, 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 (opening on or after September 1, 2022) shall be processed only after application monies are blocked in the bank accounts of investors (all categories). The Book Running Lead Manager shall be the nodal entity for any issues arising out of public issuance process.

The BRLM shall be the nodal entity for any issues arising out of public issuance process. In terms of SEBI ICDR Regulations, the timelines and processes mentioned in SEBI circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 shall continue to form part of the agreements being signed between the intermediaries involved in the public issuance process and BRLM shall continue to coordinate with intermediaries involved in the said process.

In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding four Working Days from the Issue Closing Date, the Applicant shall be compensated at a uniform rate of ₹100 per day for the entire duration of delay exceeding four Working Days from the Issue Closing Date by the intermediary responsible for causing such delay in unblocking. Further, investors shall be entitled to compensation in the manner specified in the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 as amended by SEBI circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023, in case of delays in resolving investor grievances in relation to blocking/unblocking of funds.

Our Company and the Book Running Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated in this section and the General Information Document and are not liable for any amendment, modification or change in the applicable law which may occur after the date of this Prospectus. Applicants are advised to make their independent investigations and ensure that their Bids are submitted in accordance with applicable laws and do not exceed the investment limits or maximum number of the Equity Shares that can be held by them under applicable law or as specified in the Prospectus and the Prospectus.

Further, our Company and the members of the Syndicate are not liable for any adverse occurrences consequent to the implementation of the UPI Mechanism for application in this Issue.

This section applies to all the Applicants.

### **Phased implementation of Unified Payments Interface**

SEBI has issued the UPI Circulars in relation to streamlining the process of public issue of, amongst others equity shares. Pursuant to the SEBI 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 IBs through Designated Intermediaries with the objective to reduce the time duration from public issue closure to listing from six Working Days up to three Working Days. Considering the time required for making necessary changes to the systems and to ensure complete and smooth transition to the UPI Mechanism, the SEBI 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 II had the option to submit the ASBA Form with any of the Designated Intermediary and use his/her UPI ID for the purpose of blocking of funds. The time duration from public issue closure to listing continued to be six Working Days.

**Phase II:** This phase has become applicable from July 1, 2019 and was to initially continue for a period of three months or floating of five main board public issues, whichever is later. Subsequently, it was decided to extend the timeline for implementation of Phase II until March 31, 2020. Further, as per SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, the current Phase II of Unified Payments Interface



with Application Supported by Blocked Amount is continued till further notice. Under this phase, submission of the ASBA Form by IIs through Designated Intermediaries (other than SCSBs) to SCSBs for blocking of funds will be discontinued and will be replaced by the UPI payment mechanism. However, the time duration from public issue closure to listing continues to be six Working Days during this phase.

**Phase III:** This phase has become applicable on a voluntary basis for all issues opening on or after September 1, 2023 and on a mandatory basis for all issues opening on or after December 1, 2023, vide SEBI circular bearing number SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 (“T+3 Notification”). In this phase, the time duration from public 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.

This Issue will be made under UPI Phase III of the UPI Circular.

All SCSBs offering the 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 Exchange and NPCI in order to facilitate collection of requests and/or payment instructions of the Individual Bidders using the UPI Mechanism.

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 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 finalized. Failure to unblock the accounts within the timeline would result in the SCSBs being penalized under the relevant securities law. Additionally, if there is any delay in the redressal of investors’ complaints, the relevant SCSB as well as the Book Running Lead Manager will be required to compensate the concerned investor.

For further details, refer to the General Information Document available on the website of the Stock Exchange and the Book Running Lead Manager.

The processing fees for applications made by UPI Bidders using the UPI Mechanism may be released to the remitter banks (SCSBs) only after such banks make an application as prescribed in Annexure I of SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and provide a written confirmation on compliance with SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 read with SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021.

Further, pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 5, 2022, all UPI Bidders applying in public Offers where the application amount is up to ₹ 5,00,000 shall use the UPI Mechanism and shall also provide their UPI ID in the Bid cum Application Form submitted with any of the entities mentioned herein below:

- a syndicate member
- a stock broker registered with a recognized stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity) (“broker”)
- a depository participant (“DP”) (whose name is mentioned on the website of the stock exchange as eligible for this activity) a registrar to the issue and shares transfer agent (“RTA”) (whose name is mentioned on the website of the stock exchange as eligible for this activity)

#### **BOOK BUILDING PROCEDURE:**

This Issue is being made in terms of Rule 19(2)(b) of the SCRR, through the Book Building Process in accordance with Regulation 253 of the SEBI ICDR Regulations wherein not more than 50.00% of the Offer shall be allocated on a proportionate basis to QIBs, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations. Further, 5.00% of the QIB Portion shall be available for allocation on a proportionate basis only to Mutual Funds, and spill-over from the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIBs, including Mutual Funds, subject to valid Bids being received at or above the Offer Price. Further, not less than 15.00% of the Issue shall be available for

allocation on a proportionate basis to Non-Institutional Bidders and not less than 35.00% of the Issue shall be available for allocation to Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Issue Price.

Under-subscription, if any, in any category, except in the QIB Portion, would be allowed to be met with spill over from any other category or combination of categories of Bidders at the discretion of our Company, in consultation with the BRLM and the Designated Stock Exchange subject to receipt of valid Bids received at or above the Issue Price. Under-subscription, if any, in the QIB Portion, would not be allowed to be met with spill-over from any other category or a combination of categories.

The Equity Shares, on Allotment, shall be traded only in the dematerialized segment of the Stock Exchange.

***Investors should note that the Equity Shares will be allotted to all successful Bidders only in dematerialised form. The Bid cum Application Forms which do not have the details of the Bidders' depository account, including DP ID, Client ID, the PAN and UPI ID, for IBs Bidding in the Individual Investor Portion using the UPI Mechanism, shall be treated as incomplete and will be rejected. Bidders will not have the option of being allotted Equity Shares in physical form. However, they may get their Equity Shares rematerialized subsequent to allotment of the Equity Shares in the Offer, subject to applicable laws.***

### **Availability of Red Herring Prospectus (DRHP)/ RHP/Prospectus and Application Forms**

The Memorandum containing the salient features of this Prospectus together with the Application Forms and copies of this Prospectus may be obtained from the Registered Office of our Company, from the Registered Office of the Book Running Lead Manager to the Offer, Registrar to the Offer as mentioned in the Application form. The application forms may also be downloaded from the website of NSE i.e.; [www.nseindia.com](http://www.nseindia.com). Applicants shall only use the specified Application Form for the purpose of making an Application in terms of this Prospectus. All the applicants shall have to apply only through the ASBA process. ASBA Applicants shall submit an Application Form either in physical or electronic form to the SCSBs authorizing blocking of funds that are available in the bank account specified in the Application Form. Applicants shall only use the specified Application Form for the purpose of making an Application in terms of this Prospectus. The Application Form shall contain space for indicating number of specified securities subscribed for in demat form.

### **Bid cum Application Form**

Copies of the Bid cum Application Form (other than for Anchor Investors) and the abridged prospectus will be available at the offices of the BRLM, the Designated Intermediaries at Bidding Centres, and Registered Office of our Company. An electronic copy of the Bid cum Application Form will also be available for download on the websites of the NSE, at least one day prior to the Bid/Issue 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 Issue only through the ASBA process. ASBA Bidders must provide either (i) the bank account details and authorisation to block funds in the ASBA Form, or (ii) the UPI ID, as applicable, in the relevant space provided in the ASBA Form. The ASBA Forms that do not contain such details are liable to be rejected. Applications made by the IIs using third party bank account or using third party linked bank account UPI ID are liable for rejection. Anchor Investors are not permitted to participate in the Offer through the ASBA process. ASBA Bidders shall ensure that the Bids are made on ASBA Forms bearing the stamp of the relevant Designated Intermediary, submitted at the relevant Bidding Centres only (except in case of electronic ASBA Forms) and the ASBA Forms not bearing such specified stamp are liable to be rejected.

Since the Issue is made under Phase III, ASBA Bidders may submit the ASBA Form in the manner below:

(i) IBs (other than the UPI Bidders 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 NIIs 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.

**Anchor Investors are not permitted to participate in the Offer through the ASBA process.**

For Anchor Investors, the Anchor Investor Application Form will be available at the office of the BRLM. 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.

The prescribed colour of the Bid cum Application Form for various categories is as follows:

The prescribed colour of the Bid cum Application Forms for various categories is as follows:

Category	Colour of Bid cum Application Form*
Anchor Investor**	White
Resident Indians including resident QIBs, Non-Institutional Bidders, Individual Bidders and Eligible NRIs applying on a non-repatriation basis <sup>^</sup>	White
Eligible NRIs, FVCIs, FPIs and registered bilateral and multilateral institutions applying on a repatriation basis <sup>^</sup>	Blue

\*Excluding electronic Bid cum Application Forms

^\*\* Electronic Bid cum Application forms for Anchor Investor shall be made available at the office of the BRLM.

Electronic Bid Cum Application Forms will also be available for download on the website of the NSE ([www.nseindia.com](http://www.nseindia.com)).

Designated Intermediaries (other than SCSBs) after accepting Bid Cum Application Form submitted by IIs (without using UPI for payment), NIIs and QIBs shall capture and upload the relevant details in the electronic bidding system of stock exchange(s) and shall submit/deliver the Bid Cum Application Forms to respective SCSBs where the Bidders has a bank account and shall not submit it to any non-SCSB Bank.

Further, for applications submitted to designated intermediaries (other than SCSBs), with use of UPI for payment, after accepting the Bid Cum Application Form, respective intermediary shall capture and upload the relevant application details, including UPI ID, in the electronic bidding system of stock exchange(s).

Bidders shall only use the specified Bid Cum Application Form for making an Application in terms of the Prospectus.

The Bid Cum Application Form shall contain information about the Bidder and the price and the number of Equity Shares that the Bidders wish to apply for. Bid Cum Application Forms downloaded and printed from the websites of the Stock Exchange shall bear a system generated unique application number. Bidders are required to ensure that the ASBA Account has sufficient credit balance as an amount equivalent to the full Application Amount can be blocked by the SCSB or Sponsor Bank at the time of submitting the Application.

An Investor, intending to subscribe to this Issue, shall submit a completed Bid Cum Application Form to any of the following intermediaries (Collectively called – Designated Intermediaries”).

Sr. No.	Designated Intermediaries
1	An SCSB, with whom the bank account to be blocked, is maintained
2	A syndicate member (or sub-syndicate member)
3	A stock broker registered with a recognized stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity) (‘broker’)
4	A depository participant (‘DP’) (whose name is mentioned on the website of the stock exchange as eligible for this activity)

5	A registrar to an issue and share transfer agent ('RTA') (whose name is mentioned on the website of the stock exchange as eligible for this activity)
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*Retails investors submitting application with any of the entities at (ii) to (v) above (hereinafter referred as "Intermediaries"), and intending to use UPI, shall also enter their UPI ID in the Bid Cum Application Form.*

*The aforesaid intermediary shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the Bid Cum Application Form, in physical or electronic mode, respectively.*

**The upload of the details in the electronic bidding system of stock exchange will be done by:**

<b>For Applications submitted by investors to SCSB:</b>	After accepting the form, SCSB shall capture and upload the relevant details in the electronic bidding system as specified by the stock exchange and may begin blocking funds available in the bank account specified in the form, to the extent of the application money specified.
<b>For applications submitted by investors to intermediaries other than SCSBs</b>	After accepting the Bid Cum Application Form, respective Intermediary shall capture and upload the relevant details in the electronic bidding system of the stock exchange. Post uploading, they shall forward a schedule as per prescribed format along with the Bid Cum Application Forms to designated branches of the respective SCSBs for blocking of funds within one day of closure of Issue.
<b>For applications submitted by investors to intermediaries other than SCSBs with use of UPI for payment</b>	After accepting the Bid Cum Application Form, respective intermediary shall capture and upload the relevant application details, including UPI ID, in the electronic bidding system of stock exchange. Stock exchange shall share application details including the UPI ID with sponsor bank on a continuous basis, to enable sponsor bank to initiate mandate request on investors for blocking of funds. Sponsor bank shall initiate request for blocking of funds through NPCI to investor. Investor to accept mandate request for blocking of funds, on his/her mobile application, associated with UPI ID linked bank account.

**Stock exchange shall validate the electronic bid details with depository's records for DP ID/Client ID and PAN, on a real-time basis and bring the inconsistencies to the notice of intermediaries concerned, for rectification and re-submission within the time specified by stock exchange.**

**Stock exchange shall allow modification of selected fields viz. DP ID/Client ID or Pan ID (Either DP ID/Client ID or Pan ID can be modified but not BOTH), Bank code and Location code, in the bid details already uploaded.**

Upon completion and submission of the Bid Cum Application Form to Application Collecting intermediaries, the Bidders are deemed to have authorized our Company to make the necessary changes in the Prospectus, without prior or subsequent notice of such changes to the Bidders.

For IBs using UPI Mechanism, the Stock Exchange shall share the Bid details (including UPI ID) with the Sponsor Bank on a continuous basis to enable the Sponsor Bank to initiate UPI Mandate Request to IIBs for blocking of funds. The Sponsor Bank shall initiate request for blocking of funds through NPCI to IIBs, who shall accept the UPI Mandate Request for blocking of funds on their respective mobile applications associated with UPI ID linked bank account. For all pending UPI Mandate Requests, the Sponsor Bank shall initiate requests for blocking of funds in the ASBA Accounts of relevant Bidders with a confirmation cut-off time of 12:00 pm on the first Working Day after the Bid/ Offer Closing Date ("Cut- Off Time"). Accordingly, IIBs should accept UPI Mandate Requests for blocking off funds prior to the Cut- Off Time and all pending UPI Mandate Requests at the Cut-Off Time shall lapse. The NPCI shall maintain an audit trail for every bid entered in the Stock Exchange bidding platform, and the liability to compensate IIBs (using the UPI Mechanism) in case of failed transactions shall be with the concerned entity (i.e. the Sponsor Bank, NPCI or the bankers to an Offer) at whose end the lifecycle of the transaction has come to a halt. The NPCI shall share the audit trail of all disputed transactions/ investor complaints to the Sponsor Banks and the bankers to an Offer. The BRLM shall also be required to obtain the audit trail from the Sponsor Banks and the Bankers to the Offer for analysing the same and fixing liability. For ensuring timely information to investors, SCSBs shall send SMS alerts for mandate block and unblock including details 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.

## **WHO CAN BID?**

**Each Applicants should check whether it is eligible to apply under applicable law. Furthermore, certain categories of Applicants, such as NRIs, FPIs and FVCIs may not be allowed to apply in the Issue or to hold Equity Shares, in excess of certain limits specified under applicable law. Applicants are requested to refer to the Prospectus for more details.**

**Subject to the above, an illustrative list of Applicants is as follows:**

- a) Indian Nationals resident in India who are not incompetent to contract under the Indian Contract Act, 1872, as amended, in single or as a joint application and minors having valid demat account as per Demographic Details provided by the Depositories. Furthermore, based on the information provided by the Depositories, our Company shall have the right to accept the Applications belonging to an account for the benefit of minor (under guardianship);
- b) Hindu Undivided Families or HUFs, in the individual name of the Karta. The Applicant should specify that the application is being made in the name of the HUF in the Application Form as follows: “Name of Sole or First applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta”. Applications by HUFs would be considered at par with those from individuals;
- c) Companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in the Equity Shares under their respective constitutional and charter documents;
- d) QIBs;
- e) Mutual Funds registered with SEBI;
- f) Eligible NRIs on a repatriation basis or on a non-repatriation basis, subject to applicable laws. NRIs other than Eligible NRIs are not eligible to participate in this Issue;
- g) Indian Financial Institutions, scheduled commercial banks, regional rural banks, co-operative banks (subject to RBI permission, and the SEBI Regulations and other laws, as applicable);
- h) FIIs and sub-accounts of FIIs registered with SEBI, other than a sub-account which is a foreign corporate or a foreign individual under the QIB Portion;
- i) Limited Liability Partnerships (LLPs) registered in India and authorized to invest in equity shares;
- j) Sub-accounts of FIIs registered with SEBI, which are foreign corporate or foreign individuals only under the Non-Institutional applicant’s category;
- k) Venture Capital Funds and Alternative Investment Fund (I) registered with SEBI; State Industrial Development Corporations;
- l) Foreign Venture Capital Investors registered with the SEBI;
- m) Trusts/societies registered under the Societies Registration Act, 1860, as amended, or under any other law relating to Trusts and who are authorized under their constitution to hold and invest in equity shares;
- n) Scientific and/or Industrial Research Organizations authorized to invest in equity shares;
- o) Insurance Companies registered with Insurance Regulatory and Development Authority, India;
- p) Provident Funds with minimum corpus of ₹ 25 Crores and who are authorized under their constitution to hold and invest in equity shares;

- q) Pension Funds with minimum corpus of ₹ 25 Crores and who are authorized under their constitution to hold and invest in equity shares;
- r) National Investment Fund set up by Resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of Government of India published in the Gazette of India;
- s) Insurance funds set up and managed by army, navy or air force of the Union of India;
- t) Multilateral and bilateral development financial institution;
- u) Eligible QFIs;
- v) Insurance funds set up and managed by army, navy or air force of the Union of India;
- w) Insurance funds set up and managed by the Department of Posts, India;
- x) Any other person eligible to applying in this Issue, under the laws, rules, regulations, guidelines and policies applicable to them.

#### **APPLICATIONS NOT TO BE MADE BY:**

1. Minors (except under guardianship)
2. Partnership firms or their nominees
3. Foreign Nationals (except NRIs)
4. Overseas Corporate Bodies (OCB)

**As per the existing RBI regulations, OCBs are not eligible to participate in this Issue. The RBI has however clarified in its circular, A.P. (DIR Series) Circular No. 44, dated December 8, 2003 that OCBs which are incorporated and are not under the adverse notice of the RBI are permitted to undertake fresh investments as incorporated non-resident entities in terms of Regulation 5(1) of RBI Notification No.20/2000-RB dated May 3, 2000 under FDI Scheme with the prior approval of Government if the investment is through Government Route and with the prior approval of RBI if the investment is through Automatic Route on case to case basis. OCBs may invest in this Issue provided it obtains a prior approval from the RBI or prior approval from Government, as the case may be. On submission of such approval along with the Application Form, the OCB shall be eligible to be considered for share allocation.**

#### **MAXIMUM AND MINIMUM APPLICATION SIZE**

##### **1. For Individual Bidders**

The Application must be for a minimum application size i.e.; 6000 Equity Shares and in multiples of 3000 Equity Shares thereafter, so as to ensure that the Application Price payable by the Bidder exceed ₹ 2,00,000.

##### **2. For other than Individual Bidders (Non Institutional Applicants and QIBs):**

The Application must be more than Minimum Bid Lot Size of such number of Equity Shares that the Application Amount exceeds ₹ 2, 00,000 and in multiples of 3000 Equity Shares thereafter. An application cannot be submitted for more than the Net Issue Size. However, the maximum Application by a QIB investor should not exceed the investment limits prescribed for them by applicable laws. Under existing SEBI Regulations, a QIB Bidder cannot withdraw its Application after the Issue Closing Date and is required to pay 100% QIB Margin upon submission of Application.

In case of revision in Applications, the Non-Institutional Bidders, who are individuals, have to ensure that the Application size shall be more than two lots and application amount is greater than ₹ 2,00,000 for being considered for allocation in the Non-Institutional Portion.

**Bidders are advised to ensure that any single Application form does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Prospectus.**

**The above information is given for the benefit of the Bidders. The Company and the BRLM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Prospectus. Bidders are advised to make their independent investigations and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws or regulations.**

#### **METHOD OF BIDDING PROCESS**

Our Company, in consultation with the BRLM will decide the Price Band and the minimum Bid lot size for the Offer and the same shall be advertised in widely circulated English national daily newspaper, a widely circulated Hindi national daily newspaper, Bengali editions of widely circulated Regional language daily newspaper) (Bengali being the regional language of Kolkata, where our Registered Office is located), each with wide circulation at least two Working Days prior to the Bid / Offer Opening Date. The BRLM and the SCSBs shall accept Bids from the Bidders during the Bid / Offer Period.

- a) The Bid / Issue Period shall be for a minimum of three Working Days and shall not exceed 10 Working Days. The Bid/ Offer Period maybe extended, if required, by an additional one Working Day, 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, will be published in a widely circulated English national daily newspaper, widely circulated Hindi national daily newspaper, widely circulated Regional language daily newspaper (Bengali being the regional language of Kolkata, where our Registered Office is located), each with wide circulation and also by indicating the change on the website of the Book Running Lead Manager.
- b) During the Bid/ Issue Period, Individual Bidders, should approach the BRLM or their authorized agents to register their Bids. The BRLM shall accept Bids from Anchor Investors and ASBA Bidders in Specified Cities and it shall have the right to vet the Bids during the Bid/ Issue Period in accordance with the terms of the Prospectus. ASBA Bidders should approach the Designated Branches or the BRLM (for the Bids to be submitted in the Specified Cities) to register their Bids. Each Bid cum Application Form will give the Bidder the choice to Bid for up to three optional prices (for details refer to the paragraph titled “Bids at Different Price Levels and Revision of Bids” below) within the Price Band and specify the demand (i.e., the number of Equity Shares Bid for) in each option. The price and demand options submitted by the Bidder in the Bid cum Application Form will be treated as optional demands from the Bidder and will not be cumulated. After determination of the Offer Price, the maximum number of Equity Shares Bid for by a Bidder/Applicant at or above the Offer Price will be considered for allocation/Allotment and the rest of the Bid(s), irrespective of the Bid Amount, will become automatically invalid. The Bidder / Applicant cannot Bid through another Bid cum Application Form after Bids through one Bid cum Application Form have been submitted to a BRLM or the SCSBs. Submission of a second Bid cum Application Form to either the same or to another BRLM or SCSB will be treated as multiple Bid and is liable to be rejected either before entering the Bid into the electronic bidding system, or at any point of time prior to the allocation or Allotment of Equity Shares in this Offer. However, the Bidder can revise the Bid through the Revision Form, the procedure for which is detailed under the paragraph “Buildup of the Book and Revision of Bids”. The BRLM/the SCSBs will enter each Bid option into the electronic bidding system as a separate Bid and generate a Transaction Registration Slip, (“TRS”), for each price and demand option and give the same to the Bidder. Therefore, a Bidder can receive up to three TRSs for each Bid cum Application Form.
- c) Upon receipt of the Bid cum Application Form, submitted whether in physical or electronic mode, the Designated Branch of the SCSB shall verify if sufficient funds equal to the Bid Amount are available in the ASBA Account, as mentioned in the Bid cum Application Form, prior to uploading such Bids with the Stock Exchange.
- d) The BRLM shall accept the Bids from the Anchor Investors during the Anchor Investor Bid/ Issue Period i.e. one working day prior to the Bid/ Issue Opening Date. Bids by QIBs under the Anchor Investor Portion and the QIB Portion shall not be considered as multiple Bids.
- e) If sufficient funds are not available in the ASBA Account, the Designated Branch of the SCSB shall reject such Bids and shall not upload such Bids with the Stock Exchange.
- f) Along with the Bid cum Application Form, Anchor Investors will make payment in the manner described in “Escrow Mechanism - Terms of payment and payment into the Escrow Accounts” in the section “Issue Procedure” beginning on page 292 of this Prospectus.
- g) If sufficient funds are available in the ASBA Account, the SCSB shall block an amount equivalent to the Bid Amount mentioned in the Bid cum Application Form and will enter each Bid option into the electronic

bidding system as a separate Bid and generate a TRS for each price and demand option. The TRS shall be furnished to the ASBA Bidder on request.

- h) The Bid Amount shall remain blocked in the aforesaid ASBA Account until finalization of the Basis of Allotment and consequent transfer of the Bid Amount against the Allotted Equity Shares to the Public Offer Account, or until withdrawal/failure of the Offer or until rejection of the Bid cum Application Form, as the case may be. Once the Basis of Allotment is finalized, the Registrar to the Offer shall send an appropriate request to the SCSB for unblocking the relevant ASBA Accounts and for transferring the amount allocable to the successful Bidders to the Public Offer Account. In case of withdrawal/failure of the Offer, the blocked amount shall be unblocked on receipt of such information from the Registrar to the Offer.

#### **BIDS AT DIFFERENT PRICE LEVELS AND REVISION OF BIDS**

- a. Our Company in consultation with the BRLM, and without the prior approval of, or intimation, to the Bidders, reserves the right to revise the Price Band during the Bid/ Offer Period, provided that the Cap Price shall be less than or equal to 120% of the Floor Price and the Floor Price shall not be less than the face value of the Equity Shares. The revision in Price Band shall not exceed 20% on the either side i.e.; the floor price can move up or down to the extent of 20% of the floor price disclosed. If the revised price band decided, falls within two different price bands than the minimum application lot size shall be decided based on the price band in which the higher price falls into.
- b. Our Company in consultation with the BRLM, will finalize the Offer Price within the Price Band, without the prior approval of, or intimation, to the Bidders.
- c. The Bidders can Bid at any price within the Price Band. The Bidder has to Bid for the desired number of Equity Shares at a specific price..
- d. Individual Bidders shall submit the Bid cum Application Form along with a cheque/demand draft for the Bid Amount based on the Cap Price with the Syndicate..The price of the specified securities offered to an anchor investor shall not be lower than the price offered to other Bidders

#### **Participation by Associates /Affiliates of BRLM**

**The BRLM shall not be allowed to purchase in this Offer in any manner, except towards fulfilling their underwriting obligations. However, the associates and affiliates of the BRLM may subscribe the Equity Shares in the Offer, either in the QIB Category or in the Non- Institutional Category as may be applicable to such Bidders, where the allocation is on a proportionate basis and such subscription may be on their own account or on behalf of their clients.**

#### **Option to Subscribe in the Offer**

- a. As per Section 29(1) of the Companies Act 2013, allotment of Equity Shares shall be made in dematerialized form only. Investors will not have the option of getting allotment of specified securities in physical form.
- b. The Equity Shares, on allotment, shall be traded on the Stock Exchange in demat segment only.
- c. A single application from any investor shall not exceed the investment limit/minimum number of Equity Shares that can be held by him/her/it under the relevant regulations/statutory guidelines and applicable law.

#### **Information for the Bidders:**

- 1. Our Company and the Book Running Lead Manager shall declare the Offer Opening Date and Offer Closing Date in the Prospectus which will be registered with the RoC and also publish the same in widely circulated English national daily newspaper, widely circulated Hindi national daily newspaper, a widely circulated Regional language daily newspaper (Bengali being the regional language of Kolkata, where our Registered Office is located) with wide circulation. This advertisement shall be in prescribed format.
- 2. Our Company shall file the Prospectus with the RoC at least 3 (three) days before the Offer Opening Date.
- 3. Copies of the Bid Cum Application Form along with Abridge Prospectus and copies of this Prospectus will be available with the, the Book Running Lead Manager, the Registrar to the Offer, and at the Registered Office of our Company. Electronic Bid Cum Application Forms will also be available on the websites of the Stock Exchange.



4. Any Bidder who would like to obtain this Prospectus and/ or the Bid Cum Application Form can obtain the same from our Registered Office.
5. Bidders who are interested in subscribing for the Equity Shares should approach Designated Intermediaries to register their applications.
6. Bid Cum Application Forms submitted directly to the SCSBs should bear the stamp of the SCSBs and/or the Designated Branch, or the respective Designated Intermediaries. Bid Cum Application Form submitted by Applicants whose beneficiary account is inactive shall be rejected.
7. The Bid Cum Application Form can be submitted either in physical or electronic mode, to the SCSBs with whom the ASBA Account is maintained, or other Designated Intermediaries (Other than SCSBs). SCSBs may provide the electronic mode of collecting either through an internet enabled collecting and banking facility or such other secured, electronically enabled mechanism for applying and blocking funds in the ASBA Account. The Individual Applicants has to apply only through UPI Channel, they have to provide the UPI ID and validate the blocking of the funds and such Bid Cum Application Forms that do not contain such details are liable to be rejected.
8. Bidders applying directly through the SCSBs should ensure that the Bid Cum Application Form is submitted to a Designated Branch of SCSB, where the ASBA Account is maintained. Applications submitted directly to the SCSB's or other Designated Intermediaries (Other than SCSBs), the relevant SCSB, shall block an amount in the ASBA Account equal to the Application Amount specified in the Bid Cum Application Form, before entering the ASBA application into the electronic system.
9. Except for applications by or on behalf of the Central or State Government and the Officials appointed by the courts and by investors residing in the State of Sikkim, the Bidders, or in the case of application in joint names, the first Bidder (the first name under which the beneficiary account is held), should mention his/her PAN allotted under the Income Tax Act. In accordance with the SEBI Regulations, the PAN would be the sole identification number for participating transacting in the securities market, irrespective of the amount of transaction. Any Bid Cum Application Form without PAN is liable to be rejected. The demat accounts of Bidders for whom PAN details have not been verified, excluding person resident in the State of Sikkim or persons who may be exempted from specifying their PAN for transacting in the securities market, shall be "suspended for credit" and no credit of Equity Shares pursuant to the Offer will be made into the accounts of such Bidders.
10. The Bidders may note that in case the PAN, the DP ID and Client ID mentioned in the Bid Cum Application Form and entered into the electronic collecting system of the Stock Exchange Designated Intermediaries do not match with PAN, the DP ID and Client ID available in the Depository database, the Bid Cum Application Form is liable to be rejected.

#### **BIDS BY HUFs**

Bids by Hindu Undivided Families or HUFs should be made in the individual name of the Karta. The Bidder should specify that the Bid is being made in the name of the HUF in the Bid cum Application Form/Application Form as follows: "Name of sole or first Bidder: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta". Bids/Applications by HUFs will be considered at par with Bids/Applications from individuals.

#### **BIDS BY MUTUAL FUNDS**

With respect to Bids by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Bid cum Application Form. Failing this, our Company, in consultation with the BRLM, reserve the right to reject any Bid without assigning any reason thereof.

Bids made by asset management companies or custodians of Mutual Funds shall specifically state names of the concerned schemes for which such Bids are made.

In case of a Mutual Fund, a separate Bid can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Bids in respect of more than one scheme of the Mutual Fund will not be treated as multiple Bids provided that the Bids clearly indicate the scheme concerned for which the Bid has been made.

No Mutual Fund scheme shall invest more than 10.00% of its net asset value in equity shares or equity related instruments of any single company provided that the limit of 10.00% shall not be applicable for investments in case of index funds or sector or industry specific schemes. No Mutual Fund under all its schemes should own more than 10.00% of any company's paid-up share capital carrying voting rights.

## **BIDS BY ELIGIBLE NRIS**

Eligible NRIs or Overseas Citizen of India (OCI) may obtain copies of Bid cum Application Form from the Designated Intermediaries. Only Bids accompanied by payment in Indian Rupees or freely convertible foreign exchange will be considered for Allotment. Eligible NRI Bidders bidding on a repatriation basis by using the Non-Resident Forms should authorize their SCSB (if they are Bidding directly through the SCSB) or confirm or accept the UPI Mandate Request (in case of Bidding through the UPI Mechanism) to block their Non-Resident External ("NRE") accounts, or Foreign Currency Non-Resident ("FCNR") Accounts, and eligible NRI Bidders bidding on a non-repatriation basis by using Resident Forms should authorize their SCSB (if they are Bidding directly through SCSB) or confirm or accept the UPI Mandate Request (in case of Bidding through the UPI Mechanism) to block their Non-Resident Ordinary ("NRO") accounts for the full Bid Amount, at the time of the submission of the Bid cum Application Form. Participation of Eligible NRIs in the Offer shall be subject to the FEMA Rules.

In accordance with the Consolidated FDI Policy, the total holding by any individual NRI, on a repatriation basis shall not exceed 5.00% of the total paid-up equity capital on a fully diluted basis or shall not exceed 5.00% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all NRIs and OCIs put together, on a repatriation basis, shall not exceed 10% of the total paid-up equity capital on a fully diluted basis or shall not exceed 10% of the paid-up value of each series of debentures or preference shares or share warrant. Provided that the aggregate ceiling of 10.00% may be raised to 24.00% if a special resolution to that effect is passed by the general body of the Indian company.

NRIs will be permitted to apply in the Offer through Channel I or Channel II (as specified in the UPI Circular). Further, subject to applicable law, NRIs may use Channel IV (as specified in the UPI Circular) to apply in the Offer, provided the UPI facility is enabled for their NRE/ NRO accounts.

NRIs applying in the Offer using UPI Mechanism are advised to enquire with the relevant bank whether their bank account is UPI linked prior to making such application.

### **Investment by NRI or OCI on non-repatriation basis:**

As per current FDI Policy 2017, schedule 4 of FEMA (Transfer or Issue of Security by Persons Resident outside India) Regulations - Purchase/ sale of Capital Instruments or convertible notes or units or contribution to the capital of an LLP by a NRI or OCI on non-repatriation basis - will be deemed to be domestic investment at par with the investment made by residents. This is further subject to remittance channel restrictions. The Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended ("US Securities Act") or any other state securities laws in the United States of America and may not be sold or offered within the United States of America, or to, or for the account or benefit of "US Persons" as defined in Regulation S of the U.S. Securities Act, except pursuant to exemption from, or in a transaction not subject to, the registration requirements of US Securities Act and applicable state securities laws. Accordingly, the equity shares are being offered and sold only outside the United States of America in an offshore transaction in reliance upon Regulation S under the US Securities Act and the applicable laws of the jurisdiction where those offers and sale occur.

## **BIDS BY FPIs**

In terms of the SEBI FPI Regulations, the issue of Equity Shares to a single FPI or an investor group (which means the same multiple entities having common ownership directly or indirectly of more than 50% or common control) must be below 10% of our post-Offer Equity Share capital. Further, in terms of the FEMA NDI Rules, with effect from April 1, 2020, the aggregate FPI investment limit is the sectoral cap applicable to an Indian company as prescribed in the FEMA NDI Rules with respect to its paid-up equity capital on a fully diluted basis. Currently, the sectoral cap for retail trading of food products manufactured and/ or produced in India is 100% under automatic route.

FPIs are permitted to participate in the Offer subject to compliance with conditions and restrictions which may be specified by the Government from time to time. In case of Bids made by FPIs, a certified copy of the certificate of registration issued under the SEBI FPI Regulations is required to be attached to the Bid cum Application Form, failing which our Company reserves the right to reject any Bid without assigning any reason. FPIs who wish to participate in the Offer are advised to use the Bid cum Application Form for Non-Residents.

In terms of the FEMA, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs shall be included.

The FEMA NDI Rules were enacted on October 17, 2019 in supersession of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017, except as respects things done or omitted to be done before such supersession. **FPIs are permitted to participate in the Offer subject**

**to compliance with conditions and restrictions which may be specified by the Government from time to time.**

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 21 of the SEBI FPI Regulations, an FPI, may issue, subscribe to or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by a FPI against securities held by it in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only by persons registered as Category I FPIs; (ii) such offshore derivative instruments are issued only to persons eligible for registration as Category I FPIs; (iii) such offshore derivative instruments are issued after compliance with 'know your client' norms; and (iv) such other conditions as may be specified by SEBI from time to time.

An FPI issuing off-shore derivative instruments is also required to ensure that any transfer of off-shore derivative instruments issued by, or on behalf of it subject to, inter alia, the following conditions:

- (i). such offshore derivative instruments are transferred to person subject to fulfilment of SEBI FPI Regulations; and
- (ii). prior consent of the FPI is obtained for such transfer, except when the persons to whom the offshore derivative instruments are to be transferred are pre-approved by the FPI.

Bids by FPIs which utilize the multi-investment manager structure in accordance with the Operational Guidelines for Foreign Portfolio Investors and Designated Depository Participants issued to facilitate implementation of the SEBI FPI Regulations ("Operational FPI Guidelines"), submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs shall not be treated as multiple Bids ("MIM Bids"). It is hereby clarified that FPIs bearing the same PAN may be treated as multiple Bids by a Bidder and may be rejected, except for Bids from FPIs that utilize the multi-investment manager structure in accordance with the Operational FPI Guidelines (such structure referred to as "MIM Structure"). In order to ensure valid Bids, FPIs making MIM Bids using the same PAN and with different beneficiary account numbers, Client IDs and DP IDs, are required to submit a confirmation that their Bids are under the MIM Structure and indicate the name of their investment managers in such confirmation which shall be submitted along with each of their Bid cum Application Forms. In the absence of such confirmation from the relevant FPIs, such MIM Bids shall be rejected.

For details of investment by FPIs, see "*Restrictions on Foreign Ownership of Indian Securities*" on page 265. Participation of FPIs in the Issue is subject to the FEMA Rules.

**AS PER THE EXTENT GUIDELINES OF THE GOVERNMENT OF INDIA, OCBS CANNOT PARTICIPATE IN THIS ISSUE.**

The current provisions of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, provides a general permission for the NRIs, 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.

#### **BIDS BY SEBI-REGISTERED AIFS, VCFS AND FVCIS**

The SEBI FVCI Regulations, SEBI VCF Regulations and the SEBI AIF Regulations prescribe, inter alia, the investment restrictions on the FVCIs, VCFs and AIFs registered with SEBI respectively. FVCIs can invest only up to 33.33% of the investible funds by way of subscription to an initial public offering. Category I AIF and Category II AIF cannot invest more than 25% of the investible funds in one Investee Company directly or through investment in the units of other AIFs. A Category III AIF cannot invest more than 10% of the investible funds in one Investee Company directly or through investment in the units of other AIFs. However, large value funds for accredited investors of Category III AIFs may invest up to 20% of the investible funds in an investee company. AIFs which are authorized under the fund documents to invest in units of AIFs are prohibited from offering their units for subscription to other AIFs. A VCF registered as a Category I AIF, as defined in the SEBI AIF Regulations, cannot invest more than 1/3rd of its investible funds by way of subscription to an initial public

offering of a venture capital undertaking. Additionally, a VCF that has not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the SEBI VCF Regulations (and accordingly shall not be allowed to participate in the Offer) until the existing fund or scheme managed by the fund is wound up and such funds shall not launch any new scheme after the notification of the SEBI AIF Regulations.

There is no reservation for Eligible NRIs, FPIs and FVCIs and all Bidders will be treated on the same basis with other categories for the purpose of allocation.

Further, the shareholding of VCFs, category I AIFs or category II AIFs and FVCIs holding Equity Shares prior to Offer, shall be locked-in for a period of at least one year from the date of purchase of such Equity Shares.

All non-resident investors should note that refunds, dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and commission.

The Company or the BRLM will not be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.

#### **BIDS BY LIMITED LIABILITY PARTNERSHIPS**

In case of Bids made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the BRLM, reserve the right to reject any Bid without assigning any reason thereof.

#### **BIDS BY BANKING COMPANIES**

In case of Bids made by banking companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, and (ii) the approval of such banking company's investment committee are required to be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the BRLM, reserves the right to reject any Bid without assigning any reason thereof. The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, as amended and Master Circular on Basel III Capital Regulations dated July 1, 2014, as amended, is 10.00% of the paid up share capital of the investee company, not being its subsidiary engaged in non-financial services, or 10.00% of the bank's own paid-up share capital and reserves, whichever is lower.

However, a banking company would be permitted to invest in excess of 10% but not exceeding 30% of the paid up share capital of such investee company, subject to prior approval of the RBI if (i) the investee company is engaged in non- financial activities permitted for banking companies in terms of Section 6(1) of the Banking Regulation Act; or (ii) the additional acquisition is through restructuring of debt, or to protect the banking company's interest on loans/investments made to a company. The bank is required to submit a time bound action plan to the RBI for the disposal of such shares within a specified period. The aggregate investment by a banking company along with its subsidiaries, associates or joint ventures or entities directly or indirectly controlled by the bank; and mutual funds managed by asset management companies controlled by the bank, more than 20% of the investee company's paid up share capital engaged in non-financial services. However, this cap doesn't apply to the cases mentioned in (i) and (ii) above. The aggregate equity investments made by a banking company in all subsidiaries and other entities engaged in financial services and non-financial services, including overseas investments shall not exceed 20% of the bank's paid-up share capital and reserves.

In terms of the Master Circular on Basel III Capital Regulations dated July 1, 2014, as amended (i) a bank's investment in the capital instruments issued by banking, financial and insurance entities should not exceed 10% of its capital funds; (ii) banks should not acquire any fresh stake in a bank's equity shares, if by such acquisition, the investing bank's holding exceeds 5% of the investee bank's equity capital; (iii) equity investment by a bank in a subsidiary company, financial services company, financial institution, stock and other exchanges should not exceed 10% of the bank's paid-up share capital and reserves; (iv) equity investment by a bank in companies engaged in non-financial services activities would be subject to a limit of 10% of the investee company's paid-up share capital or 10% of the bank's paid-up share capital and reserves, whichever is less; and (v) a banking company is restricted from holding shares in any company, whether as pledgee, mortgagee or absolute owner, of an amount exceeding 30% of the paid-up share capital of that company or 30% of its own paid-up share capital and reserves, whichever is less. For details in relation to the investment limits under Master Direction – Ownership in Private Sector Banks, Directions, 2016, see "*Key Industry Regulations and Policies*" beginning on page 153 of this RHP.

#### **BIDS BY SCSBS**

SCSBs participating in the Offer are required to comply with the terms of the circulars issued by the SEBI dated September 13, 2012 and January 2, 2013. Such SCSBs are required to ensure that for making applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for such applications.

#### **BIDS BY SYSTEMICALLY IMPORTANT NBFCs**

In case of Bids made by Systemically Important NBFCs registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, (ii) the last audited financial statements on a standalone basis, (iii) a net worth certificate from its statutory auditors, and (iv) such other approval as may be required by the Systemically Important NBFCs are required to be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the BRLM, reserves the right to reject any Bid without assigning any reason thereof.

Systemically Important NBFCs participating in the Offer shall comply with all applicable regulations, directions, guidelines and circulars issued by the RBI from time to time.

The investment limit for Systemically Important NBFCs shall be as prescribed by RBI from time to time.

#### **BIDS BY INSURANCE COMPANIES**

In case of Bids made by insurance companies registered with the IRDAI, a certified copy of certificate of registration issued by IRDAI must be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the BRLM, reserves the right to reject any Bid without assigning any reason thereof.

The exposure norms for insurers are prescribed under the IRDAI Investment Regulations, based on investments in equity shares of the investee company, the entire group of the investee company and the industry sector in which the investee company operates. Insurance companies participating in the Offer are advised to refer to the IRDAI Investment Regulations 2016, as amended, which are broadly set forth below:

- a) equity shares of a company: the lower of 10%\* of the outstanding equity shares (face value) or 10% of the respective fund in case of life insurer or 10% of investment assets in case of general insurer or reinsurer;
- b) the entire group of the investee company: not more than 15% of the respective fund in case of a life insurer or 15% of investment assets in case of a general insurer or reinsurer or 15% of the investment assets in all companies belonging to the group, whichever is lower; and
- c) the industry sector in which the investee company operates: not more than 15% of the fund of a life insurer or a general insurer or a reinsurer or 15% of the investment asset, whichever is lower.

The maximum exposure limit, in the case of an investment in equity shares, cannot exceed the lower of an amount of 10% of the investment assets of a life insurer or general insurer and the amount calculated under (a), (b) and (c) above, as the case may be.

*\*The above limit of 10% shall stand substituted as 15% of outstanding equity shares (face value) for insurance companies with investment assets of ₹ 2,50,00,000 lakhs or more and 12% of outstanding equity shares (face value) for insurers with investment assets of ₹ 50,00,000 lakhs or more but less than ₹ 2,50,00,000 lakhs.*

Insurance companies participating in this Offer shall comply with all applicable regulations, guidelines and circulars issued by IRDAI from time to time.

#### **BIDS BY PROVIDENT FUNDS/PENSION FUNDS**

In case of Bids made by provident funds/pension funds, subject to applicable laws, with minimum corpus of ₹ 2,500 lakhs, a certified copy of a certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the BRLM, reserves the right to reject any Bid without assigning any reason thereof.

#### **BIDS BY ANCHOR INVESTORS**

Our Company in consultation with the BRLM, may consider participation by Anchor Investors in the Offer for up to 60% of the QIB Portion in accordance with the SEBI Regulations. Only QIBs as defined in Regulation 2(1)(ss) of the SEBI Regulations and not otherwise excluded pursuant to Schedule XIII of the SEBI Regulations are eligible to invest. The QIB Portion will be reduced in proportion to allocation under the Anchor Investor Portion. In the event of undersubscription in the Anchor Investor Portion, the balance Equity Shares will be added to the QIB Portion. In accordance with the SEBI Regulations, the key terms for participation in the

Anchor Investor Portion are provided below.

- 1) Anchor Investor Bid cum Application Forms will be made available for the Anchor Investors at the offices of the BRLM.
- 2) The Bid must be for a minimum of such number of Equity Shares so that the Bid Amount is at least 200 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 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 in consultation with the BRLM, will finalize allocation to the Anchor Investors on a discretionary basis, provided that the minimum and maximum number of Allottees in the Anchor Investor Portion will be, as mentioned below:
  - where allocation in the Anchor Investor Portion is up to 200 lakhs, maximum of 2 (two) Anchor Investors.
  - where the allocation under the Anchor Investor Portion is more than 200 lakhs but up to 2500 lakhs, minimum of 2 (two) and maximum of 15 (fifteen) Anchor Investors, subject to a minimum Allotment of 100 lakhs per Anchor Investor; and
  - where the allocation under the Anchor Investor portion is more than 2500 lakhs: (i) minimum of 5 (five) and maximum of 15 (fifteen) Anchor Investors for allocation up to 2500 lakhs; and (ii) an additional 10 Anchor Investors for every additional allocation of 2500 lakhs or part thereof in the Anchor Investor Portion; subject to a minimum Allotment of 100 lakhs per Anchor Investor.
- 6) Allocation to Anchor Investors will be completed on the Anchor Investor Bid/ Offer Period. The number of Equity Shares allocated to Anchor Investors and the price at which the allocation is made will be made available in the public domain by the BRLM before the Bid/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 2 (two) Working Days from the Bid/ Offer Closing Date. 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) At the end of each day of the bidding period, the demand including allocation made to anchor investors, shall be shown graphically on the bidding terminal of the syndicate member and website of stock exchange offering electronically linked transparent bidding facility, for information of public.
- 10) Equity Shares Allotted in the Anchor Investor Portion will be locked in for a period of 30 days from the date of Allotment.
- 11) The BRLM, our Promoters, Promoter Group or any person related to them (except for Mutual Funds sponsored by entities related to the BRLM) will not participate in the Anchor Investor Portion. The parameters for selection of Anchor Investors will be clearly identified by the BRLM and made available as part of the records of the BRLM for inspection byes.
- 12) Bids made by QIBs under both the Anchor Investor Portion and the QIB Portion will not be considered multiple Bids.
- 13) Anchor Investors are not permitted to Bid in the Offer through the ASBA process.

#### **BIDS UNDER POWER OF ATTORNEY**

In case of Bids made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, Eligible FPIs, Mutual Funds, Systemically Important NBFCs, insurance companies, insurance funds set up by the army, navy or air force of the Union of India, insurance funds set up by the Department of Posts, India, or the National Investment Fund and provident funds with a minimum corpus of ₹ 2500 lakhs (subject to

applicable law) and pension funds with a minimum corpus of ₹ 2500 lakhs, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws must be lodged along with the Bid cum Application Form. Failing this, our Company, in consultation with the BRLM, reserves the right to accept or reject any Bid in whole or in part, in either case without assigning any reason therefor.

Our Company, in consultation with the BRLM, in their absolute discretion, reserves the right to relax the above condition of simultaneous lodging of the power of attorney along with the Bid cum Application Form subject to the terms and conditions that our Company, in consultation with the BRLM may deem fit.

#### **ISSUANCE OF A CONFIRMATION NOTE ("CAN") AND ALLOTMENT IN THE OFFER:**

1. Upon approval of the basis of allotment by the Designated Stock Exchange, the BRLM or Registrar to the Offer shall send to the SCSBs a list of their Bidders who have been allocated Equity Shares in the Offer.
2. The Registrar will then dispatch a CAN to their Bidders who have been allocated Equity Shares in the Offer. 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 Issue price of ₹ 45/- 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 Offer Account, the balance amount after transfer will be unblocked by the SCSBs.

The Bidders should note that the arrangement with Bankers to the Offer or the Registrar is not prescribed by SEBI and has been established as an arrangement between our Company, Banker to the Offer and the Registrar to the Offer 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 rejection of the Application or receipt of instructions from the Registrar to unblock the Application Amount. In the event of rejection of the Bid Cum Application Form or for unsuccessful Bid Cum Application Forms, the Registrar to the Offer 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 Offer and consequent transfer of the Application Amount to the Public Offer Account, or until withdrawal/ failure of the Offer 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 Offer shall use only Application Supported by Blocked Amount (ASBA) process for application providing details of the bank account which will be blocked by the Self-Certified Syndicate Banks (SCSBs) for the same. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018, Individual Investors applying in public Offer have to use UPI as a payment mechanism with Application Supported by Blocked Amount for making application.

#### **Payment into Escrow Account for Anchor Investors**

All the investors other than Anchor Investors are required to bid through ASBA Mode. Anchor Investors are requested to note the following:

Our Company in consultation with the Book Running Lead Manager, in its absolute discretion, will decide the list of Anchor Investors to whom the CAN will be sent, pursuant to which the details of the Equity Shares allocated to them in their respective names will be notified to such Anchor Investors.

- a) For Anchor Investors, the payment instruments for payment into the Escrow Account should be drawn in favor of In case of resident Anchor Investors: — “N R VANDANA TEX INDUSTRIES LIMITED – Anchor Account- R”
- b) In case of Non-Resident Anchor Investors: — “N R VANDANA TEX INDUSTRIES LIMITED– Anchor Account- NR”
- c) Anchor Investors should note that the escrow mechanism is not prescribed by SEBI and has been established as an arrangement between our Company, the Syndicate, the Escrow Collection Bank and the Registrar to the Offer to facilitate collections from the Anchor Investors.

#### **Electronic Registration of Applications**

1. The Designated Intermediaries will register the applications using the on-line facilities of the Stock Exchange.
2. The Designated Intermediaries will undertake modification of selected fields in the application details already uploaded before 1.00 p.m. of next Working Day from the Offer Closing Date.
3. The Designated Intermediaries shall be responsible for any acts, mistakes or errors or omissions and commissions in relation to,
  - i. the applications accepted by them,
  - ii. the applications uploaded by them
  - iii. the applications accepted but not uploaded by them or
  - iv. With respect to applications by Bidders, applications accepted and uploaded by any Designated Intermediary other than SCSBs, the Bid Cum Application Form along with relevant schedules shall be sent to the SCSBs or the Designated Branch of the relevant SCSBs for blocking of funds and they will be responsible for blocking the necessary amounts in the ASBA Accounts. In case of Application accepted and Uploaded by SCSBs, the SCSBs or the Designated Branch of the relevant SCSBs will be responsible for blocking the necessary amounts in the ASBA Accounts.
4. Neither the Book Running Lead Manager nor our Company nor the Registrar to the Offer, shall be responsible for any acts, mistakes or errors or omission and commissions in relation to,
  - (i) The applications accepted by any Designated Intermediaries
  - (ii) The applications uploaded by any Designated Intermediaries or
  - (iii) The applications accepted but not uploaded by any Designated Intermediaries
5. The Stock Exchange will Offer an electronic facility for registering applications for the Offer. This facility will be available at the terminals of Designated Intermediaries and their authorized agents during the Offer Period. The Designated Branches or agents of Designated Intermediaries can also set up facilities for off-line electronic registration of applications subject to the condition that they will subsequently upload the off-line data file into the online facilities on a regular basis. On the Offer Closing Date, the Designated Intermediaries shall upload the applications till such time as may be permitted by the Stock Exchange. This information will be available with the Book Running Lead Manager on a regular basis.
6. With respect to applications by Bidders, at the time of registering such applications, the Syndicate Bakers, DPs and RTAs shall forward a Schedule as per format given below along with the Bid Cum Application Forms to Designated Branches of the SCSBs for blocking of funds:



S. No.	Details*
1.	Symbol
2.	Intermediary Code
3.	Location Code
4.	Application No.
5.	Category
6.	PAN
7.	DP ID
8.	Client ID
9.	Quantity
10.	Amount

*\*Stock Exchanges shall uniformly prescribe character length for each of the above-mentioned fields*

7. With respect to applications by Bidders, at the time of registering such applications, the Designated Intermediaries shall enter the following information pertaining to the Bidders into in the on-line system:
  - Name of the Bidder;
  - IPO Name;
  - Bid Cum Application Form Number;
  - Investor Category;
  - PAN (of First Bidder, if more than one Bidder);
  - DP ID of the demat account of the Bidder;
  - Client Identification Number of the demat account of the Bidder;
  - Number of Equity Shares Applied for;
  - Bank Account details;
  - Locations of the Banker to the Offer or Designated Branch, as applicable, and bank code of the SCSB branch where the ASBA Account is maintained; and
  - Bank account number.
8. In case of submission of the Application by a Bidder through the Electronic Mode, the Bidder shall complete the above- mentioned details and mention the bank account number, except the Electronic ASBA Bid Cum Application Form number which shall be system generated.
9. The aforesaid Designated Intermediaries shall, at the time of receipt of application, give an acknowledgment to the investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the Bid Cum Application Form in physical as well as electronic mode. The registration of the Application by the Designated Intermediaries does not guarantee that the Equity Shares shall be allocated / allotted either by our Company.
10. Such acknowledgment will be non-negotiable and by itself will not create any obligation of any kind.
11. In case of Non-Individual Bidders and Individual Bidders, applications would not be rejected except on the technical grounds as mentioned in this Prospectus. The Designated Intermediaries shall have no right to reject applications, except on technical grounds.
12. The permission given by the Stock Exchanges to use their network and software of the Online IPO system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company and/or the Book Running Lead Manager are cleared or approved by the Stock Exchanges; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the compliance with the statutory and other requirements nor does it take any responsibility for the financial or other soundness of our company; our Promoters, our management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Prospectus, nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges.
13. The Designated Intermediaries will be given time till 1.00 p.m. on the next working day after the Bid/

Offer Closing Date to verify the DP ID and Client ID uploaded in the online IPO system during the Offer Period, after which the Registrar to the Offer will receive this data from the Stock Exchange and will validate the electronic application details with Depository's records. In case no corresponding record is available with Depositories, which matches the three parameters, namely DP ID, Client ID and PAN, then such applications are liable to be rejected.

14. The SCSBs shall be given one day after the Bid/ Offer Closing Date to send confirmation of Funds blocked (Final certificate) to the Registrar to the Offer.
15. The details uploaded in the online IPO system shall be considered as final and Allotment will be based on such details for applications.

#### **Build of the Book**

- a) Bids received from various Bidders through the Designated Intermediaries may be electronically uploaded on the Bidding Platform of the Stock Exchange on a regular basis. The book gets built up at various price levels. This information may be available with the BRLM at the end of the Bid/ Offer Period.
- b) Based on the aggregate demand and price for Bids registered on the Stock Exchange Platform, a graphical representation of consolidated demand and price as available on the websites of the Stock Exchange may be made available at the Bidding centers during the Bid/ Offer Period.

#### **Withdrawal of Bids**

- a) QIBs, IBs and NIIs can neither withdraw nor lower the size of their Bids at any stage.

#### **Price Discovery and Allocation**

- a) Based on the demand generated at various price levels, our Company in consultation with the BRLM, shall finalize the Offer Price.
- b) The SEBI ICDR Regulations, 2018 specify the allocation or Allotment that may be made to various categories of Bidders in an Offer depending on compliance with the eligibility conditions. Certain details pertaining to the percentage of Offer size available for allocation to each category is disclosed overleaf of the Bid cum Application Form and in the Prospectus. For details in relation to allocation, the Bidder may refer to the Prospectus.
- c) Under-subscription in any category (except QIB Category) is allowed to be met with spillover from any other category or combination of categories at the discretion of the Issuer and the in consultation with the BRLM and the Designated Stock Exchange and in accordance with the SEBI ICDR Regulations. Unsubscribed portion in QIB Category is not available for subscription to other categories.
- d) In case of under subscription in the Offer, spill-over to the extent of such under-subscription may be permitted from the Reserved Portion to the Offer. For allocation in the event of an undersubscription applicable to the Issuer, Bidders may refer to the Prospectus.
- e) In case if the Individual Investor category is entitled to more than the allocated portion on proportionate basis, the category shall be allotted that higher percentage.
- f) Allocation to Anchor Investors shall be at the discretion of our Company and in consultation with the BRLM, subject to compliance with the SEBI Regulations.

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

Bid Quantity	Bid Amount (₹)	Cumulative Quantity	Subscription
500	24	500	16.67%
1,000	23	1,500	50.00%
1,500	22	3,000	100.00%
2,000	21	5,000	166.67%
2,500	20	7,500	250.00%

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

*Anchor Investors are not allowed to withdraw their Bids after Anchor Investors bidding date.*

## **GENERAL INSTRUCTIONS**

### ***Do's:***

1. Check if you are eligible to apply as per the terms of this Prospectus and under applicable law, rules, regulations, guidelines and approvals. All should submit their Bids through the ASBA process only;
2. Ensure that you have Bid within the Price Band;
3. Read all the instructions carefully and complete the Bid cum Application Form, as the case may be, in the prescribed form;
4. Ensure that you have mentioned the correct ASBA Account number if you are not an IB bidding using the UPI Mechanism in the Bid cum Application Form and if you are an IB using the UPI Mechanism ensure that you have mentioned the correct UPI ID (with maximum length of 45 characters including the handle), in the Bid cum Application Form;
5. Ensure that your Bid cum Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the Bidding Centre (except electronic Bids) within the prescribed time;
6. Ensure that you have funds equal to the Bid Amount in the ASBA Account maintained with the SCSB, before submitting the ASBA Form to any of the Designated Intermediaries;
7. If you are an ASBA Bidder and the first applicant is not the ASBA Account holder, ensure that the Bid cum Application Form is signed by the account holder. Ensure that you have mentioned the correct bank account number in the Bid cum Application Form;
8. Ensure that the signature of the First Bidder in case of joint Bids, is included in the Bid cum Application Forms;
9. Ensure that you request for and receive a stamped acknowledgement counterfoil of the Bid cum Application Form for all your Bid options from the concerned Designated Intermediary;
10. Ensure that the name(s) given in the Bid cum Application Form is/are exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case of joint Bids, the Bid cum Application Form should contain only the name of the First Bidder whose name should also appear as the first holder of the beneficiary account held in joint names. Ensure that the signature of the First Bidder is included in the Bid cum Application Forms;
11. IBs bidding in the Offer to ensure that they shall use only their own ASBA Account or only their own bank account linked UPI ID (only for IBs using the UPI Mechanism) to make an application in the Offer and not ASBA Account or bank account linked UPI ID of any third party;
12. Ensure that you submit the revised Bids to the same Designated Intermediary, through whom the original Bid was placed and obtain a revised acknowledgment;
13. Ensure that you have correctly signed the authorization/undertaking box in the Bid cum Application Form or have otherwise provided an authorization to the SCSB or Sponsor Bank, as applicable, via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form, as the case may be, at the time of submission of the Bid. In case of IBs submitting their Bids and participating in the Offer through the UPI Mechanism, ensure that you authorize the UPI Mandate Request raised by the Sponsor Bank for blocking of funds equivalent to Bid Amount and subsequent debit of funds in case of Allotment;
14. Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of the SEBI circular dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, (ii) submitted by investors who are exempt from the requirement of obtaining/specifying their PAN for transacting in the securities market, and (iii) Bids by persons resident in the state of Sikkim, who, in terms of a SEBI circular dated July 20, 2006, may be exempted from specifying their PAN for transacting in the securities market, all Bidders should mention their PAN

allotted under the IT Act. The exemption for the Central or the State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the Demographic Details received from the respective depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in “active status”; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same. All other applications in which PAN is not mentioned will be rejected;

15. Investors to ensure that their PAN is linked with Aadhar and are in compliance with Central Board of Direct Taxes (“CBDT”) notification dated February 13, 2020 and press release dated June 25, 2021.
16. Ensure that the Demographic Details are updated, true and correct in all respects;
17. Ensure that thumb impressions and signatures other than in the languages specified in the Eighth Schedule to the Constitution of India are attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal;
18. Ensure that the category and the investor status is indicated;
19. Ensure that in case of Bids under power of attorney or by limited companies, corporates, trust, etc., relevant documents are submitted;
20. Ensure that Bids submitted by any person resident outside India is in compliance with applicable foreign and Indian laws;
21. Ensure that the Bidder’s depository account is active, the correct DP ID, Client ID, the PAN, UPI ID, if applicable, are mentioned in their Bid cum Application Form and that the name of the Bidder, the DP ID, Client ID, the PAN and UPI ID, if applicable, entered into the online IPO system of the Stock Exchange by the relevant Designated Intermediary, as applicable, matches with the name, DP ID, Client ID, PAN and UPI ID, if applicable, available in the Depository database;
22. Ensure that when applying in the Offer using UPI, the name of your SCSB appears in the list of SCSBs displayed on the SEBI website which are live on UPI. Further, also ensure that the name of the app and the UPI handle being used for making the application is also appearing in Annexure ‘A’ to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019;
23. IBs who wish to revise their Bids using the UPI Mechanism, should submit the revised Bid with the Designated Intermediaries, pursuant to which IBs should ensure acceptance of the UPI Mandate Request received from the Sponsor Bank to authorize blocking of funds equivalent to the revised Bid Amount in the IB’s ASBA Account;
24. Ensure that you have accepted the UPI Mandate Request received from the Sponsor Bank prior to 12:00 p.m. of the Working Day immediately after the Bid/ Offer Closing Date;
25. IBs shall ensure that details of the Bid are reviewed and verified by opening the attachment in the UPI Mandate Request and then proceed to authorize the UPI Mandate Request using his/her UPI PIN. Upon the authorization of the mandate using his/her UPI PIN, an IB may be deemed to have verified the attachment containing the application details of the IB in the UPI Mandate Request and have agreed to block the entire Bid Amount and authorized the Sponsor Bank to block the Bid Amount mentioned in the Bid Cum Application Form;
26. Ensure that while Bidding through a Designated Intermediary, the Bid cum Application Form (IBs bidding using the UPI Mechanism) is submitted to a Designated Intermediary in a Bidding Centre and that the SCSB where the ASBA Account, as specified in the ASBA Form, is maintained has named at least one branch at that location for the Designated Intermediary to deposit ASBA Forms (a list of such branches is available on the website of SEBI at [www.sebi.gov.in](http://www.sebi.gov.in)); and
27. FPIs making MIM Bids using the same PAN, and different beneficiary account numbers, Client IDs and DP IDs, are required to submit a confirmation that their Bids are under the MIM structure and indicate the name of their investment managers in such confirmation which shall be submitted along with each of their Bid cum Application Forms. In the absence of such confirmation from the relevant FPIs, such MIM Bids shall be rejected.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with. Application made using incorrect UPI handle or using a bank account of an SCSB or SCSBs which is not mentioned in the Annexure ‘A’ to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 is liable to be rejected.

***Don'ts:***

1. Do not Bid for lower than the minimum Bid size;
1. Do not pay the Bid Amount in cheques, demand drafts or by cash, money order, postal order or by stock invest;
2. Do not send Bid cum Application Forms by post; instead submit the same to the Designated Intermediary only;
3. Do not Bid at Cut-off Price (for Bids by QIBs, Non-Institutional Bidders and Individual Investor);
4. Do not instruct your respective banks to release the funds blocked in the ASBA Account under the ASBA process;
5. Do not submit the Bid for an amount more than funds available in your ASBA account.
6. Do not submit Bids on plain paper or on incomplete or illegible Bid cum Application Forms or on Bid cum Application Forms in a colour prescribed for another category of a Bidder;
7. In case of ASBA Bidders, do not submit more than one ASBA Forms per ASBA Account;
8. If you are a IB and are using UPI mechanism, do not submit more than one ASBA Form for each UPI ID;
9. Do not submit the ASBA Forms to any Designated Intermediary that is not authorized to collect the relevant ASBA Forms or to our Company;
10. Do not Bid on a Bid cum Application Form that does not have the stamp of the relevant Designated Intermediary;
11. Do not submit the General Index Register (GIR) number instead of the PAN;
12. Do not submit incorrect details of the DP ID, Client ID, PAN and UPI ID, if applicable, or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Offer;
13. 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;
14. 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);
15. Do not submit a Bid/revise a Bid Amount, with a price less than the Floor Price or higher than the Cap Price;
16. Do not submit a Bid using UPI ID, if you are not a IB;
17. Do not Bid on another ASBA Form, as the case may be, after you have submitted a Bid to any of the Designated Intermediaries;
18. Do not Bid for Equity Shares in excess of what is specified for each category;
19. Do not fill up the Bid cum Application Form such that the number of Equity Shares Bid for, exceeds the Offer size and/or investment limit or maximum number of the Equity Shares that can be held under applicable laws or regulations or maximum amount permissible under applicable laws or regulations, or under the terms of this Prospectus;
20. 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. IBs cannot revise or withdraw their Bids on or before the Bid/Offer Closing Date;
21. Do not submit Bids to a Designated Intermediary at a location other than the Bidding Centres;
22. If you are an IB which is submitting the ASBA Form with any of the Designated Intermediaries and using your UPIID for the purpose of blocking of funds, do not use any third-party bank account or third party linked bank account UPI ID;
23. Do not Bid if you are an OCB; and
24. If you are a QIB, do not submit your Bid after 3:00 pm on the Bid/Offer Closing Date.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with. Further, in case of any pre-Offer or post-Offer related issues regarding share certificates/demat

credit/refund orders/unblocking etc., investors can reach out to the Company Secretary and Compliance Officer. For details of Company Secretary and Compliance Officer, please see the section entitled “*General Information*” and “*Our Management*” beginning on pages 61 and 167 respectively.

For helpline details of the BRLM pursuant to the SEBI/HO.CFD.DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, please see the section entitled “*General Information*” beginning on page 61.

## **GROUND FOR TECHNICAL REJECTION**

Bidders are advised to note that Bids are liable to be rejected inter alia on the following technical grounds:

1. Amount blocked does not tally with the amount payable for the Equity Shares applied for;
2. In case of partnership firms, Equity Shares may be registered in the names of the individual partners and no firm as such shall be entitled to apply;
3. Bid by persons not competent to contract under the Indian Contract Act, 1872 including minors, insane persons;
4. PAN not mentioned in the Bid cum Application Form;
5. Bids at a price less than the Floor Price and Bids at a price more than the Cap Price;
6. GIR number furnished instead of PAN;
7. Bid for lower number of Equity Shares than specified for that category of investors;
8. Bids at Cut-off Price by NIIs, QIBs and Individual Investor;
9. Bids for number of Equity Shares which are not in multiples Equity Shares which are not in multiples as specified in the Prospectus;
10. The amounts mentioned in the Bid cum Application Form/Application Form does not tally with the amount payable for the value of the Equity Shares Bid/Applied for;
11. Bids for lower number of Equity Shares than the minimum specified for that category of investors;
12. Category not ticked;
13. Multiple Bids as defined in the Prospectus;
14. In case of Bids under power of attorney or by limited companies, corporate, trust etc., where relevant documents are not submitted;
15. Bid accompanied by Stock invest/ money order/ postal order/ cash/ cheque/ demand draft/ pay order;
16. Signature of sole Bidder is missing;
17. Bid cum Application Forms not delivered by the Bidder within the time prescribed as per the Bid cum Application Forms, Bid/Issue Opening Date advertisement and the Prospectus and as per the instructions in the RHP and the Bid cum Application Forms;
18. In case no corresponding record is available with the Depositories that matches three parameters namely, names of the Bidders (including the order of names of joint holders), the Depository Participant’s identity (DP ID) and the beneficiary’s account number;
19. Bids for amounts greater than the maximum permissible amounts prescribed by the regulations;
20. Bid by OCBs;
21. Bids by US persons other than in reliance on Regulation S or “qualified institutional buyers” as defined in Rule 144A under the Securities Act;
22. Inadequate funds in the bank account to block the Bid Amount specified in the Bid cum Application Form/Application Form at the time of blocking such Bid Amount in the bank account;
23. Bids not uploaded on the terminals of the Stock Exchanges;
24. Where no confirmation is received from SCSB for blocking of funds;
25. Bids by SCSBs wherein a separate account in its own name held with any other SCSB is not mentioned as the ASBA Account in the Bid cum Application Form/Application Form. Bids not duly signed by the sole/First Bidder;
26. Bids by any persons outside India if not in compliance with applicable foreign and Indian laws;
27. Bids that do not comply with the securities laws of their respective jurisdictions are liable to be rejected;
28. Bids by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority;
29. Bids by persons who are not eligible to acquire Equity Shares of the Company in terms of all applicable laws, rules, regulations, guidelines, and approvals; and
30. Details of ASBA Account not provided in the Bid cum Application form.

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 the Company Secretary and Compliance Officer. For details of the Company Secretary and Compliance Officer, see “*General Information*” beginning on page 61

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 at a uniform rate of ₹ 100/- per day for the entire duration of delay exceeding four 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.

Further, Investors shall be entitled to compensation in the manner specified in the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 read with SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 in case of delays in resolving investor grievances in relation to blocking/unblocking of funds.

Names of entities responsible for finalising the basis of allotment in a fair and proper manner

The authorized employees of the Designated Stock Exchange, along with the BRLM and the Registrar, shall ensure that the Basis of Allotment is finalised in a fair and proper manner in accordance with the procedure specified in SEBI ICDR Regulations.

For details of instructions in relation to the Bid cum Application Form, Bidders may refer to the relevant section the GID.

**BIDDERS SHOULD NOTE THAT IN CASE THE PAN, THE DP ID AND CLIENT ID MENTIONED IN THE BID CUM APPLICATION FORM AND ENTERED INTO THE ELECTRONIC APPLICATION SYSTEM OF THE STOCK EXCHANGES BY THE BIDS COLLECTING INTERMEDIARIES DO NOT MATCH WITH PAN, THE DP ID AND CLIENT ID AVAILABLE IN THE DEPOSITORY DATABASE, THE BID CUM APPLICATION FORM IS LIABLE TO BE REJECTED.**

#### **RIGHT TO REJECT APPLICATIONS**

In case of QIB Bidders, the Company in consultation with the BRLM may reject Applications provided that the reasons for rejecting the same shall be provided to such Bidder in writing. In case of Non-Institutional Bidders, Individual Bidders who applied, the Company has a right to reject Applications based on technical grounds.

#### **BASIS OF ALLOCATION**

- a) The SEBI (ICDR) Regulations specify the allocation or Allotment that may be made to various categories of Bidders in an Offer depending on compliance with the eligibility conditions. Certain details pertaining to the percentage of Offer size available for allocation to each category is disclosed overleaf of the Bid cum Application Form and in the Prospectus. For details in relation to allocation, the Bidder may refer to the Prospectus.
- b) Under-subscription in any category (except QIB Category) is allowed to be met with spill over from any other category or combination of categories at the discretion of the Issuer in consultation with the BRLM and the Designated Stock Exchange and in accordance with the SEBI (ICDR) Regulations, Unsubscribed portion in QIB Category is not available for subscription to other categories.
- c) In case of under subscription in the Offer, spill-over to the extent of such under- subscription may be permitted from the Reserved Portion to the Offer. For allocation in the event of an under-subscription applicable to the Issuer, Bidders may refer to the Prospectus.

#### **ALLOTMENT PROCEDURE AND BASIS OF ALLOTMENT**

The allotment of Equity Shares to Bidders other than Individual Investors may be on proportionate basis. No Individual Investor will be allotted less than the minimum Bid Lot subject to availability of shares in Individual Investor Category and the remaining available shares, if any will be allotted on a proportionate basis. The Issuer is required to receive a minimum subscription of 90% of the Offer. However, in case the Offer is in the nature of Offer for Sale only, then minimum subscription may not be applicable.

#### **BASIS OF ALLOTMENT**

- a. **For Individual Bidders**

Bids received from the Individual Bidders at or above the Offer Price shall be grouped together to determine the total demand under this category. The Allotment to all the successful Individual Bidders will be made at the Offer Price.

The Offer size less Allotment to Non-Institutional and QIB Bidders shall be available for allotment to Individual Bidders who have Bid in the Offer at a price that is equal to or greater than the Offer Price. If the aggregate demand in this category is less than or equal to 20,64,000 Equity Shares at or above the Offer Price, full Allotment shall be made to the Individual Bidders to the extent of their valid Bids.

If the aggregate demand in this category is greater than 20,64,000 Equity Shares at or above the Offer Price, the Allotment shall be made on a proportionate basis up to a minimum of 6000 Equity Shares. For the method of proportionate Basis of Allotment, refer below.

**b. For Non-Institutional Bidders**

Bids received from Non-Institutional Bidders at or above the Offer Price shall be grouped together to determine the total demand under this category. The Allotment to all successful Non- Institutional Bidders will be made at the Offer Price.

The Offer size less Allotment to QIBs and Individual shall be available for allotment to Non- Institutional Bidders who have Bid in the Offer at a price that is equal to or greater than the Offer Price. If the aggregate demand in this category is less than or equal to 8,85,000 Equity Shares at or above the Offer Price, full allotment shall be made to Non-Institutional Bidders to the extent of their demand.

In case the aggregate demand in this category is greater than 8,85,000 Equity Shares at or above the Offer Price, Allotment shall be made on a proportionate basis up to a minimum of 8,85,000 Equity Shares and in multiples of 8,85,000 Equity Shares thereafter. For the method of proportionate Basis of Allotment refer below.

**c. Allotment To Anchor Investor (If Applicable)**

Allocation of Equity Shares to Anchor Investors at the Anchor Investor Allocation Price will be at the discretion of the Issuer, in consultation with the BRLM, subject to compliance with the following requirements:

- i. not more than 60% of the QIB Portion will be allocated to Anchor Investors;
- ii. one-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being done to other Anchor Investors; and
- iii. allocation to Anchor Investors shall be on a discretionary basis and subject to:
  - maximum number of two Anchor Investors for allocation up to ₹ 2 crores; a minimum number of two Anchor Investors and maximum number of 15 Anchor Investors for allocation of more than ₹ 2 crores and up to ₹ 25 crores subject to minimum allotment of ₹ 1 crores per such Anchor Investor; and
  - in case of allocation above twenty-five crore rupees; a minimum of 5 such investors and a maximum of 15 such investors for allocation up to twenty-five crore rupees and an additional 10 such investors for every additional twenty-five crore rupees or part thereof, shall be permitted, subject to a minimum allotment of one crore rupees per such investor.

**d. For QIBs**

Bids received from QIBs Bidding in the QIB Category at or above the Offer Price may be grouped together to determine the total demand under this category. The QIB Category may be available for Allotment to QIBs who have Bid at a price that is equal to or greater than the Offer Price. Allotment may be undertaken in the following manner: Allotment shall be undertaken in the following manner:

- i. In the first instance, allocation to Mutual Funds for 5% of the QIB Portion shall be determined as follows:
  - In the event that Bids by Mutual Fund exceeds 5% of the QIB Portion, allocation to Mutual Funds shall be done on a proportionate basis for 5% of the QIB Portion.
  - In the event that the aggregate demand from Mutual Funds is less than 5% of the QIB Portion then all Mutual Funds shall get full Allotment to the extent of valid Bids received above the



Offer Price.

- Equity Shares remaining unsubscribed, if any, not allocated to Mutual Funds shall be available for Allotment to all QIB Bidders as set out in (b) below;

ii. In the second instance, allotment to all QIBs shall be determined as follows:

- In the event of oversubscription in the QIB Portion, all QIB Bidders who have submitted Bids above the Offer Price shall be allotted Equity Shares on a proportionate basis, up to a minimum of 9000 Equity Shares and in multiples of 3000 Equity Shares thereafter for remaining % of the QIB Portion.
- Mutual Funds, who have received allocation as per (a) above, for less than the number of Equity Shares Bid for by them, are eligible to receive Equity Shares on a proportionate basis, up to a minimum of 9000 Equity Shares and in multiples of 3000 Equity Shares thereafter, along with other QIB Bidders.
- Under-subscription below 5% of the QIB Portion, if any, from Mutual Funds, would be included for allocation to the remaining QIB Bidders on a proportionate basis. The aggregate Allotment to QIB Bidders shall not be more than 29,37,000 Equity Shares.

iii. Basis of Allotment for QIBs and NIIs in case of Over Subscribed Offer:

In the event of the Offer being Over-Subscribed, the Issuer may finalise the Basis of Allotment in consultation with the the Designated Stock Exchange. The allocation may be made in marketable lots on proportionate basis as set forth hereunder:

- a) The total number of Shares to be allocated to each category as a whole shall be arrived at on a proportionate basis i.e. the total number of Shares applied for in that category multiplied by the inverse of the oversubscription ratio (number of Bidders in the category multiplied by number of Shares applied for).
- b) The number of Shares to be allocated to the successful Bidders will be arrived at on a proportionate basis in marketable lots (i.e. Total number of Shares applied for into the inverse of the over subscription ratio).
- c) For Bids where the proportionate allotment works out to less than minimum application size the allotment will be made as follows:
  - Each successful Bidder shall be allotted minimum application size ; and
  - The successful Bidder out of the total bidders for that category shall be determined by draw of lots in such a manner that the total number of Shares allotted in that category is equal to the number of Shares worked out as per (b) above.
- d) If the proportionate allotment to a Bidder works out to a number that is not a multiple of 3000 equity shares, the Bidder would be allotted Shares by rounding off to the nearest multiple of 3000 equity shares subject to a minimum allotment of minimum application size .
- e) If the Shares allotted on a proportionate basis to any category is more than the Shares allotted to the Bidders in that category, the balance available Shares or allocation shall be first adjusted against any category, where the allotted Shares are not sufficient for proportionate allotment to the successful Bidder in that category, the balance shares, if any, remaining after such adjustment will be added to the category comprising Bidder applying for the minimum number of Shares. If as a result of the process of rounding off to the nearest multiple of 3000 Equity Shares, results in the actual allotment being higher than the shares offered, the final allotment may be higher at the sole discretion of the Board of Directors, up to 110% of the size of the Offer specified under the Capital Structure mentioned in this RHP.

**Individual Investor means an investor who applies for minimum bid lot i.e 6000 Equity Shares and value exceeds ₹ 2,00,000/. Investors may note that in case of over subscription, allotment shall be on proportionate basis and will be finalized in consultation with BRLM.**

**The Executive Director / Managing Director of NSE Emerge - the Designated Stock Exchange in addition to Book Running Lead Manager and Registrar to the Public Offer shall be responsible to ensure that the basis of allotment is finalized in a fair and proper manner in accordance with the SEBI (ICDR) Regulations.**

### **Issuance of Allotment Advice**

- 1) Upon approval of the Basis of Allotment by the Designated Stock Exchange.
- 2) On the basis of approved Basis of Allotment, the Issuer shall pass necessary corporate action to facilitate the allotment and credit of equity shares. Bidders are advised to instruct their Depository Participants to accept the Equity Shares that may be allotted to them pursuant to the Offer.

The Book Running Lead Manager or the Registrar to the Offer will dispatch an Allotment Advice to their Bidders who have been allocated Equity Shares in the Offer. The dispatch of Allotment Advice shall be deemed valid, binding and irrevocable contract for the Allotment to such Bidder.

- 3) Issuer will make the allotment of the Equity Shares and initiate corporate action for credit of shares to the successful Bidders Depository Account within 2 working days of the Offer Closing date. The Issuer also ensures that credit of shares to the successful Bidders Depository Account is completed within one working Day from the date of allotment, after the funds are transferred from ASBA Public Offer Account to Public Offer account of the issuer.

### **Designated Date:**

On the Designated date, the SCSBs shall transfer the funds represented by allocations of the Equity Shares into Public Offer Account with the Bankers to the Offer.

The Company will Offer and dispatch letters of allotment/ or letters of regret along with refund order or credit the allotted securities to the respective beneficiary accounts, if any, within a period of 2 working days of the Bid/ Offer Closing Date. The Company will intimate the details of allotment of securities to Depository immediately on allotment of securities under relevant provisions of the Companies Act, 2013 or other applicable provisions, if any.

### **Instructions for Completing the Bid Cum Application Form**

The Applications should be submitted on the prescribed Bid Cum Application Form and in BLOCK LETTERS in ENGLISH only in accordance with the instructions contained herein and in the Bid Cum Application Form. Applications not so made are liable to be rejected. Applications made using a third-party bank account or using third party UPI ID linked bank account are liable to be rejected. Bid Cum Application Forms should bear the stamp of the Designated Intermediaries. ASBA Bid Cum Application Forms, which do not bear the stamp of the Designated Intermediaries, will be rejected.

SEBI, vide Circular No.CIR/CFD/14/2012 dated October 04, 2012 has introduced an additional mechanism for investors to submit Bid Cum Application Forms in public issues using the stock broker (broker) network of Stock Exchanges, who may not be syndicate members in an Offer with effect from January 01, 2013. The list of Broker Centre is available on the website of NSE i.e. [www.nseindia.com](http://www.nseindia.com); With a view to broad base the reach of Investors by substantial, enhancing the points for submission of applications, SEBI vide Circular No. CIR/CFD/POLICY CELL/11/2015 dated November 10, 2015 has permitted Registrar to the Offer and Share Transfer Agent and Depository Participants registered with SEBI to accept the Bid Cum Application Forms in Public Offer with effect from January 01, 2016. The List of RTA and DPs centres for collecting the application shall be disclosed is available on the website of NSE i.e.; [www.nseindia.com](http://www.nseindia.com)

### **Bidder's Depository Account and Bank Details**

Please note that, providing bank account details, PAN No's, Client ID and DP ID in the space provided in the Bid Cum Application Form is mandatory and applications that do not contain such details are liable to be rejected.

Bidders should note that on the basis of name of the Bidders, Depository Participant's name, Depository Participant Identification number and Beneficiary Account Number provided by them in the Bid Cum Application Form as entered into the Stock Exchange online system, the Registrar to the Offer will obtain from the Depository, the demographic details including address, Bidders bank account details, MICR code and occupation (hereinafter referred to as 'Demographic Details'). These Demographic Details would be used for all correspondence with the Bidders including mailing of the Allotment Advice. The Demographic Details given by Bidders in the Bid Cum Application Form would not be used for any other purpose by the Registrar to the Offer.

By signing the Bid Cum Application Form, the Bidder would be deemed to have authorized the depositories to provide, upon request, to the Registrar to the Offer, the required Demographic Details as available on its records.

### **Submission of Bid Cum Application Form**

All Bid Cum Application Forms duly completed shall be submitted to the Designated Intermediaries. The aforesaid intermediaries shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the Bid Cum Application Form, in physical or electronic mode, respectively.

#### **Disposal of Application and Application Moneys and Interest in Case of Delay**

The Company shall ensure the dispatch of Allotment advice and give benefit to the beneficiary account with Depository Participants and submit the documents pertaining to the Allotment to the Stock Exchange within 2 (two) working days of date of Allotment of Equity Shares.

The Company shall use best efforts to ensure that all steps for completion of the necessary formalities for listing and commencement of trading at NSE Emerge where the Equity Shares are proposed to be listed are taken within 3 (three) working days from Offer Closing Date.

In accordance with the Companies Act, the requirements of the Stock Exchange and the SEBI Regulations, the Company further undertakes that

1. Allotment and Listing of Equity Shares shall be made within 3 (Three) days of the Offer Closing Date;
2. Giving of Instructions for refund by unblocking of amount via ASBA not later than 2 (Two) working days of the Offer Closing Date, would be ensured; and
3. If such money is not repaid within prescribed time from the date our Company becomes liable to repay it, then our Company and every officer in default shall, on and from expiry of prescribed time, be liable to repay such application money, with interest as prescribed under SEBI (ICDR) Regulations, the Companies Act, 2013 and applicable law. Further, in accordance with Section 40 of the Companies Act, 2013, the Company and each officer in default may be punishable with fine and/or imprisonment in such a case.

#### **Basis Of Allotment In The Event Of Under Subscription**

In the event of under subscription in the Offer, the obligations of the Underwriter shall get triggered in terms of the Underwriting Agreement. The Minimum subscription of 100.00% of the Offer size shall be achieved before our company proceeds to get the basis of allotment approved by the Designated Stock Exchange. The Executive Director/Managing Director of the NSE Emerge- the Designated Stock Exchange in addition to Book Running Lead Manager and Registrar to the Offer shall be responsible to ensure that the basis of allotment is finalized in a fair and proper manner in accordance with the SEBI (ICDR) Regulations, 2018.

#### **Equity Shares in Dematerialised Form with NSDL/CDSL**

To enable all shareholders of the Company to have their shareholding in electronic form, the Company is in process of entering following tripartite agreements with the Depositories and the Registrar and Share Transfer Agent:

- a) We have entered into a tripartite agreement between NSDL, the Company and the Registrar to the Offer on August 19, 2024
- b) We have entered into a tripartite agreement between CDSL, the Company and the Registrar to the Offer on July 31, 2024.
- c) The Company's Equity shares bear an ISIN No. INE104101014.

An Applicant applying for Equity Shares must have at least one beneficiary account with either of the Depository Participants of either NSDL or CDSL prior to making the Application.

- The Applicant must necessarily fill in the details (including the Beneficiary Account Number and Depository Participant's identification number) appearing in the Application Form or Revision Form.
- Allotment to a successful Applicant will be credited in electronic form directly to the beneficiary account (with the Depository Participant) of the Applicant.
- Names in the Application Form or Revision Form should be identical to those appearing in the account details in the Depository. In case of joint holders, the names should necessarily be in the same sequence as they appear in the account details in the Depository.
- If incomplete or incorrect details are given under the heading 'Applicants Depository Account Details' in the Application Form or Revision Form, it is liable to be rejected.

- The Applicant is responsible for the correctness of his or her Demographic Details given in the Application Form vis à vis those with his or her Depository Participant.
- Equity Shares in electronic form can be traded only on the stock exchanges having electronic connectivity with NSDL and CDSL. The Stock Exchange where our Equity Shares are proposed to be listed has electronic connectivity with CDSL and NSDL.
- The allotment and trading of the Equity Shares of the Company would be in dematerialized form only for all investors.

#### **PRE-OFFER ADVERTISEMENT**

Subject to Section 30 of the Companies Act, 2013, our Company shall, after filing this Prospectus with the RoC, publish a Pre-Offer advertisement, in the form prescribed by the SEBI ICDR Regulations, in: a widely circulated English national daily newspaper, a widely circulated Hindi national daily newspaper, a widely circulated Regional language daily newspaper, Bengali being the regional language of Kolkata, where our Registered Office is located.

In the Pre-Offer advertisement, we shall state the Bid/Offer Opening Date and the Bid/Offer Closing Date. The advertisement, subject to the provisions of Section 30 of the Companies Act, 2013, shall be in the format prescribed in Part A of Schedule X of the SEBI ICDR Regulations.

#### **SIGNING OF THE UNDERWRITING AGREEMENT AND THE ROC FILING**

- a) Our Company and the Underwriter intend to enter into an Underwriting Agreement on or immediately after the finalization of the Offer Price but prior to the filing of Prospectus.
- b) After signing the Underwriting Agreement, an updated Prospectus will be filed with the RoC in accordance with applicable law.

#### **Flow of Events from the closure of Bidding period (T DAY) Till Allotment:**

- On T Day, RTA To validate the electronic bid details with the depository records and also reconcile the final certificates received from the Sponsor Bank for UPI process and the SCSBs for ASBA and Syndicate ASBA process with the electronic bid details.
- RTA identifies cases with mismatch of account number as per bid file / FC and as per applicant's bank account linked to depository demat account and seek clarification from SCSB to identify the applications with third party account for rejection.
- Third party confirmation of applications to be completed by SCSBs on T+1 day.
- RTA prepares the list of final rejections and circulate the rejections list with BRLM(s)/ Company for their review/ comments.
- Post rejection, the RTA submits the basis of allotment with the Designated Stock Exchange (DSE).
- The DSE, post verification approves the basis and generates drawl of lots wherever applicable, through a random number generation software.
- The RTA uploads the drawl numbers in their system and generates the final list of allottees as per process mentioned below:

#### **Process for generating list of allottees: -**

- Instruction is given by RTA in their Software System to reverse category wise all the application numbers in the ascending order and generate the bucket /batch as per the allotment ratio. For example, if the application number is 78654321 then system reverses it to 12345687 and if the ratio of allottees to applicants in a category is 2:7 then the system will create lots of 7. If the drawl of lots provided by DSE is 3 and 5 then the system will pick every 3rd and 5th application in each of the lot of the category and these applications will be allotted the shares in that category.
- In categories where there is proportionate allotment, the Registrar will prepare the proportionate working based on the oversubscription times.
- In categories where there is undersubscription, the Registrar will do full allotment for all valid applications.

On the basis of the above, the RTA will work out the allottees, partial allottees and non- allottees, prepare the fund transfer letters and advice the SCSBs to debit or unblock the respective accounts.

#### **IMPERSONATION**

Attention of the applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, which is reproduced below:

*“Any person who:*

- a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or*
- b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or*
- c) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under Section 447.”*

The liability prescribed under Section 447 of the Companies Act, 2013 - any person who is found to be guilty of fraud involving an amount of at least ten lakh rupees or one per cent. of the turnover of the company, whichever is lower shall be punishable with imprisonment for a term which shall not be less than six months but which may extend to ten years (provided that where the fraud involves public interest, such term shall not be less than three years) and shall also be liable to fine which shall not be less than the amount involved in the fraud, but which may extend to three times the amount involved in the fraud.

Provided further that where the fraud involves an amount less than ten lakh rupees or one per cent. of the turnover of the company, whichever is lower, and does not involve public interest, any person guilty of such fraud shall be punishable with imprisonment for a term which may extend to five years or with fine which may extend to fifty lakh rupees or with both.

#### **UNDERTAKINGS BY OUR COMPANY**

We undertake as follows:

1. That the complaints received in respect of the Issue shall be attended expeditiously and satisfactorily;
2. That all steps will be taken for the completion of the necessary formalities for listing and commencement of trading on Stock Exchange where the Equity Shares are proposed to be listed within three working days from Issue Closure date.
3. That the funds required for making refunds as per the modes disclosed or dispatch of allotment advice by registered post or speed post shall be made available to the Registrar and Share Transfer Agent to the Issue by our Company;
4. Where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within two Working Days from the Issue Closing Date, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;
5. That our Promoter's contribution in full has already been brought in;
6. That no further Issue of Equity Shares shall be made till the Equity Shares Issued through the Prospectus are listed or until the Application monies are refunded on account of non-listing, under subscription etc.;
7. That adequate arrangement shall be made to collect all Applications Supported by Blocked Amount while finalizing the Basis of Allotment;
8. If our Company does not proceed with the Issue after the Bid/Issue Opening Date but before allotment, then the reason thereof shall be given as a public notice to be issued by our Company within two days of the Bid/Issue Closing Date. The public notice shall be issued in the same newspapers where the Pre-Issue advertisements were published. The stock exchange on which the Equity Shares are proposed to be listed shall also be informed promptly;
9. If our Company withdraws the Issue after the Bid/Issue Closing Date, our Company shall be required to file a fresh Prospectus with the Stock exchange / RoC / SEBI, in the event our Company subsequently decides to proceed with the Issue;
10. If allotment is not made within the prescribed time period under applicable law, the entire subscription amount received will be refunded / unblocked within the time prescribed under applicable law. If there is delay beyond the prescribed time, our Company shall pay interest prescribed under the Companies Act, 2013, the SEBI Regulations and applicable law for the delayed period.

#### **UTILIZATION OF OFFER PROCEEDS**

Our Board certifies that:

- all monies received out of the Fresh 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, 2013;
- details of all monies utilized out of the Fresh Offer shall be disclosed, and continue to be disclosed till the time any part of the Offer proceeds remains unutilized, under an appropriate head in the balance sheet of our Company indicating the purpose for which such monies have been utilized;
- details of all unutilized monies out of the Fresh Issue, if any shall be disclosed under an appropriate separate head in the balance sheet indicating the form in which such unutilized monies have been invested.
- Our Company shall comply with the requirements of SEBI Listing Regulations, 2015 in relation to the disclosure and monitoring of the utilization of the proceeds of the Issue.
- Our Company shall not have recourse to the Issue Proceeds until the approval for listing and trading of the Equity Shares from the Stock Exchange where listing is sought has been received.
- The Book Running Lead Manager undertakes that the complaints or comments received in respect of the Issue shall be attended by our Company expeditiously and satisfactorily.

## **COMMUNICATIONS**

All future communications in connection with Applications made in this Issue should be addressed to the Registrar to the Issue quoting the full name of the sole or First Applicant, Application Form number, Applicants Depository Account Details, number of Equity Shares applied for, date of Application form, name and address of the Banker to the Issue where the Application was submitted and a copy of the acknowledgement slip.

## SECTION X-MAIN PROVISIONS OF THE ARTICLE OF ASSOCIATION

***SUBJECT TO SPECIAL RESOLUTION PASSED AT THE EXTRA ORDINARY GENERAL MEETING  
HELD ON FRIDAY, THE 7<sup>TH</sup> DAY OF JUNE, 2024***

### SCHEDULE I OF THE COMPANIES ACT, 2013

#### TABLE - F

#### COMPANY LIMITED BY SHARES

#### ARTICLES OF ASSOCIATION

#### OF

#### N R VANDANA TEX INDUSTRIES LIMITED

### 1. INTERPRETATION

#### A. DEFINITIONS

*Unless the context otherwise requires, words or expressions contained in these Articles shall bear the same meaning as in the Act or any statutory modifications thereof in force at the date at which the Articles become binding on the Company. 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 for use.*

- a. “**Act**” means the Companies Act, 2013 (to the extent that such enactment is in force and applicable to the context in which such term is used herein), and all rules and clarifications issued thereunder or the Companies Act, 1956 and the rules issued thereunder (to the extent that such enactment is in force and applicable to the context in which such term is used herein), and shall include all amendments, modifications and re-enactments of the foregoing. Reference to Act shall also include the Secretarial Standards issued by the Institute of Company Secretaries of India constituted under the Company Secretaries Act, 1980.
- b. “**Annual General Meeting**” shall mean a General Meeting of the holders of Equity Shares held in accordance with the applicable provisions of the Act.
- c. “**Articles**” shall mean these articles of association as adopted or as from time to time altered in accordance with the provisions of these Articles and the Act.
- d. “**Auditors**” shall mean and include those persons appointed as such for the time being by the Company.
- e. “**Board**” shall mean the board of directors of the Company, as constituted from time to time, in accordance with law and the provisions of these Articles.
- f. “**Board Meeting**” shall mean any meeting of the Board, as convened from time to time and any adjournment thereof, in accordance with law and the provisions of these Articles.
- g. “**Beneficial Owner**” shall mean beneficial owner as defined in Clause (a) of subsection (1) of section 2 of the Depositories Act.
- h. “**Capital**” or “**Share Capital**” shall mean the share capital for the time being, raised or authorised to be raised for the purpose of the Company.

- i. **“Chairman”** shall mean such person as is nominated or appointed in accordance with Article 37 herein below.
- j. **“Companies Act, 1956”** shall mean the Companies Act, 1956 (Act I of 1956), as maybe inforce for the time being.
- k. **“Company”** or **“this Company”** shall mean N R VANDANA TEX INDUSTRIES LIMITED.
- l. **“Committees”** shall mean a committee constituted in accordance with Article 74.
- m. **“Debenture”** shall have the meaning assigned to it under the Act.
- n. **“Depositories Act”** shall mean The Depositories Act, 1996 and shall include any statutory modification or re-enactment thereof.
- o. **“Depository”** shall mean a depository as defined in Clause (e) of sub-section (1) of section 2 of the Depositories Act.
- p. **“Director”** shall mean any director of the Company, including alternate directors, independent directors and nominee directors appointed in accordance with law and the provisions of these Articles.
- q. **“Dividend”** shall include interim dividends and final dividends paid to the Shareholders.
- r. **“Equity Share Capital”** shall mean the total issued and paid-up equity share capital of the Company.
- s. **“Equity Shares”** shall mean fully paid-up equity shares of the Company having a par value of INR 10/- (Rupee **Ten**) per equity share.
- t. **“Extraordinary General Meeting”** shall mean an extraordinary general meeting of the holders of Equity Shares duly called and constituted in accordance with the provisions of the Act;
- u. **“Financial Year”** shall mean any fiscal year of the Company, beginning on April 1 of each calendar year and ending on March 31 of the following calendar year.
- v. **“Fully Diluted Basis”** shall mean, in reference to any calculation, that the calculation should be made in relation to the equity share capital of any Person, assuming that all outstanding convertible preference shares or debentures, options, warrants and other equity securities convertible into or exercisable or exchangeable for equity shares of that Person (whether or not by their terms then currently convertible, exercisable or exchangeable), have been so converted, exercised or exchanged to the maximum number of equity shares possible under the terms thereof.
- w. **“Independent Director”** shall mean an independent director as defined under the Act and under the SEBI Listing Regulations.
- x. **“Law”** 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, including the Securities and Exchange Board of India (Prohibition of Insider Trading Regulations), 2015, (ii) governmental approvals or other governmental restriction or any similar form of decision of, or determination by, or any interpretation or adjudication having the force of law of any of the foregoing, by any governmental authority having jurisdiction over the matter in question, (iii) orders, decisions, injunctions, judgments, awards and decrees of or agreements with any governmental authority or other governmental restriction or any similar form of decision of, or determination by, or any interpretation or adjudication having the force of law of any



of the foregoing by any governmental authority having jurisdiction over the matter in question, (iv) rules, policy, regulations or requirements of any stock exchanges, (v) international treaties, conventions and protocols, and (vi) Indian GAAP or any other generally accepted accounting principles.

- y. **“Managing Director”** shall have the meaning assigned to it under the Act.
- z. **“MCA”** shall mean the Ministry of Corporate Affairs, Government of India.
- aa. **“Memorandum”** shall mean the memorandum of association of the Company, as amended from time to time.
- bb. **“Office”** shall mean the registered office for the time being of the Company.
- cc. **“Officer”** shall have the meaning assigned thereto by Section 2(59) of the Act.
- dd. **“Ordinary Resolution”** shall have the meaning assigned thereto by Section 114 of the Act.
- ee. **“Paid up”** shall include the amount credited as paid up.
- ff. **“Person”** shall mean any natural person, sole proprietorship, partnership, company, body corporate, governmental authority, joint venture, trust, association or other entity (whether registered or not and whether or not having separate legal personality).
- gg. **“Promoters”** shall mean persons identified in accordance with the definition ascribed to such term in the Companies Act, 2013 and the regulations prescribed by SEBI.
- hh. **“Register of Members”** shall mean the register of shareholders to be kept pursuant to Section 88 of the Act.
- ii. **“Registrar”** shall mean the Registrar of Companies, from time to time having jurisdiction over the Company.
- jj. **“Rules”** shall mean the rules made under the Act and notified from time to time.
- kk. **“Seal”** shall mean the common seal(s) for the time being of the Company.
- ll. **“SEBI”** shall mean the Securities and Exchange Board of India, constituted under the Securities and Exchange Board of India Act, 1992.
- mm. **“SEBI Listing Regulations”** shall mean Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time.
- nn. **“Secretary”** shall mean a company secretary as defined in clause (c) of sub-section (1) of section 2 of the Company Secretaries Act, 1980 who is appointed by a company to perform the functions of a company secretary under the Act.
- oo. **“Securities”** shall mean any Equity Shares and/or any other securities, debentures, warrants or options whether or not, directly or indirectly convertible into, or exercisable or exchangeable into or for Equity Shares.
- pp. **“Share Equivalents”** shall mean any Debentures, preference shares, foreign currency convertible bonds, floating rate notes, options (including options to be approved by the Board (whether or not issued) pursuant to an employee stock option plan) or warrants or other Securities or rights which are by their terms convertible or exchangeable into Equity Shares.
- qq. **“Shareholder”** shall mean any shareholder of the Company, from time to time.
- rr. **“Shareholders’ Meeting”** shall mean any meeting of the Shareholders of the Company,

including Annual General Meetings as well as Extraordinary General Meetings of the Shareholders of the Company, convened from time to time in accordance with Law and the provisions of these Articles.

ss. **“Special Resolution”** shall have the meaning assigned to it under Section 114 of the Act.

tt. **“Transfer”** shall mean (i) any, direct or indirect, transfer or other disposition of any shares, securities (including convertible securities), or voting interests or any interest therein, including, without limitation, by operation of Law, by court order, by judicial process, or by foreclosure, levy or attachment; (ii) any, direct or indirect, sale, assignment, gift, donation, redemption, conversion or other disposition of such shares, securities (including convertible securities) or voting interests or any interest therein, pursuant to an agreement, arrangement, instrument or understanding by which legal title to or beneficial ownership of such shares, securities (including convertible securities) or voting interests or any interest therein passes from one Person to another Person or to the same Person in a different legal capacity, whether or not for value; (iii) the granting of any security interest or encumbrance in, or extending or attaching to, such shares, securities (including convertible securities) or voting interests or any interest therein, and the word **“Transferred”** shall be construed accordingly.

## B. CONSTRUCTION

In these Articles (unless the context requires otherwise):

- (i) References to a party shall, where the context permits, include such party’s respective successors, legal heirs and permitted assigns.
- (ii) The descriptive headings of Articles are inserted solely for convenience of reference and are not intended as complete or accurate descriptions of content thereof and shall not be used to interpret the provisions of these Articles and shall not affect the construction of these Articles.
- (iii) References to articles and sub-articles are references to Articles and sub-articles of and to these Articles unless otherwise stated and references to these Articles include references to the articles and sub-articles herein.
- (iv) Words importing the singular include the plural and vice versa, pronouns importing a gender include each of the masculine, feminine and neuter genders, and where a word or phrase is defined, other parts of speech and grammatical forms of that word or phrase shall have the corresponding meanings.
- (v) Wherever the words “include,” “includes,” or “including” is used in these Articles, such word shall be deemed to be followed by the words “without limitation”.
- (vi) The terms “hereof”, “herein”, “hereto”, “hereunder” or similar expressions used in these Articles mean and refer to these Articles and not to any Article of these Articles, unless expressly stated otherwise.
- (vii) Unless otherwise specified, time periods within or following which any payment is to be made or act is to be done shall be calculated by excluding the day on which the period commences and including the day on which the period ends and by extending the period to the next Business Day following if the last day of such period is not a Business Day; and whenever any payment is to be made or action to be taken under these Articles is required to be made or taken on a day other than a Business Day, such payment shall be made or action taken on the next Business Day following.
- (viii) A reference to a party being liable to another party, or to liability, includes, but is not limited to, any liability in equity, contract or tort (including negligence).
- (ix) Reference to statutory provisions shall be construed as meaning and including references also to any amendment or re-enactment for the time being in force and to all statutory instruments or orders

made pursuant to such statutory provisions.

- (x) References made to any provision of the Act shall be construed as meaning and including the references to the rules and regulations made in relation to the same by the MCA. The applicable provisions of the Companies Act, 1956 shall cease to have effect from the date on which the corresponding provisions under the Companies Act, 2013 have been notified.
- (xi) In the event any of the provisions of the Articles are contrary to the provisions of the Act and the Rules, the provisions of the Act and Rules will prevail.

## **2. EXPRESSIONS IN THE ACT AND THESE ARTICLES**

Save as aforesaid, any words or expressions defined in the Act or the Depositories Act or the SEBI Listing Regulations, shall, as the case may be, if not inconsistent with the subject or context, bear the same meaning in these Articles.

## **3. SHARE CAPITAL**

- i. The authorised Share Capital of the Company shall be as stated under Clause V of the Memorandum of Association of the Company from time to time.
- ii. The Company has power, from time to time, to increase its authorised or issued and Paid-up Share Capital in accordance with the Act, applicable Law and these Articles.
- iii. The Share Capital of the Company may be classified into shares with differential rights as to dividend, voting or otherwise in accordance with the applicable provisions of the Act, Rules, and Law, from time to time.
- iv. Subject to Article 3(iii), all Equity Shares shall be of the same class and shall be alike in all respects and the holders thereof shall be entitled to identical rights and privileges including without limitation to identical rights and privileges with respect to dividends, voting rights, and distribution of assets in the event of voluntary or involuntary liquidation, dissolution or winding up of the Company.
- v. The Board may allot and issue shares of the Company as payment or part payment for any property purchased by the Company or in respect of goods sold or transferred or machinery or appliances supplied or for services rendered to the Company in or about the formation of the Company or the acquisition and/or in the conduct of its business or for any goodwill provided to the Company; and any shares which may be so allotted may be issued as fully/partly Paid up shares and if so issued shall be deemed as fully/partly Paid up shares. However, the aforesaid shall be subject to the approval of shareholders under the relevant provisions of the Act and Rules.
- vi. The amount payable on application on each share shall not be less than 5 per cent of the nominal value of the share or, as may be specified by SEBI.
- vii. Nothing herein contained shall prevent the Directors from issuing fully Paid up shares either on payment of the entire nominal value thereof in cash or in satisfaction of any outstanding debt or obligation of the Company.
- viii. Except so far as otherwise provided by the conditions of issue or by these presents, any Capital raised by the creation of new shares, shall be considered as part of the existing Capital and shall be subject to the provisions herein contained with reference to the payment of calls and installments, forfeiture, lien, surrender, transfer and transmission, voting and otherwise.
- ix. All of the provisions of these Articles shall apply to the Shareholders.
- x. Any application signed by or on behalf of an applicant for shares in the Company, followed by an allotment of any shares therein, shall be an acceptance of shares within the meaning of these Articles and every person who thus or otherwise accepts any shares and whose name is on the Register of Members shall for the purposes of these Articles be a Shareholder.

- xi. The money, (if any), which the Board shall, on the allotment of any shares being made by them, require or direct to be paid by way of deposit, call or otherwise, in respect of any shares allotted by them, shall immediately on the insertion 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.

#### **4. ALTERATION OF SHARE CAPITAL**

Subject to these Articles and Section 61 of the Act, the Company may, by Ordinary Resolution in Shareholders Meeting from time to time, alter the conditions of its Memorandum as follows, that is to say, it may:

- a) increase its Share Capital by such amount as it thinks expedient;
- b) consolidate and divide all or any of its Share Capital into shares of larger or smaller amount than its existing shares;
- c) Provided that no consolidation and division which results in changes in the voting percentage of Shareholders shall take effect unless it is approved by the Tribunal on an application made in the prescribed manner;
- d) convert all or any of its fully Paid up shares into stock and reconvert that stock into fully Paid up shares of any denomination;
- e) 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; and
- f) 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 these Articles shall not be deemed to be a reduction of Share Capital within the meaning of the Act.

#### **5. REDUCTION OF SHARE CAPITAL**

The Company may, subject to the applicable provisions of the Act, from time to time, reduce its Capital, any capital redemption reserve account and the securities premium account in any manner for the time being authorized by Law. This Article is not to derogate any power the Company would have under Law, if it were omitted.

#### **6. POWER OF COMPANY TO PURCHASE ITS OWN SECURITIES**

Pursuant to a resolution of the Board or a Special Resolution of the Shareholders, as required under the Act, the Company may purchase its own shares or other Securities, as may be specified by the Act read with the Rules made thereunder from time to time, and as may be prescribed by the MCA or the SEBI, 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 Law.

#### **7. POWER TO MODIFY RIGHTS**

Where, the Capital, is divided (unless otherwise provided by the terms of issue of the shares of that class) 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 and the Law, and whether or not the Company is being wound up, be modified, commuted, affected or abrogated or dealt with by agreement between the Company and any Person purporting to contract on behalf of that class, provided the same is effected with consent in writing and by way of a Special Resolution passed at a separate meeting of the holders of the issued shares of that class. Subject to provisions of the Act and applicable Law, all provisions hereafter contained as to Shareholders' Meetings (including the provisions relating to quorum at such meetings) shall mutatis mutandis apply to every such meeting.

#### **8. BRANCH OFFICES**

The Company shall have the power to establish one or more branch offices, in addition to the Office, in

such places at its Board may deem fit.

**9. REGISTERS TO BE MAINTAINED BY THE COMPANY**

- a) The Company shall, in terms of the provisions of Section 88 of the Act and the provisions of the Depositories Act, cause to be kept the following registers in terms of the applicable provisions of the Act
- b) A Register of Members indicating separately for each class of Equity Shares held by each Shareholder residing in or outside India;
- c) A register of Debenture holders; and
- d) A register of any other security holders.
- e) The Company shall also be entitled to 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.
- f) The registers mentioned in this Article shall be kept and maintained in the manner prescribed under the Companies (Management and Administration) Rules, 2014.

**10. SHARES AND SHARE CERTIFICATES**

- a) The Company shall issue, re-issue and issue duplicate share certificates in accordance with the provisions of the Act and in the form and manner prescribed under the Companies (Share Capital and Debentures) Rules, 2014.
- b) A duplicate certificate of shares may be issued, if such certificate:
  - i. is proved to have been lost or destroyed; or
  - ii. has been defaced, mutilated or torn and is surrendered to the Company.
- c) The Company shall be entitled to dematerialize its existing shares, rematerialize its shares held in the depository and/or to offer its fresh shares in a dematerialized form pursuant to the Depositories Act, and the rules framed thereunder, if any.
- d) A certificate, issued under the common seal of the Company, specifying the shares held by any Person shall be prima facie evidence of the title of the Person to such shares. Where the shares are held in depository form, the record of Depository shall be the prima facie evidence of the interest of the beneficial owner.
- e) If any certificate be worn out, defaced, mutilated or torn or if there be no further space on the back thereof for endorsement of transfer, then upon production and surrender thereof to the Company, a new certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the Company and on execution of such indemnity as the Company deems adequate, being given, a new certificate in lieu thereof shall be given to the party entitled to such lost or destroyed certificate, within a period of 30 days from the receipt of such lodgement. Every certificate under the Articles shall be issued without payment of fees if the Directors so decide, or on payment of such fees (not exceeding Rupees two for each certificate) as the Directors shall prescribe. Provided that, no fee shall be charged for issue of a new certificate in replacement of those which are old, defaced or worn out or where there is no further space on the back thereof for endorsement of transfer.

Provided that notwithstanding what is stated above, the Directors shall comply with the applicable provisions of the Act and Law.

- f) The provisions of this Article shall mutatis mutandis apply to Debentures and other Securities of the Company.
- g) When a new share certificate has been issued in pursuance of sub-article (e) of this Article, it shall be in the form and manner stated under the Companies (Share Capital and Debentures) Rules, 2014.

- h) Where a new share certificate has been issued in pursuance of sub-articles (e) or (f) of this Article, particulars of every such share certificate shall be entered in a Register of Renewed and Duplicate Certificates maintained in the form and manner specified under the Companies (Share Capital and Debentures) Rules, 2014.
- i) All blank forms to be used for issue of share certificates shall be printed and the printing shall be done only on the authority of a Resolution of the Board. The blank forms shall be consecutively machine-numbered and the forms and the blocks, engravings, facsimiles and hues relating to the printing of such forms shall be kept in the custody of the Secretary or of such other person as the Board may authorize for the purpose and the Secretary or the other person aforesaid shall be responsible for rendering an account of these forms to the Board.
- j) The Secretary shall be responsible for the maintenance, preservation and safe custody of all books and documents relating to the issue of share certificates including the blank forms of the share certificate referred to in sub-article (h) of this Article.
- k) All books referred to in sub-article (i) of this Article, shall be preserved in the manner specified in the Companies (Share Capital and Debentures) Rules, 2014.
- l) The details in relation to any renewal or duplicate share certificates shall be entered into the register of renewed and duplicate share certificates, as prescribed under the Companies (Share Capital and Debentures) Rules, 2014.
- m) If any Share stands in the names of 2 (two) or more Persons, the Person first named in the Register of Members shall as regards receipt of Dividends or bonus, or service of notices and all or any other matters connected with the Company except voting at meetings and the transfer of shares, be deemed the sole holder thereof, but the joint holders of a share shall be severally as well as jointly liable for the payment of all installments and calls due in respect of such shares, and for all incidents thereof according to these Articles.
- n) Except as ordered by a court of competent jurisdiction or as may be required by Law, the Company shall be entitled to treat the Shareholder whose name appears on the Register of Members as the holder of such share or whose name appears as the beneficial owner of shares in the records of the Depository, as the absolute owner thereof and accordingly shall not be bound to recognise any benami, trust or equity or equitable, contingent or other claim to or interest in such share on the part of any other Person whether or not such Shareholder shall have express or implied notice thereof. The Board shall be entitled at their sole discretion to register any shares in the joint names of any 2 (two) or more Persons or the survivor or survivors of them.

## **11. UNDERWRITING AND BROKERAGE**

- (a) Subject to the applicable provisions of the Act, the Company may at any time pay a commission to any Person in consideration of his subscribing or agreeing to subscribe or procuring or agreeing to procure subscription, (whether absolutely or conditionally), for any shares or Debentures in the Company in accordance with the provisions of the Companies (Prospectus and Allotment of Securities) Rules, 2014.
- (b) The Company may also, on any issue of shares or Debentures, pay such brokerage as may be lawful.
- (c) The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in the one way and partly in the other.

## **12. CALLS**

- (a) Subject to the provisions of Section 49 of the Act, the Board may, from time to time, subject to the terms on which any shares may have been issued and subject to the conditions of allotment, by a resolution passed at a meeting of the Board, (and not by circular resolution), make such call as it thinks fit upon the Shareholders in respect of all money unpaid on the shares held by them respectively and each Shareholder shall pay the amount of every call so made on him to the Person or Persons and Shareholders and at the times and places appointed by the Board. A call may be made

payable by installments. Provided that the Board shall not give the option or right to call on shares to any Person except with the sanction of the Company in the Shareholders' Meeting.

- (b) 30 (thirty) days' notice in writing at the least of every call (otherwise than on allotment) shall be given by the Company specifying the time and place of payment and if payable to any Person other than the Company, the name of the person to whom the call shall be paid, provided that before the time for payment of such call, the Board may by notice in writing to the Shareholders revoke the same.
- (c) The Board may, when making a call by resolution, determine the date on which such call shall be deemed to have been made, not being earlier than the date of resolution making such call and thereupon the call shall be deemed to have been made on the date so determined and if no date is determined, the call shall be deemed to have been made at the time when the resolution of the Board authorising such call was passed and may be made payable by the Shareholders 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. A call may be revoked or postponed at the discretion of the Board.
- (d) The joint holder of a share shall be jointly and severally liable to pay all instalments and calls due in respect thereof.
- (e) The Board may, from time to time at its discretion, extend the time fixed for the payment of any call and may extend such time as to all or any of the Shareholders who, from residence at a distance or other cause the Board may deem fairly entitled to such extension; but no Shareholders shall be entitled to such extensions save as a matter of grace and favour.
- (f) If any Shareholder or allottee fails to pay the whole or any part of any call or installment, due from him on the day appointed for payment thereof, or any such extension thereof as aforesaid, he shall be liable to pay interest on the same from the day appointed for the payment thereof to the time of actual payment at such rate as shall from time to time be fixed by the Board but nothing in this Article shall render it obligatory for the Board to demand or recover any interest from any such Shareholder.
- (g) Any sum, which by the terms of issue of a share or otherwise, becomes payable on allotment or at any fixed date or by installments at a fixed time whether on account of the nominal value of the share or by way of premium shall for the purposes of these Articles be deemed to be a call duly made and payable on the date on which by the terms of issue or otherwise the same became payable, and 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.
- (h) On the trial or hearing of any action or suit brought by the Company against any Shareholder or his legal representatives for the recovery of any money claimed to be due to the Company in respect of his shares, it shall be sufficient to prove that the name of the Shareholder in respect of whose shares the money is sought to be recovered appears entered on the Register of Members as the holder, or one of the holders at or subsequent to the date at which the money sought to be recovered is alleged to have become due on the shares; that the resolution making the call is duly recorded in the minute book, and that notice of such call was duly given to the Shareholder or his representatives so sued in pursuance of these Articles; and it shall not be necessary to prove the appointment of the Directors who made such call nor that a quorum of Directors was present at the Board at which any call was made, nor that the meeting at which any call was made was duly convened or constituted nor any other matters whatsoever; but the proof of the matters aforesaid shall be conclusive evidence of the debt.
- (i) Neither a judgment nor a decree in favour of the Company for calls or other money due in respect of any share nor any part payment or satisfaction thereunder, nor the receipt by the Company of a portion of any money which shall from time to time be due from any Shareholder 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 the payment of any such money shall preclude the Company from thereafter proceeding to enforce a forfeiture of such shares as hereinafter provided.
- (j) The Board may, if it thinks fit (subject to the provisions of Section 50 of the Act) agree to and receive

from any Shareholder willing to advance the same, the whole or any part of the money due upon the shares held by him beyond the sums actually called up, and upon the amount so paid or satisfied in advance or so much thereof as 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 in respect of which such advance has been made, the Company may pay interest, as the Shareholder paying such sum in advance and the Board agree upon, provided that the money paid in advance of calls shall not confer a right to participate in profits or dividend. The Directors may at any time repay the amount so advanced.

- (k) No Shareholder shall be entitled to voting rights in respect of the money (ies) so paid by him until the same would but for such payment, become presently payable.
- (l) The provisions of these Articles shall mutatis mutandis apply to the calls on Debentures of the Company.

### **13. COMPANY'S LIEN:**

#### **i. On shares:**

- (a) The Company shall have a first and paramount lien:
- (b) on every share (not being a fully paid share), for all money (whether presently payable or not) called, or payable at a fixed time, in respect of that share;

Provided that the Board may, at any time, declare any shares wholly or in part to be exempt from the provisions of this Article.

- (c) Company's lien, if any, on such partly paid shares, shall extend to all Dividends payable and bonuses declared from time to time in respect of such shares.
- (d) Unless otherwise agreed, the registration of a transfer of shares shall operate as a waiver of the Company's lien, if any, on such shares. The fully Paid up shares shall be free from all lien and that in case of partly paid shares, the Company's lien shall be restricted to money called or payable at a fixed time in respect of such shares.
- (e) For the purpose of enforcing such lien, the Board may sell the shares, subject thereto in such manner as they shall think fit, and for that purpose may cause to be issued a duplicate certificate in respect of such shares and may authorise one of their Shareholders to execute and register the transfer thereof on behalf of and in the name of any purchaser. 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.

Provided that no sale shall be made:

- (i) unless a sum in respect of which the lien exists is presently payable; or
- (ii) until the expiration of 14 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.

The net proceeds of any such sale shall be received by the Company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable. The residue, if any, shall (subject to a like lien for sums not presently payable as existed upon the shares before the sale) be paid to the Person entitled to the shares at the date of the sale.

- (f) No Shareholder 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 exercised any right of lien.

### **14. FORFEITURE OF SHARES**

- (a) If any Shareholder fails to pay any call or installment or any part thereof or any money due in respect of any shares either by way of principal or interest on or before the day appointed for the payment of the same or any such extension thereof as aforesaid, the Board may, at any time thereafter, during such time as the call or installment or any part thereof or other money remain unpaid or a judgment or



decree in respect thereof remain unsatisfied, give notice to him or his legal representatives 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) The notice shall name a day, (not being less than 14 (fourteen) days from the date of the notice), and a place or places on or before which such call or installment or such part or other money as aforesaid and interest thereon, (at such rate as the Board shall determine and payable from the date on which such call or installment ought to have been paid), and expenses as aforesaid are to be paid. The notice shall also state that in the event of 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.
- (c) If the requirements of any such notice as aforesaid are not be complied with, any share in respect of which such notice has been given, may at any time, thereafter before payment of all calls, installments, other money due in respect thereof, interest and expenses as required by the notice has been made, be forfeited by a resolution of the Board to that effect. Such forfeiture shall include all Dividends declared or any other money payable in respect of the forfeited share and not actually paid before the forfeiture subject to the applicable provisions of the Act. There shall be no forfeiture of unclaimed Dividends before the claim becomes barred by Law.
- (d) When any share shall have been so forfeited, notice of the forfeiture shall be given to the Shareholder on whose name it stood immediately prior to the forfeiture or if any of his legal representatives or to any of the Persons entitled to the shares by transmission, and an entry of the forfeiture with the date thereof, shall forthwith be made in the Register of Members, but no forfeiture shall be in any manner invalidated by any omission or neglect to give such notice or to make any such entry as aforesaid.
- (e) 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 thereof or to any other Person upon such terms and in such manner as the Board shall think fit.
- (f) Any Shareholder 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 and other money owing upon or in respect of such shares at the time of the forfeiture together with interest thereon from the time of the forfeiture until payment at such rate as the Board may determine and the Board may enforce, (if it thinks fit), payment thereof as if it were a new call made at the date of forfeiture.
- (g) The forfeiture of a share shall involve extinction at the time of the forfeiture of all interest in all claims and demands against the Company, in respect of the share and all other rights incidental to the share, except only such of these rights as by these Articles are expressly saved.
- (h) A duly verified declaration in writing that the declarant is a Director 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 therein stated as against all Persons claiming to be entitled to the shares.
- (i) Upon any sale after forfeiture or for enforcing a lien in purported exercise of the powers hereinbefore given, the Board may appoint some Person to execute an instrument of transfer of the shares sold and cause the purchaser's name to be entered in the Register of Members in respect of the shares sold and the purchaser shall not be bound to see to the regularity of the proceedings, or to the application of the purchase money, and after his name has been entered in the Register of Members in respect of such shares, the validity of the sale shall not be impeached by any Person and the remedy of any Person aggrieved by the sale shall be in damages only and against the Company exclusively.
- (j) Upon any sale, re-allotment or other disposal under the provisions of the preceding Articles, the certificate or certificates originally issued in respect of the relevant shares shall, (unless the same shall on demand by the Company have been previously surrendered to it by the defaulting Shareholder), stand cancelled and become null and void and of no effect and the Board shall be entitled to issue a new certificate or certificates in respect of the said shares to the Person or persons entitled thereto.

- (k) The Board may, at any time, before any share so forfeited shall have been sold, re- allotted or otherwise disposed of, annul the forfeiture thereof upon such conditions as it thinks fit.

## **15. FURTHER ISSUE OF SHARE CAPITAL**

- (a) Where at any time, the Company proposes to increase its subscribed Capital by the issue of further shares, such shares shall be offered—
- (b) to Persons who, at the date of the offer, are holders of Equity Shares of the Company in proportion, as nearly as circumstances admit, to the Paid up Share Capital on those shares by sending a letter of offer subject to the following conditions, namely:-
- (c) the offer shall be made by notice specifying the number of shares offered and limiting a time not being less than 15 (fifteen) days and not exceeding 30 (thirty) days from the date of the offer within which the offer, if not accepted, shall be deemed to have been declined;
- (d) the offer aforesaid shall be deemed to include a right exercisable by the Person concerned to renounce the shares offered to him or any of them in favour of any other Person; and the notice referred to in clause a. above shall contain a statement of this right;
- (e) after the expiry of the time specified in the notice aforesaid, or on receipt of earlier intimation from the Person to whom such notice is given that he declines to accept the shares offered, the Board may dispose of them in such manner which is not disadvantageous to the Shareholders and the Company;
- (f) to employees under a scheme of employees' stock option, subject to Special Resolution passed by the Company and subject to the Rules and such other conditions, as may be prescribed under Law; or
- (g) to any Persons, if it is authorised by a Special Resolution, whether or not those Persons include the Persons referred to in clause (i) or clause (ii) above, either for cash or for a consideration other than cash, if the price of such shares is determined by the valuation report of a registered valuer, subject to the compliance with the applicable provisions of the Act and any other conditions as may be prescribed under Law.
- (h) The notice referred to in sub-clause a. of clause (i) of sub-article (a) shall be dispatched through registered post or speed post or through electronic mode to all the existing Shareholders at least 3 (three) days before the opening of the issue.
- (i) Nothing in this Article shall apply to the increase of the subscribed Capital of a Company caused by the exercise of an option as a term attached to the Debentures issued or loan raised by the Company to convert such Debentures or loans into shares in the Company:

Provided that the terms of issue of such Debentures or loan containing such an option have been approved before the issue of such Debentures or the raising of loan by a Special Resolution passed by the Company in a Shareholders' Meeting.

- (j) The provisions contained in this Article shall be subject to the provisions of Section 42 and Section 62 of the Act, the Rules and the applicable provisions of the Act.

## **16. TRANSFER AND TRANSMISSION OF SHARES**

- (a) The Company shall maintain a "Register of Transfers" and shall have recorded therein fairly and distinctly particulars of every transfer or transmission of any Share, Debenture or other Security held in a material form.
- (b) In accordance with Section 56 of the Act, the Rules and such other conditions as may be prescribed under Law, every instrument of transfer of shares held in physical form shall be in writing. In case of transfer of shares where the Company has not issued any certificates and where the shares are held in dematerialized form, the provisions of the Depositories Act shall apply.
- (c) (i) An application for the registration of a transfer of the shares in the Company may be made either by the transferor or the transferee within the time frame prescribed under the Act.

(ii) 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 in a prescribed manner and the transferee communicates no objection to the transfer within 2 (two) weeks from the receipt of the notice.

- (d) Every such instrument of transfer shall be executed by both, the transferor and the transferee and attested and the transferor shall be deemed to remain the holder of such share until the name of the transferee shall have been entered in the Register of Members in respect thereof.
- (e) The Board shall have power on giving not less than 7 (seven) days previous notice by advertisement in a vernacular newspaper and in an English newspaper having wide circulation in the city, town or village in which the Office of the Company is situated, and publishing the notice on the website as may be notified by the Central Government and on the website of the Company, to close the transfer books, the Register of Members and/or Register of Debenture-holders at such time or times and for such period or periods, not exceeding 30 (thirty) days at a time and not exceeding in the aggregate 45 (forty-five) days in each year, as it may deem expedient.
- (f) 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. The Company shall, within 30 (thirty) days 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.

- (g) Subject to the applicable provisions of the Act and these Articles, the Directors shall have the absolute and uncontrolled discretion to refuse to register a Person entitled by transmission to any shares or his nominee as if he were the transferee named in any ordinary transfer presented for registration, and shall not be bound to give any reason for such refusal and in particular may also decline in respect of shares upon which the Company has a lien.
- (h) Subject to the provisions of these Articles, any transfer of shares in whatever lot should not be refused, though there would be no objection to the Company refusing to split a share certificate into several scripts of any small denominations or, to consider a proposal for transfer of shares comprised in a share certificate to several Shareholders, involving such splitting, if on the face of it such splitting/transfer appears to be unreasonable or without a genuine need. The Company should not, therefore, refuse transfer of shares in violation of the stock exchange listing requirements on the ground that the number of shares to be transferred is less than any specified number.
- (i) In case of the death of any one or more Shareholders named in the Register of Members as the joint-holders of any shares, the survivors shall be the only Shareholder or Shareholders recognized by the Company as having any title to or interest in such shares, but nothing therein 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.
- (j) The Executors or Administrators or holder of the succession certificate or the legal representatives of a deceased Shareholder, (not being one of two or more joint-holders), shall be the only Shareholders recognized by the Company as having any title to the shares registered in the name of such Shareholder, and the Company shall not be bound to recognize such Executors or Administrators or holders of 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 India, provided that the Board may in its absolute discretion dispense with production of probate or letters of administration or succession certificate, upon such terms as to indemnity or otherwise as the Board may in its absolute discretion deem fit and may under Article 22(a) of these Articles register the name of any Person who claims to

be absolutely entitled to the shares standing in the name of a deceased Shareholder, as a Shareholder.

- (k) The Board shall not knowingly issue or register a transfer of any share to a minor or insolvent or Person of unsound mind, except fully paid shares through a legal guardian.
- (l) Subject to the provisions of Articles, any Person becoming entitled to shares in consequence of the death, lunacy, bankruptcy of any Shareholder or Shareholders, or by any lawful means other than by a transfer in accordance with these Articles, may with the consent of the Board, (which it shall not be under any obligation to give), upon producing such evidence that he sustains the character in respect of which he proposes to act under this Article, or of his title, as the Board thinks sufficient, either be registered himself as the holder of the shares or elect to have some Person nominated by him and approved by the Board, registered as such holder; provided nevertheless, that if such Person shall elect to have his nominee registered, he shall testify the election by executing in favour of his nominee an instrument of transfer in accordance with the provisions herein contained and until he does so, he shall not be freed from any liability in respect of the shares.
- (m) A Person becoming entitled to a share by reason of the death or insolvency of a Shareholder shall be entitled to the same Dividends and other advantages to which he would be entitled if he were the registered holder of the shares, except that he shall not, before being registered as a Shareholder in respect of the shares, be entitled to exercise any right conferred by membership in relation to meetings of the Company.

Provided that the Directors shall, at any time, give notice requiring any such Person to elect either to be registered himself or to transfer the shares, and if such notice is not complied with within 90 (ninety) days, the Directors may thereafter withhold payment of all Dividends, bonuses or other monies payable in respect of the shares until the requirements of the notice have been complied with.

- (n) Every instrument of transfer shall be presented to the Company duly stamped for registration accompanied by such evidence as the Board may require to prove the title of the transferor, his right to transfer the shares. Every registered instrument of transfer shall remain in the custody of the Company until destroyed by order of the Board.

Where any instrument of transfer of shares has been received by the Company for registration and the transfer of such shares has not been registered by the Company for any reason whatsoever, the Company shall transfer the Dividends in relation to such shares to a special account unless the Company is authorized by the registered holder of such shares, in writing, to pay such Dividends to the transferee and will keep in abeyance any offer of right shares and/or bonus shares in relation to such shares.

In case of transfer and transmission of shares or other marketable Securities where the Company has not issued any certificates and where such shares or Securities are being held in any electronic and fungible form in a Depository, the provisions of the Depositories Act shall apply.

- (o) Before the registration of a transfer, the certificate or certificates of the share or shares to be transferred must be delivered to the Company along with a properly stamped and executed instrument of transfer in accordance with the provisions of Section 56 of the Act.
- (p) No fee shall be payable to the Company, in respect of the registration of transfer or transmission of shares, or for registration of any power of attorney, probate, letters of administration and succession certificate, certificate of death or marriage or other similar documents, sub division and/or consolidation of shares and Debentures and sub-divisions of letters of allotment, renounceable letters of right and split, consolidation, renewal and genuine transfer receipts into denomination corresponding to the market unit of trading.
- (q) The Company shall incur no liability or responsibility whatsoever in consequence of its registering or giving effect to any transfer of shares made or purporting to be made by any apparent legal owner thereof, (as shown or appearing in the Register of Members), to the prejudice of a Person or Persons having or claiming any equitable right, title or interest to or in the said shares, notwithstanding that the Company may have had any notice of such equitable right, title or interest or notice prohibiting registration of such transfer, and may have entered such notice or referred thereto, in any book of the

Company and the Company shall not be bound or 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 book of the Company but the Company shall nevertheless be at liberty to regard and attend to any such notice, and give effect thereto if the Board shall so think fit.

- (r) The Company shall not register the transfer of its Securities in the name of the transferee(s) when the transferor(s) objects to the transfer.

Provided that the transferor serves on the Company, within sixty working days of raising the objection, a prohibitory order of a Court of competent jurisdiction.

- (s) The Board may delegate the power of transfer of Securities to a committee or to compliance officer or to the registrar to an issue and/or share transfer agent(s).

Provided that the delegated authority shall report on transfer of Securities to the Board in each meeting.

- (t) There shall be a common form of transfer in accordance with the Act and Rules.
- (u) The provision of these Articles shall be subject to the applicable provisions of the Act, the Rules and any requirements of Law. Such provisions shall mutatis mutandis apply to the transfer or transmission by operation of Law to other Securities of the Company.

## **17. DEMATERIALIZATION OF SECURITIES**

### **(a) *Dematerialization:***

Notwithstanding anything contained in these Articles, and subject to the applicable provisions of the Act, the Company shall be entitled to dematerialize its existing Securities, rematerialize its Securities 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.

- (b) Subject to the applicable provisions of the Act, instead of issuing or receiving certificates for the Securities, as the case maybe, either the Company or the investor 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 as amended from time to time or any statutory modification thereto or re-enactment thereof.
- (c) Notwithstanding anything contained in these Articles to the contrary, in the event the Securities of the Company are dematerialized, the Company shall issue appropriate instructions to the Depository not to transfer the Securities of any Shareholder except in accordance with these Articles. The Company shall cause the Promoters to direct their respective Depository participants not to accept any instruction slip or delivery slip or other authorisation for transfer in contravention of these Articles.

If a Person opts to hold his Securities with a Depository, then notwithstanding anything to the contrary contained in these Articles 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.

- (d) Securities in Depositories to be in fungible form:  
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.
- (e) Rights of Depositories & Beneficial Owners:
  - (i) Notwithstanding anything to the contrary contained in the Act or these Articles, a Depository shall be deemed to be the Registered Owner for the purposes of effecting transfer of ownership of Securities

on behalf of the Beneficial Owner.

- (ii) Save as otherwise provided in (i) above, the Depository as the Registered Owner of the Securities shall not have any voting rights or any other rights in respect of the Securities held by it.
- (iii) Every Person holding shares of the Company and whose name is entered as the Beneficial Owner in the records of the Depository shall be deemed to be a Shareholder of the Company.
- (iv) The Beneficial Owner of Securities shall, in accordance with the provisions of these Articles and the Act, be entitled to all the rights and subject to all the liabilities in respect of his Securities, which are held by a Depository on their behalf.
- (f) Except as ordered by a court of competent jurisdiction or as may be required by Law required and subject to the applicable provisions of the Act, the Company shall be entitled to treat the Person whose name appears on the Register as the holder of any share or whose name appears as the Beneficial Owner of any share in the records of the Depository as the absolute owner thereof and accordingly shall not be bound to recognize any benami trust or equity, equitable contingent, future, partial interest, other claim to or interest in respect of such shares or (except only as by these Articles otherwise expressly provided) any right in respect of a share other than an absolute right thereto in accordance with these Articles, on the part of any other Person whether or not it has expressed or implied notice thereof but the Board shall at their sole discretion register any share in the joint names of any two or more Persons or the survivor or survivors of them.
- (g) Register and Index of Beneficial Owners:  
The Company shall cause to be kept a register and index of members with details of shares and Debentures held in materialized and dematerialized forms in any media as may be permitted by Law including any form of electronic media.  
  
The register and index of Beneficial Owners maintained by a Depository under the Depositories Act shall be deemed to be a register and index of members for the purposes of this Act. The Company shall have the power to keep in any state or country outside India a register resident in that state or country.
- (h) Cancellation of Certificates upon surrender by Person:  
Upon receipt of certificate of Securities on surrender by a Person who has entered into an agreement with the Depository through a participant, the Company shall cancel such certificates and shall substitute in its record, the name of the Depository as the registered owner in respect of the said Securities and shall also inform the Depository accordingly.
- (i) Service of Documents:  
Notwithstanding anything contained in the Act or these Articles to the contrary, where Securities are held in a Depository, the records of the beneficial ownership may be served by such Depository on the Company by means of electronic mode or by delivery of floppies or discs.
- (j) Transfer of Securities:
  - (i) 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.
  - (ii) In the case of transfer or transmission of shares or other marketable 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.
- (k) Allotment of Securities dealt with in a Depository:  
Notwithstanding anything in the Act or these Articles, where Securities are dealt with by a Depository, the Company shall intimate the details of allotment of relevant Securities thereof to the Depository immediately on allotment of such Securities.
- (l) Certificate Number and other details of Securities in Depository:  
Nothing contained in the Act or these Articles regarding the necessity of having certificate

number/distinctivenumbers for Securities issued by the Company shall apply to Securities held with a Depository.

(m) Register and Index of Beneficial Owners:

The Register and Index of Beneficial Owners maintained by a Depository under the Depositories Act, shall be deemed to be the Register and Index (if applicable) of Shareholders and Security-holders for the purposes of these Articles.

(n) 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.

(o) Depository to furnish information:

Every Depository shall furnish to the Company information about the transfer of Securities in the name of the Beneficial Owner at such intervals and in such manner as may be specified by Law and the Company in that behalf.

(p) Option to opt out in respect of any such Security:

If a Beneficial Owner seeks to opt out of a Depository in respect of any Security, he shall inform the Depository accordingly. The Depository shall on receipt of such information make appropriate entries in its records and shall inform the Company. The Company shall within 30 (thirty) days of the receipt of intimation from a Depository and on fulfillment of such conditions and on payment of such fees as may be specified by the regulations, issue the certificate of Securities to the Beneficial Owner or the transferee as the case may be.

(q) Overriding effect of this Article:

Provisions of this Article will have full effect and force not withstanding anything to the contrary or inconsistent contained in any other Articles.

**18. NOMINATION BY SECURITIES HOLDERS**

- (a) Every holder of Securities of the Company may, at any time, nominate, in the manner prescribed under the Companies (Share Capital and Debentures) Rules, 2014, a Person as his nominee in whom the Securities of the Company held by him shall vest in the event of his death.
- (b) Where the Securities of the Company are held by more than one Person jointly, the joint holders may together nominate, in the manner prescribed under the Companies (Share Capital and Debentures) Rules, 2014, a Person as their nominee in whom all the rights in the Securities Company shall vest in the event of death of all the joint holders.
- (c) Notwithstanding anything contained in any other Law for the time being in force or in any disposition, whether testamentary or otherwise, in respect of the Securities of the Company, where a nomination made in the manner prescribed under the Companies (Share Capital and Debentures) Rules, 2014, purports to confer on any Person the right to vest the Securities of the Company, the nominee shall, on the death of the holder of Securities of the Company or, as the case may be, on the death of the joint holders become entitled to all the rights in Securities of the holder or, as the case may be, of all the joint holders, in relation to such Securities of the Company to the exclusion of all other Persons, unless the nomination is varied or cancelled in the prescribed manner under the Companies (Share Capital and Debentures) Rules, 2014.
- (d) Where the nominee is a minor, the holder of the Securities concerned, can make the nomination to appoint in prescribed manner under the Companies (Share Capital and Debentures) Rules, 2014, any Person to become entitled to the Securities of the Company in the event of his death, during the minority.
- (e) The transmission of Securities of the Company by the holders of such Securities and transfer in case of nomination shall be subject to and in accordance with the provisions of the Companies (Share Capital and Debentures) Rules, 2014.

**19. NOMINATION FOR FIXED DEPOSITS**

A depositor (who shall be the member of the Company) may, at any time, make a nomination and the provisions of Section 72 of the Act shall, as far as may be, apply to the nominations made in relation to the deposits made subject to the provisions of the Rules as may be prescribed in this regard.

**20. NOMINATION IN CERTAIN OTHER CASES**

Subject to the applicable provisions of the Act and these Articles, any Person becoming entitled to Securities in consequence of the death, lunacy, bankruptcy or insolvency of any holder of Securities, or by any lawful means other than by a transfer in accordance with these Articles, may, with the consent of the Board (which it shall not be under any obligation to give), upon producing such evidence that he sustains the character in respect of which he proposes to act under this Article or of such title as the Board thinks sufficient, either be registered himself as the holder of the Securities or elect to have some Person nominated by him and approved by the Board registered as such holder; provided nevertheless that, if such Person shall elect to have his nominee registered, he shall testify the election by executing in favour of his nominee an instrument of transfer in accordance with the provisions herein contained and until he does so, he shall not be freed from any liability in respect of the Securities.

**21. COPIES OF MEMORANDUM AND ARTICLES TO BE SENT TO SHAREHOLDERS**

Copies of the Memorandum and Articles of Association of the Company and other documents referred to in Section 17 of the Act shall be sent by the Company to every Shareholder at his request within 7 (seven) days of the request on payment of such sum as prescribed under the Companies (Incorporation) Rules, 2014.

**22. BORROWING POWERS**

- (a) Subject to the provisions of Sections 73, 179 and 180, and other applicable provisions of the Act and these Articles, the Board may, from time to time, at its discretion by resolution passed at the meeting of a Board:
  - i. accept or renew deposits from Shareholders;
  - ii. borrow money by way of issuance of Debentures;
  - iii. borrow money otherwise than on Debentures;
  - iv. accept deposits from Shareholders either in advance of calls or otherwise; and
  - v. generally raise or borrow or secure the payment of any sum or sums of money for the purposes of the Company.

Provided, however, that where the money to be borrowed together with the money already borrowed (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) exceed the aggregate of the Paid-up Capital, free reserves and securities premium of the Company, the Board shall not borrow such money without the consent of the Company by way of a Special Resolution in a Shareholders' Meeting.

- (b) Subject to the provisions of these Articles, the payment or repayment of money borrowed as aforesaid may be secured in such manner and upon such terms and conditions in all respects as the resolution of the Board shall prescribe including by the issue of bonds, perpetual or redeemable Debentures or debenture-stock, or any mortgage, charge, hypothecation, pledge, lien or other security on the undertaking of the whole or any part of the property of the Company, both present and future. Provided however that the Board shall not, except with the consent of the Company by way of a Special Resolution in Shareholders' Meeting mortgage, charge or otherwise encumber, the Company's uncalled Capital for the time being or any part thereof and Debentures and other Securities may be assignable free from any equities between the Company and the Person to whom the same may be issued.
- (c) Any bonds, Debentures, debenture-stock or other Securities may if permissible in Law be issued at



a discount, premium or otherwise by the Company and shall with the consent of the Board be issued upon such terms and conditions and in such manner and for such consideration as the Board shall consider to be for the benefit of the Company, and on the condition that they or any part of them may be convertible into Equity Shares of any denomination, and with any privileges and conditions as to the redemption, surrender, allotment of shares, appointment of Directors or otherwise. Provided that Debentures with rights to allotment of or conversion into Equity Shares shall not be issued except with the sanction of the Company in Shareholders' Meeting accorded by a Special Resolution.

- (d) Subject to the applicable provisions of the Act and these Articles, if any uncalled Capital of the Company is included in or charged by any mortgage or other security, the Board shall make calls on the Shareholders in respect of such uncalled Capital in trust for the Person in whose favour such mortgage or security is executed, or if permitted by the Act, may by instrument under seal authorize the Person in whose favour such mortgage or security is executed or any other Person in trust for him to make calls on the Shareholders in respect of such uncalled Capital and the provisions hereinafter contained in regard to calls shall mutatis mutandis apply to calls made under such authority and such authority may be made exercisable either conditionally or unconditionally or either presently or contingently and either to the exclusion of the Board's power or otherwise and shall be assignable if expressed so to be.
- (e) The Board shall cause a proper Register to be kept in accordance with the provisions of Section 85 of the Act of all mortgages, Debentures and charges specifically affecting the property of the Company; and shall cause the requirements of the relevant provisions of the Act in that behalf to be duly complied with within the time prescribed under the Act or such extensions thereof as may be permitted under the Act, as the case may be, so far as they are required to be complied with by the Board.
- (f) Any capital required by the Company for its working capital and other capital funding requirements may be obtained in such form as decided by the Board from time to time.
- (g) The Company shall also comply with the provisions of the Companies (Registration of Charges) Rules, 2014 in relation to the creation and registration of aforesaid charges by the Company.

## **23. ANNUAL GENERAL MEETING**

In accordance with the provisions of the Act, the Company shall in each year hold a General Meeting specified as its Annual General Meeting and shall specify the meeting as such in the notices convening such meetings. Further, not more than 15 (fifteen) months gap shall exist between the date of one Annual General Meeting and the date of the next. All General Meetings other than Annual General Meetings shall be Extraordinary General Meetings.

## **24. WHEN ANNUAL GENERAL MEETING TO BE HELD**

Nothing contained in the foregoing provisions shall be taken as affecting the right conferred upon the Registrar under the provisions of Section 96(1) of the Act to extend the time within which any Annual General Meeting may be held.

## **25. VENUE, DAY AND TIME FOR HOLDING ANNUAL GENERAL MEETING**

- (a) Every Annual General Meeting shall be called during business hours, that is, between 9 A.M. and 6 P.M. on a day that is not a national holiday, and shall be held at the Office of the Company or at some other place within the city, town or village in which the Office of the Company is situated, as the Board may determine and the notices calling the Meeting shall specify it as the Annual General Meeting.
- (b) Every Shareholder of the Company shall be entitled to attend the Annual General Meeting either in person or by proxy and the Auditor of the Company shall have the right to attend and to be heard at any General Meeting which he attends on any part of the business which concerns him as Auditor. At every Annual General Meeting of the Company there shall be laid on the table, the Directors' Report and Audited Statement of Accounts, Auditors' Report, (if not already incorporated in the Audited Statement of Accounts), the proxy Register with proxies and the Register of Directors' shareholdings which latter Register shall remain open and accessible during the continuance of the

Meeting. The Board shall cause to be prepared the Annual Return and forward the same to the concerned Registrar of Companies, in accordance with Sections 92 and 137 of the Act. The Directors are also entitled to attend the Annual General Meeting.

## **26. NOTICE OF SHAREHOLDERS' MEETINGS**

- (a) Number of days' notice of Shareholders' Meeting to be given: A Shareholders' Meeting of the Company may be called by giving not less than 21 (twenty-one) days clear notice in writing or in electronic mode, excluding the day on which notice is served or deemed to be served (i.e., on expiry of 48 (forty-eight) hours after the letter containing the same is posted). However, a Shareholders' Meeting may be called after giving shorter notice if consent is given in writing or by electronic mode by not less than 95 (ninety-five) percent of the Shareholders entitled to vote at that meeting.

The notice of every meeting shall be given to:

- (a) every Shareholder, legal representative of any deceased Shareholder or the assignee of an insolvent member of the Company,
  - (b) Auditor or Auditors of the Company, and
  - (c) all Directors.
- (b) Notice of meeting to specify place, etc., and to contain statement of business: Notice of every meeting of the Company shall specify the place, date, day and hour of the meeting, and shall contain a statement of the business to be transacted thereat shall be given in the manner prescribed under Section 102 of the Act.
- (c) Contents and manner of service of notice and Persons on whom it is to be served: Every notice may be served by the Company on any Shareholder thereof either personally or by sending it by post to their/its registered address in India and if there be no registered address in India, to the address supplied by the Shareholder to the Company for giving the notice to the Shareholder.
- (d) Special Business: Subject to the applicable provisions of the Act, where any items of business to be transacted at the meeting are deemed to be special, there shall be annexed to the notice of the meeting a statement setting out all material facts concerning each item of business including any particular nature of the concern or interest if any therein of every Director or manager (as defined under the provisions of the Act), if any or key managerial personnel (as defined under the provisions of the Act) or the relatives of any of the aforesaid and where any item of special business relates to or affects any other company, the extent of shareholding interest in that other company of every Director or manager (as defined under the provisions of the Act), if any or key managerial personnel (as defined under the provisions of the Act) or the relatives of any of the aforesaid of the first mentioned company shall also be set out in the statement if the extent of such interest is not less than 2 per cent of the paid up share capital of that other company. All business transacted at any meeting of the Company shall be deemed to be special and all business transacted at the Annual General Meeting of the Company with the exception of the business specified in Section 102 of the Act shall be deemed to be special.
- (e) Resolution requiring Special Notice: With regard to resolutions in respect of which special notice is required to be given by the Act, a special notice shall be given as required by Section 115 of the Act.
- (f) Notice of Adjourned Meeting when necessary: When a meeting is adjourned for 30 (thirty) days or more, notice of the adjourned meeting shall be given as in the case of an original meeting in accordance with the applicable provisions of the Act.
- (g) Notice when not necessary: Save as aforesaid, and as provided in Section 103 of the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.
- (h) The notice of the Shareholders' Meeting shall comply with the provisions of Companies (Management and Administration) Rules, 2014.

## **27. REQUISITION OF EXTRAORDINARY GENERAL MEETING**

- (a) The Board may, whenever it thinks fit, call an Extraordinary General Meeting and it shall do so upon a requisition received from such number of Shareholders who hold, on the date of receipt of the requisition, not less than one-tenth of such of the Paid up Share Capital of the Company as on that date carries the right of voting and such meeting shall be held at the Office or at such place and at such time as the Board thinks fit.
- (b) Any valid requisition so made by Shareholders must state the object or objects of the meeting proposed to be called, and must be signed by the requisitionists and be deposited at the Office; provided that such requisition may consist of several documents in like form each signed by one or more requisitionists.
- (c) Upon the receipt of any such valid requisition, the Board shall forthwith call an Extraordinary General Meeting and if they do not proceed within 21 (twenty-one) days from the date of the requisition being deposited at the Office to cause a meeting to be called on a day not later than 45 (forty-five) days from the date of deposit of the requisition, the requisitionists or such of their number as represent either a majority in value of the Paid up Share Capital held by all of them or not less than one-tenth of such of the Paid-up Share Capital of the Company as is referred to in Section 100 of the Act, whichever is less, may themselves call the meeting, but in either case any meeting so called shall be held within three months from the date of the delivery of the requisition as aforesaid.
- (d) Any meeting called under the foregoing sub-articles by the requisitionists, shall be called in the same manner, as nearly as possible, as that in which a meeting is to be called by the Board.
- (e) The accidental omission to give any such notice as aforesaid to any of the Shareholders, or the non-receipt thereof, shall not invalidate any resolution passed at any such meeting.
- (f) No General Meeting, Annual or Extraordinary, shall be competent to enter into, discuss or transact any business which has not been mentioned in the notice or notices by which it was convened.
- (g) The Extraordinary General Meeting called under this Article shall be subject to and in accordance with the provisions contained under the Companies (Management and Administration) Rules, 2014.

**28. NO BUSINESS TO BE TRANSACTED IN SHAREHOLDERS' MEETING IF QUORUM IS NOT PRESENT**

The quorum for the Shareholders' Meeting shall be in accordance with Section 103 of the Act. Subject to the provisions of Section 103(2) of the Act, if such a quorum is not present within half an hour from the time set for the Shareholders' Meeting, the Shareholders' Meeting shall be adjourned to the same time and place or to such other date and such other time and place as the Board may determine and the agenda for the adjourned Shareholders' Meeting shall remain the same. If at such adjourned meeting also, a quorum is not present, at the expiration of half an hour from the time appointed for holding the meeting, the members present shall be a quorum, and may transact the business for which the meeting was called.

**29. CHAIRMAN OF THE SHAREHOLDERS' MEETING**

The Chairman of the Board shall be entitled to take the Chair at every Shareholders' Meeting, whether Annual or Extraordinary. If there is 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 is unable or unwilling to take the Chair, then the Directors present shall elect one of them as Chairman. If no Director is present or if all the Directors present decline to take the Chair, then the Shareholders present shall elect, on a show of hands or on a poll if properly demanded, one of their members to be the Chairman of the meeting. No business shall be discussed at any Shareholders' Meeting except the election of a Chairman while the Chair is vacant.

**30. CHAIRMAN CAN ADJOURN THE SHAREHOLDERS' MEETING**

The Chairman may, with the consent given in the meeting at which a quorum is present (and if so directed by the meeting) adjourn the Shareholders' Meeting from time to time and from place to place within the city, town or village in which the Office of the Company is situated but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which

the adjournment took place.

**31. QUESTIONS AT SHAREHOLDERS' MEETING HOW DECIDED**

- (a) At any Shareholders' Meeting, a resolution put to the vote of the Shareholders' Meeting shall, unless a poll is demanded, be decided by a show of hands. Before or on the declaration of the result of the voting on any resolution by a show of hands, a poll may be carried out in accordance with the applicable provisions of the Act or the voting is carried out electronically. Unless a poll is demanded, a declaration by the Chairman that a resolution has, on a show of hands, been carried or carried unanimously, or by a particular majority, or lost and an entry to that effect in the Minute Book of the Company shall be conclusive evidence of the fact, of passing of such resolution or otherwise.
- (b) In the case of equal votes, the Chairman shall both on a show of hands and at a poll, (if any), have a casting vote in addition to the vote or votes to which he may be entitled as a Shareholder.
- (c) If a poll is demanded as aforesaid, the same shall subject to anything stated in these Articles be taken at such time, (not later than forty-eight hours from the time when the demand was made), and place within the City, Town or Village in which the Office of the Company is situate and either by a show of hands or by ballot or by postal ballot, as the Chairman shall direct and either at once or after an interval or adjournment, or otherwise and the result of the poll shall be deemed to be the decision of the meeting at which the poll was demanded. Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll. The demand for a poll may be withdrawn at any time by the Person or Persons who made the demand.
- (d) Where a poll is to be taken, the Chairman of the meeting shall appoint two scrutinizers to scrutinise the votes given on the poll and to report thereon to him. One of the scrutinizers so appointed shall always be a Shareholder, (not being an officer or employee of the Company), present at the meeting provided such a Shareholder is available and willing to be appointed. The Chairman shall have power at any time before the result of the poll is declared, to remove a scrutinizer from office and fill vacancies in the office of scrutinizer arising from such removal or from any other cause.
- (e) Any poll duly demanded on the election of a Chairman of a meeting or any question of adjournment, shall be taken at the meeting forthwith. A poll demanded on any other question shall be taken at such time not later than 48 hours from the time of demand, as the Chairman of the meeting directs.
- (f) The demand for a poll except on the question of the election of the Chairman and of an adjournment shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll has been demanded.
- (g) No report of the proceedings of any Shareholders' Meeting of the Company shall be circulated or advertised at the expense of the Company unless it includes the matters required by these Articles or Section 118 of the Act to be contained in the Minutes of the proceedings of such meeting.
- (h) The Shareholders will do nothing to prevent the taking of any action by the Company or act contrary to or with the intent to evade or defeat the terms as contained in these Articles.

**32. PASSING RESOLUTIONS BY POSTAL BALLOT**

- (a) Notwithstanding any of the provisions of these Articles, the Company may, and in the case of resolutions relating to such business as notified under the Companies (Management and Administration) Rules, 2014, as amended, or other Law required to be passed by postal ballot, shall get any resolution passed by means of a postal ballot, instead of transacting the business in the Shareholders' Meeting of the Company. Also, the Company may, in respect of any item of business other than ordinary business and any business in respect of which Directors or Auditors have a right to be heard at any meeting, transact the same by way of postal ballot.
- (b) Where the Company decides to pass any resolution by resorting to postal ballot, it shall follow the procedures as prescribed under Section 110 of the Act and the Companies (Management and Administration) Rules, 2014, as amended from time and applicable Law.

### 33. VOTES OF SHAREHOLDERS

- (a) No Shareholder shall be entitled to vote either personally or by proxy at any Shareholders' Meeting or meeting of a class of Shareholders either upon a show of hands or upon a poll in respect of any shares registered in his name on which calls or other sums presently payable by him have not been paid or in regard to which the Company has exercised any right of lien.
- (b) No shareholder shall be entitled to vote at a Shareholders' Meeting unless all calls or other sums presently payable by him have been paid, or in regard to which the Company has lien and has exercised any right of lien.
- (c) Subject to the provisions of these Articles, without prejudice to any special privilege or restrictions as to voting for the time being attached to any class of shares for the time being forming a part of the Capital of the Company, every Shareholder not disqualified by the last preceding Article, shall be entitled to be present, and to speak and vote at such meeting, and on a show of hands, every Shareholder present in person shall have one vote and upon a poll, the voting right of such Shareholder present, either in person or by proxy, shall be in proportion to his share of the Paid Up Share Capital of the Company held alone or jointly with any other Person or Persons.

Provided however, if any Shareholder holding preference shares be present at any meeting of the Company, save as provided in Section 47(2) of the Act, he shall have a right to vote only on resolutions placed before the Meeting, which directly affect the rights attached to his preference shares.

- (d) On a poll taken at a meeting of the Company, a Shareholder entitled to more than one vote, or his proxy, or any other Person entitled to vote for him (as the case may be), need not, if he votes, use or cast all his votes in the same way.
- (e) A Shareholder of unsound mind or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, through a committee or through his legal guardian; and any such committee or guardian may, on a poll vote by proxy. If any Shareholder be a minor his vote in respect of his Share(s) shall be exercised by his guardian(s), who may be selected (in case of dispute) by the Chairman of the meeting.
- (f) If there be joint registered holders of any shares, any one of such Persons may vote at any meeting or may appoint another Person, (whether a Shareholder or not) as his proxy in respect of such shares, as if he were solely entitled thereto; but the proxy so appointed shall not have any right to speak at the meeting and if more than one of such joint-holders be present at any meeting, then one of the said Persons so present whose name stands higher in the Register of Members shall alone be entitled to speak and to vote in respect of such shares, but the other joint-holders shall be entitled to be present at the meeting. Several Executors or Administrators of a deceased Shareholder in whose name shares stand shall for the purpose of these Articles be deemed joint-holders thereof.
- (g) Subject to the provision of these Articles, votes may be given personally or by an attorney or by proxy. A body corporate, whether or not a Company within the meaning of the Act, being a Shareholder may vote either by a proxy or by a representative duly authorised in accordance with Section 113 of the Act and such representative shall be entitled to exercise the same rights and powers, (including the right to vote by proxy), on behalf of the body corporate which he represents as that body could have exercised if it were an individual Shareholder.
- (h) Any Person entitled to transfer any shares of the Company may vote at any Shareholders' Meeting in respect thereof in the same manner as if he were the registered holder of such shares, provided that forty-eight hours at least before the time of holding the meeting or adjourned meeting, as the case may be, at which he proposes to vote, he shall satisfy the Board of his right to such shares and give such indemnity (if any) as the Board may require unless the Board shall have previously admitted his right to vote at such meeting in respect thereof.
- (i) Every proxy, (whether a Shareholder or not), shall be appointed in writing under the hand of the appointer or his attorney, or if such appointer is a corporation under the Common Seal of such corporation or be signed by an officer or an attorney duly authorised by it, and any committee or

guardian may appoint proxy. The proxy so appointed shall not have any right to speak at a meeting.

- (j) An instrument of proxy may appoint a proxy either for (i) the purposes of a particular meeting (as specified in the instrument) or (ii) for any adjournment thereof or (iii) it may appoint a proxy for the purposes of every meeting of the Company, or (iv) of every meeting to be held before a date specified in the instrument for every adjournment of any such meeting.
- (k) A Shareholder present by proxy shall be entitled to vote only on a poll.
- (l) An instrument appointing a proxy and a power of attorney or other authority (including by way of a Board Resolution, (if any),) under which it is signed or a notarially certified copy of that power or authority or resolution as the case may be, shall be deposited at the Office not later than forty-eight hours before the time for holding the meeting at which the Person named in the instrument proposes to vote and in default the instrument of proxy shall not be treated as valid. No instrument appointing a proxy shall be valid after the expiration of 12 months from the date of its execution. An attorney shall not be entitled to vote unless the power of attorney or other instrument or resolution as the case may be appointing him or a notarially certified copy thereof has either been registered in the records of the Company at any time not less than forty-eight hours before the time for holding the meeting at which the attorney proposes to vote, or is deposited at the Office of the Company not less than forty-eight hours before the time fixed for such meeting as aforesaid. Notwithstanding that a power of attorney or other authority has been registered in the records of the Company, the Company may, by notice in writing addressed to the Shareholder or the attorney, given at least 48 (forty eight) hours before the meeting, require him to produce the original power of attorney or authority or resolution as the case may be and unless the same is deposited with the Company not less than forty-eight hours before the time fixed for the meeting, the attorney shall not be entitled to vote at such meeting unless the Board in their absolute discretion excuse such non-production and deposit.
- (m) Every instrument of proxy whether for a specified meeting or otherwise should, as far as circumstances admit, be in any of the forms set out under Section 105 and other provisions of the Act and in the Companies (Management and Administration) Rules, 2014.
- (n) If any such instrument of appointment be confined to the object of appointing an attorney or proxy for voting at meetings of the Company it shall remain permanently or for such time as the Directors may determine in the custody of the Company; if embracing other objects a copy thereof, examined with the original, shall be delivered to the Company to remain in the custody of the Company.
- (o) A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death of the principal, or revocation of the proxy or of any power of attorney under which such proxy was signed, or the transfer of the Share in respect of which the vote is given, provided that no intimation in writing of the death, revocation or transfer shall have been received at the Office before the meeting.
- (p) No objection shall be made to the validity of any vote, except at the Meeting or poll at which such vote shall be tendered, and every vote whether given personally or by proxy, not disallowed at such meeting or poll shall be deemed valid for all purposes of such meeting or poll whatsoever.
- (q) The Chairman of any meeting shall be the sole judge of the validity of every vote tendered at such meeting. The Chairman present at the taking of a poll shall be the sole judge of the validity of every vote tendered at such poll.
  - (i) The Company shall cause minutes of all proceedings of every Shareholders' Meeting to be kept by making within 30 (thirty) days of the conclusion of every such meeting concerned, entries thereof in books kept for that purpose with their pages consecutively numbered.
  - (ii) Each page of every such book shall be initialed or signed and the last page of the record of proceedings of each meeting in such book shall be dated and signed by the Chairman of the same meeting within the aforesaid period of 30 (thirty) days or in the event of the death or inability of that Chairman within that period, by a Director duly authorised by the Board for that purpose.

- (iii) In no case the minutes of proceedings of a meeting shall be attached to any such book as aforesaid by pasting or otherwise.
- (iv) The Minutes of each meeting shall contain a fair and correct summary of the proceedings thereat.
- (v) All appointments of Directors of the Company made at any meeting aforesaid shall be included in the minutes of the meeting.
- (vi) Nothing herein contained shall require or be deemed to require the inclusion in any such Minutes of any matter which in the opinion of the Chairman of the Meeting (i) is or could reasonably be regarded as, defamatory of any person, or (ii) is irrelevant or immaterial to the proceedings, or (iii) is detrimental to the interests of the Company. The Chairman of the meeting shall exercise an absolute discretion in regard to the inclusion or non-inclusion of any matter in the Minutes on the aforesaid grounds.
- (vii) Any such Minutes shall be evidence of the proceedings recorded therein.
- (viii) The book containing the Minutes of proceedings of Shareholders' Meetings shall be kept at the Office of the Company and shall be open, during business hours, for such periods not being less in the aggregate than two hours in each day as the Board determines, for the inspection of any Shareholder without charge.
- (ix) The Company shall cause minutes to be duly entered in books provided for the purpose of: -
  - a) the names of the Directors and Alternate Directors present at each Shareholders' Meeting;
  - b) all Resolutions and proceedings of Shareholders' Meeting.
- (r) The Shareholders shall vote (whether in person or by proxy) all of the shares owned or held on record by them at any Annual or Extraordinary General Meeting of the Company called for the purpose of filling positions to the Board, appointed as a Director of the Company under Sections 152 and 164(1) of the Act in accordance with these Articles.
- (s) The Shareholders will do nothing to prevent the taking of any action by the Company or act contrary to or with the intent to evade or defeat the terms as contained in these Articles.
- (t) All matters arising at a Shareholders' Meeting of the Company, other than as specified in the Act or these Articles if any, shall be decided by a majority vote.
- (u) The Shareholders shall exercise their voting rights as Shareholders of the Company to ensure that the Act or these Articles are implemented and acted upon by the Shareholders, and by the Company and to prevent the taking of any action by the Company or by any Shareholder, which is contrary to or with a view or intention to evade or defeat the terms as contained in these Articles.
- (v) Any corporation which is a Shareholder of the Company may, by resolution of the Board or other governing body, authorise such person as it thinks fit to act as its representative at any meeting of the Company and the said person so authorised shall be entitled to exercise the same powers on behalf of the corporation which he represents as that corporation could have exercised if it were an individual Shareholder in the Company (including the right to vote by proxy).
- (w) The Company shall also provide e-voting facility to the Shareholders of the Company in terms of the provisions of the Companies (Management and Administration) Rules, 2014, the SEBI Listing Regulations or any other Law, if applicable to the Company.

#### **34. DIRECTORS**

- (a) Subject to the applicable provisions of the Act, the number of Directors of the Company shall not be less than 3 (three) and not more than 15 (fifteen) provided that the Company may appoint more than

15 (fifteen) directors after passing a Special Resolution. The Company shall also comply with the provisions of the Companies (Appointment and Qualification of Directors) Rules, 2014 and the provisions of the SEBI Listing Regulations. The Board shall have an optimum combination of executive and Independent Directors with at least 1 (one) woman Independent Director, as may be prescribed by Law from time to time.

- (b) The subscribers to the Memorandum of Association are the first Directors of the Company

**35. CHAIRMAN OF THE BOARD OF DIRECTORS**

- (a) The members of the Board shall elect any one of them as the Chairman of the Board. The Chairman shall preside at all meetings of the Board and the Shareholders' Meeting of the Company. The Chairman shall have a casting vote in the event of a tie.
- (b) If for any reason the Chairman is not present at the meeting or is unwilling to act as Chairman, the members of the Board shall appoint any one of the remaining Directors as the Chairman for the said Meeting.

**36. APPOINTMENT OF ALTERNATE DIRECTORS**

Subject to Section 161 of the Act, any Director shall be entitled to nominate an alternate director to act for him during his absence for a period of not less than 3 (three) months. The Board may appoint such a person as an Alternate Director to act for a Director (hereinafter called "the Original Director") (subject to such person being acceptable to the Chairman) during the Original Director's absence for a period of not less than three months from the State in which the meetings of the Board are ordinarily held. An Alternate Director appointed under this Article shall not hold office for a period longer than that permissible to the Original Director in whose place he has been appointed and shall vacate office if and when the Original Director returns to the State. If the term of the office of the Original Director is determined before he so returns to the State, any provisions in the Act or in these Articles for automatic re-appointment shall apply to the Original Director and not to the Alternate Director.

**37. CASUAL VACANCY AND ADDITIONAL DIRECTORS**

Subject to the applicable provisions of the Act and these Articles, the Board shall have the power at any time and from time to time to appoint any qualified Person to be a Director either as an addition to the Board or to fill a casual vacancy but so that the total number of Directors shall not at any time exceed the maximum number fixed under Article 42. Any Person so appointed as an addition shall hold office only up to the earlier of the date of the next Annual General Meeting or at the last date on which the Annual General Meeting should have been held but shall be eligible for appointment by the Company as a Director at that meeting subject to the applicable provisions of the Act.

**38. INDEPENDENT DIRECTORS**

The Company shall have such number of Independent Directors on the Board or Committees of the Board of the Company, as may be required in terms of the provisions of Section 149 of the Act and the Companies (Appointment and Qualification of Directors) Rules, 2014, SEBI Listing Regulations or any other Law, as may be applicable. Further, the appointment of such Independent Directors shall be in terms of the aforesaid provisions of Law and subject to the requirements prescribed under the SEBI Listing Regulations.

**39. EQUAL POWER TO DIRECTOR**

Except as otherwise provided in these Articles, the Act and the applicable Law, all the Directors of the Company shall have in all matters, equal rights and privileges and shall be subject to equal obligations and duties in respect of the affairs of the Company.

**40. NOMINEE DIRECTORS**

Whenever the Board enters into a contract with any lenders for borrowing any money or for providing any guarantee or security or for technical collaboration or assistance or enter into any other arrangement, the Board shall have, subject to the provisions of Section 152 of the Act the power to agree that such lenders shall have the right to appoint or nominate by a notice in writing addressed to the Company one or more Directors on the Board for such period and upon such conditions as may be mentioned in the common loan agreement/facility agreement. The nominee director representing lenders shall not be required to hold qualification shares and not be liable to retire by rotation. The



Directors may also agree that any such Director, or Directors may be removed from time to time by the lenders entitled to appoint or nominate them and such lenders may appoint another or other or others in his or their place and also fill in any vacancy which may occur as a result of any such Director, or Directors ceasing to hold that office for any reason whatsoever. The nominee director shall hold office only so long as any monies remain owed by the Company to such lenders.

The nominee director shall be entitled to all the rights and privileges of other Directors including the sitting fees and expenses as payable to other Directors but, if any other fees, commission, monies or remuneration in any form are payable to the Directors, the fees, commission, monies and remuneration in relation to such nominee director shall accrue to the lenders and the same shall accordingly be paid by the Company directly to the lenders.

Provided that if any such nominee director is an officer of any of the lenders, the sittings fees in relation to such nominee director shall also accrue to the lenders concerned and the same shall accordingly be paid by the Company directly to that lenders.

Any expenditure that may be incurred by the lenders or the nominee director in connection with the appointment or directorship shall be borne by the Company.

The nominee director shall be entitled to receive all notices, agenda, etc. and to attend all Shareholders' Meetings and Board meetings and meetings of any committee(s) of the Board of which he is a member and to receive all notices, agenda and minutes, etc. of the said meeting.

If at any time, the nominee director is not able to attend a meeting of Board or any of its committees, of which he is a member, the lenders may depute an observer to attend the meeting. The expenses incurred by the lenders in this connection shall be borne by the Company.

#### **41. NO QUALIFICATION SHARES FOR DIRECTORS**

A Director shall not be required to hold any qualification shares of the Company.

#### **42. REMUNERATION OF DIRECTORS**

- (a) Subject to the applicable provisions of the Act, the Rules, Law including the provisions of the SEBI Listing Regulations, a Managing Director or Managing Directors, and any other Director/s who is/are in the whole time employment of the Company may be paid remuneration either by a way of monthly payment or at a specified percentage of the net profits of the Company or partly by one way and partly by the other, subject to the limits prescribed under the Act.
- (b) Subject to the applicable provisions of the Act, a Director (other than a Managing Director or an executive Director) may receive a sitting fee not exceeding such sum as may be prescribed by the Act or the central government from time to time for each meeting of the Board or any Committee thereof attended by him.
- (c) The remuneration payable to each Director for every meeting of the Board or Committee of the Board attended by them shall be such sum as may be determined by the Board from time to time within the maximum limits prescribed from time to time by the Central Government pursuant to the first proviso to Section 197 of the Act.
- (d) Subject to the provisions of the Act and these Articles. all fees/compensation to be paid to non-executive Directors including Independent Directors shall be as fixed by the Board and shall require the prior approval of the Shareholders in a Shareholders' Meeting. Such approval shall also specify the limits for the maximum number of stock options that can be granted to a non-executive Director, in any financial year, and in aggregate. However, such prior approval of the Shareholders shall not be required in relation to the payment of sitting fees to non-executive Directors if the same is made within the prescribed limits under the Act for payment of sitting fees with approval of Central Government. Notwithstanding, anything contained in this article, the Independent Directors shall not be eligible to receive any stock options.

#### **43. REMUNERATION OF MANAGING DIRECTOR(S)/ WHOLE TIME DIRECTOR(S) / EXECUTIVE DIRECTOR(S)/ MANAGER**

The remuneration of the Managing Director(s) / whole time director(s) / executive director(s) / manager shall (subject to Sections 196, 197 and 203 and other applicable provisions of the Act and of these Articles and of any contract between him and the Company) be fixed by the Directors, from time to time and may be by way of fixed salary and/or perquisites or commission or profits of the Company or by participation in such profits, or by any or all these modes or any other mode not expressly prohibited by the Act.

**44. SPECIAL REMUNERATION FOR EXTRA SERVICES RENDERED BY A DIRECTOR**

If any Director be called upon to perform extra services or special exertions or efforts (which expression shall include work done by a Director as a member of any Committee formed by the Directors), the Board may arrange with such Director for such special remuneration for such extra services or special exertions or efforts either by a fixed sum or otherwise as may be determined by the Board. Such remuneration may either be in addition, to or in substitution for his remuneration otherwise provided, subject to the applicable provisions of the Act.

**45. TRAVEL EXPENSES OF DIRECTORS**

The Board may allow and pay to any Director, who is not a bona fide resident of the place where the meetings of the Board/Committee meetings are ordinarily held; and who shall come to such place for the purpose of attending any meeting, such sum as the Board may consider fair compensation for travelling, lodging and/or other expenses, in addition to his fee for attending such Board / Committee meetings as above specified; and if any Director be called upon to go or reside out of his ordinary place of his residence on the Company's business, he shall be entitled to be repaid and reimbursed travelling and other expenses incurred in connection with the business of the Company in accordance with the provisions of the Act.

**46. CONTINUING DIRECTORS**

The continuing Directors may act notwithstanding any vacancy in their body, but if, and so long as their number is reduced below the minimum number fixed by Article 42 hereof, the continuing Directors not being less than two may act for the purpose of increasing the number of Directors to that number, or for summoning a Shareholders' Meeting, but for no other purpose.

**47. VACATION OF OFFICE BY DIRECTOR**

(a) Subject to relevant provisions of Sections 167, and 188 other relevant provisions of the Act, the office of a Director, shall ipso facto be vacated if:

- (i) he is found to be of unsound mind by a court of competent jurisdiction; or
- (ii) he applies to be adjudicated an insolvent; or
- (iii) he is adjudged an insolvent; or
- (iv) he is convicted by a court of any offence involving moral turpitude or otherwise, and is sentenced in respect thereof to imprisonment for not less than 6 (six) months; or
- (v) he fails to pay any calls made on him in respect of shares of the Company held by him whether alone or jointly with others, within 6 (six) months from the date fixed for the payment of such call; or
- (vi) he absents himself from 3 (three) consecutive meetings of the Board or from all Meetings of the Board for a continuous period of 12 (twelve) months, whichever is longer, without obtaining leave of absence from the Board; or
- (vii) having been appointed a Director by virtue of his holding any office or other employment in the Company, he ceases to hold such office or other employment in the Company; or
- (viii) he acts in contravention of Section 184 of the Act; or
- (ix) he becomes disqualified by an order of a court or the Tribunal; or

- (x) he is removed in pursuance of Section 169 of the Act; or
- (xi) he is disqualified under Section 164(2) of the Act.

Subject to the applicable provisions of the Act, a Director may resign his office at any time by notice in writing addressed to the Board and such resignation shall become effective upon its acceptance by the Board.

#### **48. RELATED PARTY TRANSACTIONS**

- (a) Except with the consent of the Board or the Shareholders, as may be required in terms of the provisions of section 188 of the Act and the Companies (Meetings of Board and its Powers) Rules, 2014, no company shall enter into any contract or arrangement with a 'related party' with respect to: :
  - (i) sale, purchase or supply of any goods or materials;
  - (ii) selling or otherwise disposing of, or buying, property of any kind;
  - (iii) leasing of property of any kind;
  - (iv) availing or rendering of any services;
  - (v) appointment of any agent for purchase or sale of goods, materials, services or property;
  - (vi) such Director's or its relative's appointment to any office or place of profit in the company, its subsidiary company or associate company; and
  - (vii) underwriting the subscription of any securities or derivatives thereof, of the company: without the consent of the Shareholders by way of a resolution in accordance with Section 188 of the Act.
  - (viii) no Shareholder of the Company shall vote on such resolution, to approve any contract or arrangement which may be entered into by the Company, if such Shareholder is a related party.
- (b) nothing in this Article shall apply to any transactions entered into by the Company in its ordinary course of business other than transactions which are not on an arm's length basis
- (c) The Director, so contracting or being so interested shall not be liable to the Company for any profit realised by any such contract or the fiduciary relation thereby established.
- (d) The terms "office of profit" and "arm's length basis" shall have the meaning ascribed to them under Section 188 of the Act.
- (e) The term 'related party' shall have the same meaning as ascribed to it under the Act.
- (f) The compliance of the Companies (Meetings of Board and its Powers) Rules, 2014 shall be made for the aforesaid contracts and arrangements.

#### **49. DISCLOSURE OF INTEREST**

- (a) A Director of the Company who is in any way, whether directly or indirectly concerned or interested in a contract or arrangement, or proposed contract or arrangement entered into or to be entered into by or on behalf of the Company, shall disclose the nature of his concern or interest at a meeting of the Board in the manner provided in Section 184 of the Act; Provided that it shall not be necessary for a Director to disclose his concern or interest in any such contract or arrangement entered into or to be entered into with any other company where any of the Directors of the company or two or more of them together holds or hold not more than 2% (two per cent) of the Paid-up share capital in the other company or the Company as the case may be. A general notice given to the Board by the Director, to the effect that he is a director or member of a specified body corporate or is a member

of a specified firm and is to be regarded as concerned or interested in any contract or arrangement which may, after the date of the notice, be entered into with that body corporate or firm, shall be deemed to be a sufficient disclosure of concern or interest in relation to any contract or arrangement so made. Any such general notice shall expire at the end of the Financial Year in which it is given but may be renewed for a further period of one Financial Year at a time by a fresh notice given in the last month of the Financial Year in which it would have otherwise expired. No such general notice, and no renewal thereof shall be of effect unless, either it is given at a meeting of the Board or the Director concerned takes reasonable steps to secure that it is brought up and read at the first meeting of the Board after it is given.

- (b) No Director shall as a Director, take any part in the discussion of, vote on any contract or arrangement entered into or to be entered into by or on behalf of the Company, if he is in any way, whether directly or indirectly, concerned or interested in such contract or arrangements; nor shall his presence count for the purpose of forming a quorum at the time of any such discussion or vote; and if he does vote, his vote shall be void;

Subject to the provisions of Section 188 of the Act and other applicable provisions, if any, of the Act, any Director of the Company, any partner or relative of such Director, any firm in which such Director or a relative of such Director is a partner, any private company of which such Director is a director or member, and any director or manager of such private company, may hold any office or place of profit in the Company.

- (c) The Company shall keep a Register in accordance with Section 189 of the Act and shall within the time specified therein enter therein such of the particulars as may be. The Register aforesaid shall also specify, in relation to each Director of the Company, the names of the bodies corporate and firms of which notice has been given by him under Article 57(a). The Register shall be kept at the Office of the Company and shall be open to inspection at such Office, and extracts may be taken therefrom and copies thereof may be required by any Shareholder of the Company to the same extent, in the same manner, and on payment of the same fee as in the case of the Register of Members of the Company and the provisions of Section 94 of the Act shall apply accordingly.
- (d) A Director may be or become a Director of any company promoted by the Company, or on which it may be interested as a vendor, shareholder, or otherwise, and no such Director shall be accountable for any benefits received as director or shareholder of such company except in so far as Section 188 or Section 197 of the Act as may be applicable.

#### **50. ONE-THIRD OF DIRECTORS TO RETIRE EVERY YEAR**

In accordance with Section 152 of the Act, at the Annual General Meeting of the Company to be held in every year, one third of such of the Directors as are liable to retire by rotation for time being, or, if their number is not three or a multiple of three then the number nearest to one third shall retire from office, and they will be eligible for re-election. Provided nevertheless that the Director(s) appointed as nominee Director(s), or the Director(s) appointed as a Debenture Director(s), or the Director(s) appointed as Independent Director(s) under Articles hereto shall not retire by rotation under this Article, shall they be included in calculating the total number of Directors of whom one third shall be liable to retire by rotation from office in terms of Section 152 of the Act.

#### **51. PROCEDURE, IF PLACE OF RETIRING DIRECTORS IS NOT FILLED UP**

- (a) If the place of the retiring Director is not so filled up and the meeting has not expressly resolved not to fill the vacancy, the meeting shall stand adjourned till the same day in the next week, at the same time and place, or if that day is a national holiday, till the next succeeding day which is not a national holiday, at the same time and place.
- (b) If at the adjourned meeting also, the place of the retiring Director is not filled up and that meeting also has not expressly resolved not to fill the vacancy, the retiring Director shall be deemed to have been reappointed at the adjourned meeting, unless:-
  - (i) at that meeting or at the previous meeting a resolution for the reappointment of such Director has been put to the meeting and lost;
  - (ii) retiring Director has, by a notice in writing addressed to the Company or its Board, expressed

his unwillingness to be so reappointed;

- (iii) he is not qualified or is disqualified for appointment; or
- (iv) a resolution, whether special or ordinary, is required for the appointment or reappointment by virtue of any applicable provisions of the Act; or
- (v) These Articles shall be subject to Section 162 of the Act.

**52. COMPANY MAY INCREASE OR REDUCE THE NUMBER OF DIRECTORS.**

Subject to Article 42 and Sections 149, 152 and 164 of the Act, the Company may, by Ordinary Resolution, from time to time, increase or reduce the number of Directors, and may alter their qualifications and the Company may, (subject to the provisions of Section 169 of the Act), remove any Director before the expiration of his period of office and appoint another qualified in his stead. The person so appointed shall hold office during such time as the Director in whose place he is appointed would have held the same if he had not been removed.

**53. REGISTER OF DIRECTORS ETC.**

The Company shall keep at its Office, a Register containing the particulars of its Directors, Managing Directors, Manager, Secretaries and other Persons mentioned in Section 170 of the Act and shall otherwise comply with the provisions of the said Section in all respects.

The Company shall in respect of each of its Directors and key managerial personnel keep at its Office a Register, as required by Section 170 of the Act, and shall otherwise duly comply with the provisions of the said Section in all respects.

**54. DISCLOSURE BY DIRECTOR OF APPOINTMENT TO ANY OTHER BODY CORPORATE**

Every Director shall in accordance with the provisions of Companies (Meeting of Board and its Powers) Rules, 2014 shall disclose his concern or interest in any company or companies or bodies corporate (including shareholding interest), firms or other association of individuals by giving a notice in accordance with such rules.

**55. MANAGING DIRECTOR(S)/WHOLE TIME DIRECTOR(S)/EXECUTIVE DIRECTOR(S)/MANAGER**

Subject to the provisions of Section 203 of the Act and of these Articles, the Board shall have the power to appoint from time to time any full time employee of the Company as Managing Director/ whole time director or executive director or manager of the Company. The Managing Director(s) or the whole time director(s) manager or executive director(s), as the case may be, so appointed, shall be responsible for and in charge of the day to day management and affairs of the Company and subject to the applicable provisions of the Act and these Articles, the Board shall vest in such Managing Director/s or the whole time director(s) or manager or executive director(s), as the case may be, all the powers vested in the Board generally. The remuneration of a Managing Director/ whole time director or executive director or manager may be by way of monthly payment, fee for each meeting or participation in profits, or by any or all those modes or any other mode not expressly prohibited by the Act. Board, subject to the consent of the shareholders of the Company shall have the power to appoint Chairman of the Board as the Managing Director / whole time director or executive director of the Company.

**56. PROVISIONS TO WHICH MANAGING DIRECTOR(S)/ WHOLE TIME DIRECTOR(S) / EXECUTIVE DIRECTOR(S)/ MANAGER ARE SUBJECT**

Notwithstanding anything contained herein, a Managing Director(s) / whole time director(s) / executive director(s) / manager shall, subject to the provisions of any contract between him and the Company, be subject to the same provisions as to resignation and removal as the other Directors of the Company, and if he ceases to hold the office of a Director he shall ipso facto and immediately cease to be a Managing Director(s) / whole time director(s) / executive director(s) / manager, and if he ceases to hold the office of a Managing Director(s) / whole time director(s) / executive director(s) / manager he shall ipso facto and immediately cease to be a Director.

**57. POWER AND DUTIES OF MANAGING DIRECTOR(S)/ WHOLE TIME DIRECTOR(S) /**

### **EXECUTIVEDIRECTOR(S)/ MANAGER**

Subject to the superintendence, control and direction of the Board, the day-to-day management of the Company shall be in the hands of the Managing Director(s)/ whole time director(s) / executive director(s)/ manager s in the manner as deemed fit by the Board and subject to the applicable provisions of the Act, and these Articles, the Board may by resolution vest any such Managing Director(s)/ whole time director(s) / executive director(s)/ manager with such of the powers hereby vested in the Board generally as it thinks fit and such powers may be made exercisable for such period or periods and upon such conditions and subject to the applicable provisions of the Act, and these Articles confer such power either collaterally with or to the exclusion of or in substitution for all or any of the Directors in that behalf and may from time to time revoke, withdraw, alter or vary all or any of such powers.

### **58. POWER TO BE EXERCISED BY THE BOARD ONLY BY MEETING**

The Board shall exercise the following powers on behalf of the Company and the said powers shall be exercised only by resolutions passed at the meeting of the Board: -

- (a) to make calls on Shareholders in respect of money unpaid on their shares;
- (b) to authorise buy-back of Securities under Section 68 of the Act;
- (c) to issue Securities, including Debentures, whether in or outside India;
- (d) to borrow money(ies);
- (e) to invest the funds of the Company;
- (f) to grant loans or give guarantee or provide security in respect of loans;
- (g) to approve financial statements and the Board's report;
- (h) to diversify the business of the Company;
- (i) to approve amalgamation, merger or reconstruction;
- (j) to take over a company or acquire a controlling or substantial stake in another company;
- (k) fees/ compensation payable to non-executive directors including independent directors of the Company; and
- (l) any other matter which may be prescribed under the Companies (Meetings of Board and its Powers) Rules, 2014 and the SEBI Listing Regulations.

The Board may, by a resolution passed at a meeting, delegate to any Committee of Directors, the Managing Director, or to any person permitted by Law the powers specified in sub clauses (d) to (f) above.

The aforesaid powers shall be exercised in accordance with the provisions of the Companies (Meetings of Board and its Powers) Rules, 2014 and shall be subject to the provisions of section 180 of the Act.

In terms of and subject to the provisions of Section 180 of the Act, the Board may exercise the following powers subject to receipt of consent by the Company by way of a Special Resolution:

- (a) to sell, lease or otherwise dispose of the whole or substantial part of the undertaking of the Company;
- (b) to borrow money; and
- (c) any such other matter as may be prescribed under the Act, the SEBI Listing Regulations and other applicable provisions of Law.

### **59. MAKING LIABILITY OF DIRECTORS UNLIMITED**

The Company may, by Special Resolution in a Shareholders' Meeting, alter its Memorandum of Association so as to render unlimited the liability of its Directors or of any Director or manager, in accordance with Section 323 of the Companies Act, 1956.

**60. PROCEEDINGS OF THE BOARD OF DIRECTORS**

- (a) Board Meetings shall be held at least once in every 3 (three) month period and there shall be at least 4 (four) Board Meetings in any calendar year and there should not be a gap of more than 120 (one hundred twenty) days between two consecutive Board Meetings. Meetings shall be held at the Registered Office, or such a place as may be decided by the Board.
- (b) The participation of Directors in a meeting of the Board may be either in person or through video conferencing or other audio visual means, as may be prescribed, which are capable of recording and recognising the participation of the Directors and of recording and storing the proceedings of such meetings along with date and time. However, such matters as provided under the Companies (Meetings of Board and its Powers) Rules, 2014 shall not be dealt with in a meeting through video conferencing or other audio visual means. Any meeting of the Board held through video conferencing or other audio visual means shall only be held in accordance with the Companies (Meetings of Board and its Powers) Rules, 2014.
- (c) The Company Secretary or any other Director shall, as and when directed by the Chairman or a Director convene a meeting of the Board by giving a notice in writing to every Director in accordance with the provisions of the Act and the Companies (Meetings of Board and its Powers) Rules, 2014.
- (d) The Board may meet either at the Office of the Company, or at any other location in India or outside India as the Chairman or Director may determine.
- (e) At least 7 (seven) days' notice of every meeting of the Board shall be given in writing to every Director for the time being at his address registered with the Company and such notice shall be sent by hand delivery or by post or by electronic means. A meeting of the Board may be convened in accordance with these Articles by a shorter notice in case of any emergency as directed by the Chairman or the Managing Director or the Executive Director, as the case may be, subject to the presence of 1 (one) Independent Director in the said meeting. If an Independent Director is not present in the said meeting, then decisions taken at the said meeting shall be circulated to all the Directors and shall be final only upon ratification by one independent Director. Such notice or shorter notice may be sent by post or by fax or e-mail depending upon the circumstances.
- (f) At any Board Meeting, each Director may exercise 1 (one) vote. The adoption of any resolution of the Board shall require the affirmative vote of a majority of the Directors present at a duly constituted Board Meeting.

**61. QUORUM FOR BOARD MEETING**

Subject to the provisions of Section 174 of the Act, the quorum for each Board Meeting shall be one-third of its total strength or two directors, whichever is higher, and the presence of Directors by video conferencing or by other audio visual means shall also be counted for the purposes of calculating quorum. Provided that whereat any time the number of interested Directors exceeds or is equal to two-thirds of the total strength, the number of the remaining Directors, that is to say, the number of the Directors who are not interested present at the meeting being not less than two, shall be the quorum during such meeting.

If any duly convened Board Meeting cannot be held for want of a quorum, then such a meeting shall automatically stand adjourned for 7 (seven) days after the original meeting at the same time and place, or if that day is a national holiday, on the succeeding day which is not a public holiday to the same time and place. Provided however, the adjourned meeting may be held on such other date and such other place as may be unanimously agreed to by all the Directors in accordance with the provisions of the Act.

**62. ELECTION OF CHAIRMAN OF BOARD**

- (a) The Board may elect a chairman of its meeting and determine the period for which he is to hold office.

- (b) If no such chairman is elected, or at any meeting the chairman is not present within five minutes after the time appointed for holding the meeting the Directors present may choose one among themselves to be the chairman of the meeting.

### **63. POWERS OF THE BOARD**

Subject to the applicable provisions of the Act, these Articles and other applicable provisions of Law: -

- (a) The Board shall be entitled to exercise all such power and to do all such acts and things as the Company is authorised to exercise and do under the applicable provisions of the Act or by the Memorandum and Articles of Association of the Company.
- (b) The Board is vested with the entire management and control of the Company, including as regards any and all decisions and resolutions to be passed, for and on behalf of the Company.
- (c) Provided that the Board shall not, except with the consent of the Company by a Special Resolution:-
  - i. Sell, lease or otherwise dispose of the whole, or substantially the whole, of the undertaking of the Company, or where the Company owns more than one undertaking, of the whole, or substantially the whole, of any such undertaking. The term 'undertaking' and the expression 'substantially the whole of the undertaking' shall have the meaning ascribed to them under the provisions of Section 180 of the Act;
  - ii. Remit, or give time for repayment of, any debt due by a Director;
  - iii. Invest otherwise than in trust securities the amount of compensation received by the Company as a result of any merger or amalgamation; and
  - iv. Borrow money(ies) where the money(ies) to be borrowed together with the money(ies) already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of businesses), will exceed the aggregate of the Paid-up Capital, free reserves and securities premium of the Company.

### **64. COMMITTEES AND DELEGATION BY THE BOARD**

The Board of Directors of the Company shall constitute such Committees as may be required under the Act, applicable provisions of Law and the SEBI Listing Regulations. Without prejudice to the powers conferred by the other Articles and so as not to in any way to limit or restrict those powers, the Board may, subject to the provisions of Section 179 of the Act, delegate any of its powers to the Managing Director(s), the executive director(s) or manager or the chief executive officer of the Company. The Managing Director(s), the executive director(s) or the manager or the chief executive officer(s) as aforesaid shall, in the exercise of the powers so delegated, conform to any regulations that may from time to time be imposed on them by the Board and all acts done by them in exercise of the powers so delegated and in conformity with such regulations shall have the like force and effect as if done by the Board.

Subject to the applicable provisions of the Act, the requirements of Law and these Articles, the Board may delegate any of its powers to Committees of the Board consisting of such member or members of the Board as it thinks fit, and it may from time to time revoke and discharge any such committee of the Board either wholly or in part and either as to Persons or purposes. Every Committee of the Board so formed shall, in the exercise of the powers so delegated, conform to any regulations that may from time to time be imposed on it by the Board. All acts done by any such Committee of the Board in conformity with such regulations and in fulfillment of the purposes of their appointment but not otherwise, shall have the like force and effect as if done by the Board.

The meetings and proceedings of any such Committee of the Board consisting of two or more members shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Directors, so far as the same are applicable thereto and are not superseded by any regulation made



by the Directors under the last preceding Article.

The Board of the Company shall in accordance with the provisions of the Companies (Meetings of the Board and its Powers) Rules, 2014 or any other Law and the provisions of the SEBI Listing Regulations, form such committees as may be required under such rules in the manner specified therein, if the same are applicable to the Company.

**65. ACTS OF BOARD OR COMMITTEE VALID NOTWITHSTANDING INFORMAL APPOINTMENT**

All acts undertaken at any meeting of the Board or of a Committee of the Board, or by any person acting as a Director shall, notwithstanding that it may afterwards be discovered that there was some defect in the appointment of such Director or Persons acting as aforesaid, or that they or any of them were disqualified or had vacated office or that the appointment of any of them had been terminated by virtue of any provisions contained in the Act or in these Articles, be as valid as if every such person had been duly appointed, and was qualified to be a Director. Provided that nothing in this Article shall be deemed to give validity to the acts undertaken by a Director after his appointment has been shown to the Company to be invalid or to have been terminated.

**66. PASSING OF RESOLUTION BY CIRCULATION**

No resolution shall be deemed to have been duly passed by the Board or by a Committee thereof by circulation, unless the resolution has been circulated in draft form, together with the necessary papers, if any, to all 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 provided under the Companies (Meetings of Board and its Powers) Rules, 2014 and has been approved by majority of Directors or members of the Committee, who are entitled to vote on the resolution. However, in case one-third of the total number of Directors for the time being require that any resolution under circulation must be decided at a meeting, the chairperson shall put the resolution to be decided at a meeting of the Board.

A resolution mentioned above shall be noted at a subsequent meeting of the Board or the Committee thereof, as the case may be, and made part of the minutes of such meeting.

**67. MINUTES OF THE PROCEEDINGS OF THE MEETING OF THE BOARD**

- (a) The Company shall prepare minutes of each Board Meeting and the entries thereof in books kept for that purpose with their pages consecutively numbered. Such minutes shall contain a fair and correct summary of the proceedings conducted at the Board Meeting.
- (b) The Company shall circulate the minutes of the meeting to each Director within 7 (seven) Business Days after the Board Meeting.
- (c) Each page of every such book shall be initialed or signed and the last page of the record of proceedings of each meeting in such book shall be dated and signed by the Chairman of the said meeting or the Chairman of the next succeeding meeting.
- (d) In no case the minutes of proceedings of a meeting shall be attached to any such book as aforesaid by pasting or otherwise.
- (e) The minutes of each meeting shall contain a fair and correct summary of the proceedings thereat and shall also contain: -
  - (i) all appointments of Officers;
  - (ii) the names of the Directors present at each meeting of the Board;
  - (iii) all resolutions and proceedings of the meetings of the Board;
  - (iv) the names of the Directors, if any, dissenting from, or not concurring in, any resolution passed by the Board.
- (f) Nothing contained in sub Articles (a) to (e) above shall be deemed to require the inclusion in any

such minutes of any matter which in the opinion of the Chairman of the meeting: -

- (i) is or could reasonably be regarded as defamatory of any person;
  - (ii) is irrelevant or immaterial to the proceedings; or
  - (iii) is detrimental to the interests of the Company.
- (g) The Chairman shall exercise absolute discretion in regard to the inclusion or non-inclusion of any matter in the minutes on the ground specified in sub Article (f) above.
- (h) Minutes of meetings kept in accordance with the aforesaid provisions shall be evidence of the proceedings recorded therein.
- (i) The minutes kept and recorded under this Article shall also comply with the provisions of Secretarial Standard 1 issued by the Institute of Company Secretaries of India constituted under the Company Secretaries Act, 1980 and approved as such by the Central Government and applicable provisions of the Act and Law.

**68. REGISTER OF CHARGES**

The Directors shall cause a proper register to be kept, in accordance with the applicable provisions of the Act, of all mortgages and charges specifically affecting the property of the Company and shall duly comply with the requirements of the applicable provisions of the Act in regard to the registration of mortgages and charges therein specified.

**69. CHARGE OF UNCALLED CAPITAL**

Where any uncalled capital of the Company is charged as security or other security is created on such uncalled capital, the Directors may authorize, subject to the applicable provisions of the Act and these Articles, making calls on the Shareholders in respect of such uncalled capital in trust for the Person in whose favour such charge is executed.

**70. SUBSEQUENT ASSIGNS OF UNCALLED CAPITAL**

Where any uncalled capital of the Company is charged, all Persons taking any subsequent charge thereon shall take the same subject to such prior charges and shall not be entitled to obtain priority over such prior charge.

**71. CHARGE IN FAVOUR OF DIRECTOR FOR INDEMNITY**

If the Director or any Person, shall become personally liable for the payment of any sum primarily due from the Company, the Board may execute or cause to be executed, any mortgage, charge or security over or affecting the whole or part of the assets of the Company by way of indemnity to secure the Directors or other Persons so becoming liable as aforesaid from any loss in respect of such liability.

**72. OFFICERS**

- (a) The Company shall have its own professional management and such officers shall be appointed from time to time as designated by its Board. The officers of the Company shall serve at the discretion of the Board.
- (b) The officers of the Company shall be responsible for the implementation of the decisions of the Board, subject to the authority and directions of the Board and shall conduct the day to day business of the Company.
- (c) The officers of the Company shall be the Persons in charge of and responsible to the Company for the conduct of the business of the Company and shall be concerned and responsible to ensure full and due compliance with all statutory laws, rules and regulations as are required to be complied with by the Company and/or by the Board of the Company.
- (d) Qualified experienced managerial and marketing executives and other officers shall be appointed for the operation and conduct of the business of the Company.

- (e) The Board shall appoint with the approval of the Chairman, the President and/or Chief Executive Officer and/or Chief Operating Officer of the Company, as well as persons who will be appointed to the postsof senior executive management.

**73. THE SECRETARY**

- (a) Subject to the provisions of Section 203 of the Act, the Board may, from time to time, appoint any individual as Secretary of the Company to perform such functions, which by the Act or these Articles for the time being of the Company are to be performed by the Secretary and to execute any other duties which mayfrom time to time be assigned to him by the Board. The Board may confer upon the Secretary so appointed any powers and duties as are not by the Act or by these Articles required to be exercised by the Board and may from time to time revoke, withdraw, alter or vary all or any of them. The Board may also at any time appoint some individual (who need not be the Secretary), to maintain the Registers required to be kept by theCompany.
- (b) The Secretary shall be an individual responsible to ensure that there shall be no default, non-compliance, failure, refusal or contravention of any of the applicable provisions of the Act, or any rules, regulations or directions which the Company is required to conform to or which the Board of the Company are required to conform to and shall be designated as such and be the officer in default.

**74. DIRECTORS' & OFFICERS' LIABILITY INSURANCE**

Subject to the provisions of the Act and Law, the Company shall procure, at its own cost, comprehensive directors and officers liability insurance for each Director which shall not form a part of the remuneration payable to the Directors in the circumstances described under Section 197 of the Act:

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- (a) on terms approved by the Board;
- (b) which includes each Director as a policyholder;
- (c) is from an internationally recognised insurer approved by the Board; and
- (d) for a coverage for claims of an amount as may be decided by the Board, from time to time.

**75. SEAL**

- (a) The Company shall also be at liberty to have an official Seal(s) in accordance with Section 50 of the Companies Act, 1956/2013, for use in any territory, district or place outside India.
- (b) The seal of the Company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board authorised by it in that behalf, and except in the presence of at least two (2) directors and/or the secretary or such other person as the Board may appoint for the purpose; and those two (2) directors and/or secretary or other person aforesaid shall sign every instrument to which the seal of the company is so affixed in their presence.

**76. ACCOUNTS**

- (a) The Company shall prepare and keep at the Office books of accounts or other relevant books and papers and financial statements for every financial year which give a true and fair view of the state of affairs of the Company, including its branch office or offices, if any, in accordance with the Act, Rules and as requiredunder the applicable Law, and explain the transactions effected both at the Office and its branches and such books shall be kept on accrual basis and according to the double entry system of accounting.
- (b) Where the Board decides to keep all or any of the books of account at any place other than the Office, 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. The Company may also keep such books of accounts or other relevant papersin electronic mode in accordance with the provisions of the Act.
- (c) The Company shall preserve in good order the books of account relating to a period of not less than eight years preceding the current year.

- (d) When the Company has a branch office, whether in or outside India, the Company shall be deemed to have complied with this Article if proper books of account relating to the transactions effected at the branch office are kept at the branch office and proper summarized returns made up to dates at intervals of not more than three months, are sent by the branch office to the Company at its office or at the other place in India, at which the Company's books of account are kept as aforesaid.
- (e) No Shareholder (not being a Director) shall have any right of inspecting any account or books or documents of the Company except specified under the Act and Law.
- (f) In accordance with the provisions of the Act, along with the financial statements laid before the Shareholders, there shall be laid a 'Board's report' which shall include:
  - (i) the extract of the annual return as provided under sub-section (3) of Section 92 of the Act;
  - (ii) number of meetings of the Board;
  - (iii) Directors' responsibility statement as per the provisions of Section 134 (5) of the Act;
  - (iv) a statement on declaration given by Independent Directors under sub-section (6) of Section 149 of the Act;
  - (v) in the event applicable, as specified under sub-section (1) of Section 178 of the Act, Company's policy on Directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a Director and other matters provided under sub-section (3) of Section 178 of the Act;
  - (vi) explanations or comments by the Board on every qualification, reservation or adverse remark or disclaimer made-
    - 1. by the auditor in his report; and
    - 2. by the company secretary in practice in his secretarial audit report;
  - (vii) particulars of loans, guarantees or investments under Section 186 of the Act;
  - (viii) particulars of contracts or arrangements with related parties referred to in sub-section (1) of Section 188 in the prescribed form;
  - (ix) the state of the Company's affairs;
  - (x) the amounts, if any, which it proposes to carry to any reserves;
  - (xi) the amount, if any, which it recommends should be paid by way of Dividends;
  - (xii) material changes and commitments, if any, affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report;
  - (xiii) the conservation of energy, technology absorption, foreign exchange earnings and outgo, in such manner as may be prescribed;
  - (xiv) a statement indicating development and implementation of a risk management policy for the Company including identification therein of elements of risk, if any, which in the opinion of the Board may threaten the existence of the Company;
  - (xv) the details about the policy developed and implemented by the Company on corporate social responsibility initiatives taken during the year;
  - (xvi) a statement indicating the manner in which formal annual evaluation has been made by the Board of its own performance and that of its committees and individual Directors, as may be prescribed for listed companies; and
  - (xvii) such other matters as may be prescribed under the Law, from time to time.
- (g) All the aforesaid books shall give a fair and true view of the affairs of the Company or its branch office, as the case may be, with respect to the matters herein and explain its transactions.

- (h) The Company shall comply with the requirements of Section 136 of the Act.

#### **87. AUDIT AND AUDITORS**

- (a) Auditors shall be appointed and their rights and duties shall be regulated in accordance with Sections 139 to 147 of the Act and as specified under Law.
- (b) Every account of the Company when audited shall be approved by a Shareholders' Meeting and shall be conclusive except as regards any error discovered therein within three months next after the approval thereof. Whenever any such error is discovered within that period the account shall forthwith be corrected, and henceforth shall be conclusive.
- (c) Every balance sheet and profit and loss account shall be audited by one or more Auditors to be appointed as hereinafter set out.
- (d) The Company at the Annual General Meeting in each year shall appoint an Auditor or Auditors to hold office from the conclusion of that meeting until conclusion of the next Annual General Meeting and every Auditor so appointed shall be intimated of his appointment within 7 (seven) days.
- (e) Where at an Annual General Meeting, no Auditors are appointed, the Central Government may appoint a person to fill the vacancy and fix the remuneration to be paid to him by the Company for his services.
- (f) The Company shall within 7 (seven) days of the Central Government's power under sub clause (b) becoming exercisable, give notice of that fact to the Government.
- (g) The Directors may fill any casual vacancy in the office of an Auditor but while any such vacancy continues, the remaining auditors (if any) may act. Where such a vacancy is caused by the resignation of an Auditor, the vacancy shall only be filled by the Company in Shareholders' Meeting.
- (h) A person, other than a retiring Auditor, shall not be capable of being appointed at an Annual General Meeting unless special notice of a resolution of appointment of that person to the office of Auditor has been given by a Shareholder to the Company not less than 14 (fourteen) days before the meeting in accordance with Section 115 of the Act, and the Company shall send a copy of any such notice to the retiring Auditor and shall give notice thereof to the Shareholders in accordance with provisions of Section 115 of the Act and all the other provision of Section 140 of the Act shall apply in the matter. The provisions of this sub-clause shall also apply to a resolution that a retiring auditor shall not be re-appointed.
- (i) The persons qualified for appointment as Auditors shall be only those referred to in Section 141 of the Act.
- (j) None of the persons mentioned in Section 141 of the Act as are not qualified for appointment as auditors shall be appointed as Auditors of the Company.

#### **88. AUDIT OF BRANCH OFFICES**

The Company shall comply with the applicable provisions of the Act and the Companies (Audit and Auditor) Rules, 2014 in relation to the audit of the accounts of branch offices of the Company.

#### **89. REMUNERATION OF AUDITORS**

The remuneration of the Auditors shall be fixed by the Company as authorized in Shareholders' Meeting from time to time in accordance with the provisions of the Act and the Companies (Audit and Auditor) Rules, 2014.

#### **90. DOCUMENTS AND NOTICES**

- (a) A document or notice may be given or served by the Company to or on any Shareholder whether having his registered address within or outside India either personally or by sending it by post to

him to his registered address or by email.

- (b) Where a document or notice is sent by post, service of the document or notice shall be deemed to be effected by properly addressing, prepaying and posting a letter containing the document or notice, provided that where a Shareholder has intimated to the Company in advance that documents or notices should be sent to him under a certificate of posting or by registered post with or without acknowledgement due or by cable or telegram and has deposited with the Company a sum sufficient to defray the expenses of doing so, service of the document or notice shall be deemed to be effected unless it is sent in the manner intimated by the Shareholder. Such service shall be deemed to have effected in the case of a notice of a meeting, at the expiration of forty eight hours after the letter containing the document or notice is posted or after a telegram has been dispatched and in any case, at the time at which the letter would be delivered in the ordinary course of post or the cable or telegram would be transmitted in the ordinary course.
- (c) A document or notice may be given or served by the Company to or on the joint-holders of a Share by giving or serving the document or notice to or on the joint-holder named first in the Register of Members in respect of the Share.
- (d) Every Person, who by operation of Law, transfer or other means whatsoever, shall become entitled to any Share, shall be bound by every document or notice in respect of such Share, which previous to his name and address being entered on the Register of Members, shall have been duly served on or given to the Person from whom he derives his title to such Share.
- (e) Any document or notice to be given or served by the Company may be signed by a Director or the Secretary or some Person duly authorised by the Board for such purpose and the signature thereto may be written, printed, photostat or lithographed.
- (f) All documents or notices to be given or served by Shareholders on or to the Company or to any officer thereof shall be served or given by sending the same to the Company or officer at the Office by post under a certificate of posting or by registered post or by leaving it at the Office.
- (g) Where a Document is sent by electronic mail, service thereof shall be deemed to be effected properly, where a shareholder has registered his electronic mail address with the Company and has intimated the Company that documents should be sent to his registered email address, without acknowledgement due. Provided that the Company, shall provide each shareholder an opportunity to register his email address and change therein from time to time with the Company or the concerned Depository. The Company shall fulfill all conditions required by Law, in this regard.

**91. SHAREHOLDERS TO NOTIFY ADDRESS IN INDIA**

Each registered Shareholder from time to time notify in writing to the Company such place in India to be registered as his address and such registered place of address shall for all purposes be deemed to be his place of residence.

**92. SERVICE ON SHAREHOLDERS HAVING NO REGISTERED ADDRESS**

If a Shareholder does not have registered address in India, and has not supplied to the Company any address within India, for the giving of the notices to him, a document advertised in a newspaper circulating in the neighbourhood of Office of the Company shall be deemed to be duly served to him on the day on which the advertisement appears.

**93. SERVICE ON PERSONS ACQUIRING SHARES ON DEATH OR INSOLVENCY OF SHAREHOLDERS**

A document may be served by the Company on the Persons entitled to a share in consequence of the death or insolvency of a Shareholders by sending it through the post in a prepaid letter addressed to them by name or by the title or representatives of the deceased, assignees of the insolvent by any like description at the address (if any) in India supplied for the purpose by the Persons claiming to be so entitled, or (until such an address has been so supplied) by serving the document in any manner in which the same might have been served as if the death or insolvency had not occurred.

**94. PERSONS ENTITLED TO NOTICE OF SHAREHOLDERS' MEETINGS**

Subject to the applicable provisions of the Act and these Articles, notice of Shareholders' Meeting shall be given:

- (i) To the Shareholders of the Company as provided by these Articles.
- (ii) To the persons entitled to a share in consequence of the death or insolvency of a Shareholder.
- (iii) To the Auditors for the time being of the Company; in the manner authorized by as in the case of any Shareholder of the Company.

**95. NOTICE BY ADVERTISEMENT**

Subject to the applicable provisions of the Act, any document required to be served or sent by the Company on or to the Shareholders, or any of them and not expressly provided for by these Articles, shall be deemed to be duly served or sent if advertised in a newspaper circulating in the District in which the Office is situated.

**96. DIVIDEND POLICY**

- (a) The profits of the Company, subject to any special rights relating thereto being created or authorised to be created by the Memorandum or these Articles and subject to the provisions of these Articles shall be divisible among the Shareholders in proportion to the amount of Capital Paid-up or credited as Paid-up and to the period during the year for which the Capital is Paid-up on the shares held by them respectively. Provided always that, (subject as aforesaid), any Capital Paid-up on a Share during the period in respect of which a Dividend is declared, shall unless the Directors otherwise determine, only entitle the holder of such Share to an apportioned amount of such Dividend as from the date of payment.
- (b) Subject to the provisions of Section 123 of the Act the Company in Shareholders' Meeting may declare Dividends, to be paid to Shareholders according to their respective rights and interests in the profits. No Dividends shall exceed the amount recommended by the Board, but the Company in Shareholders' Meeting may, declare a smaller Dividend, and may fix the time for payments not exceeding 30 (thirty) days from the declaration thereof.
- (c) (i) No Dividend shall be declared or paid otherwise than out of profits of the Financial Year arrived at after providing for depreciation in accordance with the provisions of Section 123 of the Act or out of the profits of the Company for any previous Financial Year or years arrived at after providing for depreciation in accordance with those provisions and remaining undistributed or out of both, provided that in computing profits any amount representing unrealised gains, notional gains or revaluation of assets and any change in carrying amount of an asset or of a liability on measurement of the asset or the liability at fair value shall be excluded. The Company shall not declare Dividend unless carried over previous losses and depreciation not provided in previous Financial Year or years are set off against profit of the Company for the Financial Year for which the Dividend is proposed to be declared. Where the Company proposes to declare dividend out of the accumulated profits earned by it in previous years and transferred by the company to the free reserves, owing to inadequacy or absence of profits in the Financial Year for which the Dividends are proposed to be declared, such declaration of Dividend shall not be made except in accordance with provisions of the Act and the Rules.
  - (ii) The declaration of the Board as to the amount of the net profits shall be conclusive.
- (d) The Board may, from time to time, pay to the Shareholders such interim Dividend as in their judgment the position of the Company justifies in accordance with the provisions of the Section 123 of the Act.
- (e) Where Capital is paid in advance of calls upon the footing that the same shall carry interest, such Capital shall not whilst carrying interest, confer a right to participate in profits or Dividend.
- (f) (i) Subject to the rights of Persons, if any, entitled to shares with special rights as to Dividend, all Dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof Dividend is paid but if and so long as nothing is paid upon any shares in the Company, Dividends may be declared and paid according to the amount of the shares.
  - (ii) No amount paid or credited as paid on shares in advance of calls shall be treated for the purpose of

this regulation as paid on shares.

- (iii) All Dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the Dividend is paid, but if any shares are issued on terms providing that it shall rank for Dividend as from a particular date such shares shall rank for Dividend accordingly.
- (g) Subject to the applicable provisions of the Act and these Articles, the Board may retain the Dividend payable upon shares in respect of any Person, until such Person shall have become a Shareholder, in respect of such shares or until such shares shall have been duly transferred to him.
- (h) Any one of several Persons who are registered as the joint-holders of any Share may give effectual receipts for all Dividends or bonus and payments on account of Dividends or bonus or sale proceeds of fractional certificates or other money(ies) payable in respect of such shares.
- (i) Subject to the applicable provisions of the Act, no Shareholder shall be entitled to receive payment of any interest or Dividends in respect of his Share(s), whilst any money may be due or owing from him to the Company in respect of such Share(s); either alone or jointly with any other Person or Persons; and the Board may deduct from the interest or Dividend payable to any such Shareholder all sums of money so due from him to the Company.
- (j) Subject to Section 126 of the Act, a transfer of shares shall not pass the right to any Dividend declared thereon before the registration of the transfer.
- (k) Unless otherwise directed any Dividend shall be paid through electronic mode of payment facility approved by the Reserve Bank of India. Where it is not possible to use electronic mode of payment, dividend may be paid by 'payable at par' cheques or warrants sent by post or courier or by any other legally permissible means to the registered address of the Shareholder or Person entitled or in case of joint-holders to that one of them first named in the Register of Members in respect of the joint-holding. Every such cheque or warrant shall be made payable to the order of the Person to whom it is sent and in case of joint-holders to that one of them first named in the Register of Members in respect of the joint-holding. The Company shall not be liable or responsible for any cheque or warrant or pay slip or receipt lost in transmission, or for any Dividend lost to a Shareholder or Person entitled thereto, by a forged endorsement of any cheque or warrant or a forged signature on any pay slip or receipt of a fraudulent recovery of Dividend. If 2 (two) or more Persons are registered as joint-holders of any Share(s) any one of them can give effectual receipts for any money(ies) payable in respect thereof. Several Executors or Administrators of a deceased Shareholder in whose sole name any Share stands shall for the purposes of this Article be deemed to be joint-holders thereof.
- (l) No unpaid Dividend shall bear interest as against the Company.
- (m) Any Shareholders' Meeting declaring a Dividend may on the recommendation of the Board, make a call on the Shareholders of such amount as the Shareholders' Meeting fixes, but so that the call on each Shareholder shall not exceed the Dividend payable to him, and so that the call will be made payable at the same time as the Dividend; and the Dividend may, if so arranged as between the Company and the Shareholders, be set-off against such calls.
- (n) Notwithstanding anything contained in this Article, the dividend policy of the Company shall be governed by the applicable provisions of the Act and Law.
- (o) The Company may pay dividends on shares in proportion to the amount Paid-up on each Share in accordance with Section 51 of the Act.

## **97. UNPAID OR UNCLAIMED DIVIDEND**

- (a) If the Company has declared a Dividend but which has not been paid or the Dividend warrant in respect thereof has not been posted or sent within 30 (thirty) days from the date of declaration, transfer the total amount of dividend, which remained unpaid or unclaimed within 7 (seven) days from the date of expiry of the said period of 30 (thirty) days to a special account to be opened by the



Company in that behalf in any scheduled bank or private sector bank.

- (b) Any money so transferred to the unpaid Dividend account of the Company which remains unpaid or unclaimed for a period of 7 (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".
- (c) No unpaid or 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.

#### **98. CAPITALIZATION OF PROFITS**

The Company in Shareholders' Meeting may, upon the recommendation of the Board, resolve:

- (a) that it is desirable to capitalize any part of the amount for the time being standing to the credit of any of the Company's reserve accounts or to the credit of the Company's profit and loss account or otherwise, as available for distribution, and
- (b) that such sum be accordingly set free from distribution in the manner specified herein below in sub-article (c) as amongst the Shareholders who would have been entitled thereto, if distributed by way of Dividends and in the same proportions.
- (c) The sum aforesaid shall not be paid in cash but shall be applied either in or towards:
- (d) paying up any amounts for the time being unpaid on any shares held by such Shareholders respectively;
- (e) paying up in full, un-issued shares of the Company to be allotted, distributed and credited as fully Paid up, to and amongst such Shareholders in the proportions aforesaid; or partly in the way specified in sub-article (i) and partly in the way specified in sub-article (ii).
- (f) A share premium account may be applied as per Section 52 of the Act, and a capital redemption reserve account may, duly be applied in paying up of unissued shares to be issued to Shareholders of the Company as fully paid bonus shares.

#### **99. RESOLUTION FOR CAPITALISATION OF RESERVES AND ISSUE OF FRACTIONAL CERTIFICATE**

- (a) The Board shall give effect to a Resolution passed by the Company in pursuance of this Article.
- (b) Whenever such a Resolution as aforesaid shall have been passed, the Board shall:
  - (i) make all appropriation and applications of undivided profits (resolved to be capitalized thereby), and all allotments and issues of fully paid shares or Securities, if any; and
  - (ii) generally do all acts and things required to give effect thereto.
- (c) The Board shall have full power:
  - i. to make such provisions, by the issue of fractional certificates or by payments in cash or otherwise as it thinks fit, in the case of shares or Debentures becoming distributable in fraction; and
  - ii. to authorize any Person, on behalf of all the Shareholders entitled thereto, to enter into an agreement with the Company providing for the allotment to such Shareholders, credited as fully Paid up, of any further shares or Debentures to which they may be entitled upon such capitalization or (as the case may require) for the payment of by the Company on their behalf, by the application thereto of their respective proportions of the profits resolved to be capitalised of the amounts or any parts of the amounts remaining unpaid on the shares.
- (d) Any agreement made under such authority shall be effective and binding on all such shareholders.

**100. DISTRIBUTION OF ASSETS IN SPECIE OR KIND UPON WINDING UP**

- (a) If the company shall be wound up, the liquidator may, with the sanction of a special Resolution of the company and any other sanction required by the Act divide amongst the shareholders, in specie or kind the whole or any part of the assets of the Company, whether they shall consist of property of the same kind or not.
- (b) For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the Shareholders or different classes of Shareholders.
- (c) The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no Shareholder shall be compelled to accept any shares or other Securities whereon there is any liability.

**101. DIRECTOR'S AND OTHER'S RIGHTS TO INDEMNITY**

Subject to the provisions of Section 197 of the Act, every Director, manager and other Officer or employee of the Company shall be indemnified by the Company against any liability incurred by him in the ordinary course of business and it shall be the duty of the Directors to pay out from the funds of the Company all costs, losses and expenses which any Director, manager, Officer or employee may incur or become liable to by reason of any contract entered into by him on behalf of the Company or in any way in the discharge of his duties and in particular, and so as not to limit the generality of the foregoing provisions against all liabilities incurred by him as such Director, manager, Officer or employee in defending any proceedings, whether civil or criminal in which judgement is given in his favour or he is acquitted or in connection with any application under Section 463 of the Act in which relief is granted by the court and the amount for which such indemnity is provided shall immediately attach as a lien on the property of the Company and have priority as between the Shareholders over all the claims.

**102. DIRECTOR'S ETC. NOT LIABLE FOR CERTAIN ACTS**

Subject to the provision of Section 197 of the Act, no Director, manager, Officer or employee of the Company shall be liable for the acts, defaults, receipts and neglects of any other Director, manager, Officer or employee or for joining in any receipts or other acts for the sake of conformity or for any loss or expenses happening to the Company through the insufficiency or deficiency of any security in or upon which any of the monies of the Company shall be invested or for any loss or damage arising from the bankruptcy, insolvency or tortious act of any Person with whom any monies, securities or effects shall be deposited or for any loss occasioned by an error of judgement or oversight on his part, or for any other loss, damage or misfortune whatsoever which shall happen in the execution thereof unless the same shall happen through negligence, default, misfeasance, breach of duty or breach of trust. Without prejudice to the generality foregoing it is hereby expressly declared that any filing fee payable or any document required to be filed with the registrar of the companies in respect of any act done or required to be done by any Director or other Officer by reason of his holding the said office shall be paid and borne by the Company.

**103. INSPECTION BY SHAREHOLDERS**

The register of charges, register of investments, register of shareholders, books of accounts and the minutes of the meeting of the Board and Shareholders shall be kept at the Office of the Company and shall be open, during business hours, for such periods not being less in the aggregate than two hours in each day as the Board determines for inspection of any Shareholder without charge. In the event such Shareholder conducting inspection of the abovementioned documents requires extracts of the same, the Company may charge a fee which shall not exceed Rupees ten per page or such other limit as may be prescribed under the Act or other applicable provisions of law.

**104. AMENDMENT TO MEMORANDUM AND ARTICLES OF ASSOCIATION**

The Company may amend its Memorandum of Association and Articles of Association in accordance with Sections 13, 14 and 15 of the Act and such other provisions of Law, as may be applicable from time-to-time. The shareholders shall vote for all the equity shares owned or held on record by such shareholders at any annual or extraordinary General meeting of the company in accordance with these Articles.

- (a) The shareholders shall not pass any resolution or take any decision which is contrary to any of the terms of these Articles.
- (b) The Articles of the company shall not be amended unless (i) Shareholders holding not less than 75% of the Equity shares (and who are entitled to attend and vote) cast votes in favour of each such amendment/sto the Articles.

**105. SECRECY**

No Shareholder shall be entitled to inspect the Company's work without permission of the Managing Director/Directors or to require discovery of any information respectively any details of Company's trading or any matter which is or may be in the nature of a trade secret, history of trade or secret process which may be related to the conduct of the business of the Company and which in the opinion of the Managing Director/Directors will be inexpedient in the interest of the Shareholders of the Company to communicate to the public.

**106. DUTIES OF THE OFFICER TO OBSERVE SECRECY**

Every Director, Managing Directors, manager, Secretary, Auditor, trustee, members of the committee, Officer, servant, agent, accountant or other Persons employed in the business of the Company shall, if so required by the Director before entering upon his duties, or any time during his term of office, sign a declaration pledging himself to observe secrecy relating to all transactions of the Company and the state of accounts and in matters relating thereto and shall by such declaration pledge himself not to reveal any of such matters which may come to his knowledge in the discharge of his official duties except which are required so to do by the Directors or the Auditors, or by resolution of the Company in the Shareholders' Meeting or by a court of law and except so far as may be necessary in order to comply with any of the provision of these Articles or Law. Nothing herein contained shall affect the powers of the Central Government or any officer appointed by the government to require or to hold an investigation into the Company's affair.

**107. GENERAL POWER**

Wherever in the Act, it has been provided that the Company shall have any right, privilege or authority or that the Company could carry out any transaction only if the Company is so authorized by its articles, then and in that case this Article authorizes and empowers the Company to have such rights, privileges or authorities and to carry such transactions as have been permitted by the Act, without there being any specific Article in that behalf herein provided.

At any point of time from the date of adoption of these Articles, if the Articles are or become contrary to the provisions of the SEBI Listing Regulations, the provisions of the SEBI Listing Regulations shall prevail over the Articles to such extent and the Company shall discharge all its obligations as prescribed under the SEBI Listing Regulations, from time to time.

## **SECTION XI: OTHER INFORMATION**

### **MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION**

The copies of the following contracts which have been entered or are to be entered into by our Company (not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two years before the date of this Prospectus which are or may be deemed material will be attached to the copy of the Red Herring Prospectus/ Prospectus which will be delivered to the RoC for filing. Copies of the contracts and also the documents for inspection referred to hereunder, may be inspected at the Registered and Corporate Office between 10 a.m. and 5 p.m. on all Working Days from date of the Prospectus until the Issue Closing Date.

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 reference to the Shareholders, subject to compliance of the provisions contained in the Companies Act and other applicable law.

#### **A. Material Contracts for the Issue**

- (a) Issue Agreement dated December 27, 2024 entered between our Company and the Book Running Lead Manager; Supplementary Deed dated May 05, 2025.
- (b) Registrar Agreement dated October 01, 2024 entered into amongst our Company and the Registrar to the Issue; Supplementary Deed dated May 05, 2025.
- (c) Banker to the Issue Agreement dated May 17, 2025 among our Company, Book Running Lead Manager, Banker to the Issue and the Registrar to the Issue.
- (d) Tripartite Agreement dated August 19, 2024 between our Company, NSDL and the Registrar to the Issue.
- (e) Tripartite Agreement dated July 31, 2024 between our Company, CDSL and the Registrar to the Issue.
- (f) Market Making Agreement dated May 16, 2025 between our Company, Book Running Lead Manager and Market Maker.
- (g) Underwriting Agreement dated May 16, 2025 between our Company and the Underwriters.
- (h) Syndicate Agreement dated May 21, 2025 between our Company and the Syndicate Member.

#### **B. Material Documents**

- (a) Certified copies of the updated Memorandum of Association and Articles of Association of our Company;
- (b) Certificate of incorporation dated May 04, 1992, issued by the RoC; West Bengal;
- (c) Fresh certificate of incorporation dated May 31, 2024 issued by RoC at the time of change of name of Company from NR Centre Private Limited to NR Vandana Tex Industries Private Limited.
- (d) Fresh certificate of incorporation dated August 13, 2024 issued by RoC at the time of conversion from a private company into a public company;
- (e) Resolutions of our Board of Directors dated March 13, 2025 in relation to the Issue and other related matters;
- (f) Shareholders' resolution dated March 17, 2025 in relation to this Issue and other related matters;
- (g) Resolution of the Board of Directors of the Company dated May 21, 2025 taking on record and approving

this Prospectus;

- (h) The examination report dated May 17, 2025 of Peer Reviewed Auditors on our Restated Financial Statements, included in this Prospectus;
- (i) Copies of Consolidated Restated Financial Statements of our Company for the financial years March 31 2025, March 31, 2024 and March 31, 2023;
- (j) Copies of Consolidated Audited Financial Statements of our Company for the financial years March 31 2025, March 31, 2024 and March 31, 2023;
- (k) Copies of the annual reports of the Company for the Fiscals 2024, 2023, 2022, 2021 & 2020;
- (l) Statement of Tax Benefits dated May 21, 2025 from the Peer Reviewed Auditors included in this Prospectus;
- (m) Consent of the Promoters, Directors, Senior Managerial Personnel, the Book Running Lead Manager, the Syndicate Member, the Legal Counsel to our Issue, the Registrar to the Issue, the Peer Reviewed Statutory Auditor, the Banker to the Company, the Banker to the Issue, the Chartered Engineer, the Market Maker, the Underwriter, the Company Secretary and Compliance Officer and the Chief Financial Officer, to act in their respective capacities;
- (n) Chartered Engineer certificate on capacity utilisaiton dated May 15, 2025 from Debabrata Ghosh, independent chartered engineer as an expert defined under Section 2(38) of the Companies Act, 2013;
- (o) Resolution of the Audit Committee dated May 21, 2025 approving our key performance indicators;
- (p) Certificate on KPI's issued by our Statutory Auditor M/s J B S & Co. Chartered Accountants dated May 21, 2025;
- (q) Certificate on Working Capital issued by our Statutory Auditor M/s. M/s JBS & Co. Chartered Accountants dated May 21, 2025 and annexure to certificate dated May 28, 2025;
- (r) Certificate on Repayment of loan issued by our Statutory Auditor M/s JBS & Co., Chartered Accountants dated May 21, 2025;
- (s) Site Visit Report of the Issuer Company dated October 15, 2024, issued by the BRLM;
- (t) Due diligence certificate dated March 20, 2025 issued by Book Running Lead Manager;
- (u) In principle listing approval dated May 02, 2025 issued by National Stock Exchange of India Limited;

Any of the contracts or documents mentioned in this Prospectus may be amended or modified at any time if so required in the interest of our Company or if required by the other parties, without reference to the Shareholders subject to compliance with the provisions contained in the Companies Act and other relevant statutes.

### **DECLARATION**

We, the undersigned hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, and the regulations or guidelines issued by Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992 as the case may be, have been complied with and no statement made in this Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, and the Securities and Exchange Board of India Act, 1992, each as amended or the rules, regulations or guidelines issued thereunder, as the case may be. We, further certify that all the disclosures and statements made in this Prospectus are true and correct.

### **SIGNED BY THE DIRECTORS OF OUR COMPANY**

**SD/-**

\_\_\_\_\_

**Narain Prasad Lohia**  
Whole Time Director  
**DIN-00452515**

Place: Kolkata  
Date: May 30, 2025

## **DECLARATION**

We, the undersigned hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, and the regulations or guidelines issued by Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992 as the case may be, have been complied with and no statement made in this Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, and the Securities and Exchange Board of India Act, 1992, each as amended or the rules, regulations or guidelines issued thereunder, as the case may be. We, further certify that all the disclosures and statements made in this Prospectus are true and correct.

### **SIGNED BY THE DIRECTORS OF OUR COMPANY**

**SD/-**

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**Prabhu Lohia**  
Managing Director  
**DIN- 02621416**

Place: Kolkata  
Date: May 30, 2025

## **DECLARATION**

We, the undersigned hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, and the regulations or guidelines issued by Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992 as the case may be, have been complied with and no statement made in this Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, and the Securities and Exchange Board of India Act, 1992, each as amended or the rules, regulations or guidelines issued thereunder, as the case may be. We, further certify that all the disclosures and statements made in this Prospectus are true and correct.

### **SIGNED BY THE DIRECTORS OF OUR COMPANY**

**SD/-**

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**Gyanesh Lohia**

Whole Time Director & CFO

**DIN- 02621425**

Place: Kolkata

Date: May 30, 2025



## **DECLARATION**

We, the undersigned hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, and the regulations or guidelines issued by Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992 as the case may be, have been complied with and no statement made in this Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, and the Securities and Exchange Board of India Act, 1992, each as amended or the rules, regulations or guidelines issued thereunder, as the case may be. We, further certify that all the disclosures and statements made in this Prospectus are true and correct.

## **SIGNED BY THE DIRECTORS OF OUR COMPANY**

**SD/-**

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**Vandana Nahata**

Non-Executive Independent Director

**DIN- 08765790**

Place: Kolkata

Date: May 30, 2025

## **DECLARATION**

We, the undersigned hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, and the regulations or guidelines issued by Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992 as the case may be, have been complied with and no statement made in this Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, and the Securities and Exchange Board of India Act, 1992, each as amended or the rules, regulations or guidelines issued thereunder, as the case may be. We, further certify that all the disclosures and statements made in this Prospectus are true and correct.

## **SIGNED BY THE DIRECTORS OF OUR COMPANY**

**SD/-**

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**Bhargav Samirbhai Vyas**

Non-Executive Independent Director

**DIN- 07210146**

Place: Kolkata

Date: May 30, 2025

## **DECLARATION**

We, the undersigned hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, and the regulations or guidelines issued by Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992 as the case may be, have been complied with and no statement made in this Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, and the Securities and Exchange Board of India Act, 1992, each as amended or the rules, regulations or guidelines issued thereunder, as the case may be. We, further certify that all the disclosures and statements made in this Prospectus are true and correct.

### **SIGNED BY THE CS & COMPLIANCE OFFICER OF OUR COMPANY**

**SD/-**

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**Sweta Agarwal**

Company Secretary & Compliance Officer

Place: Kolkata

Date: May 30, 2025