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**SEALMATIC INDIA LIMITED**  
CIN: U26900MH2009PLC197524

Prospectus

Dated: February 23, 2023

Please read Section 26 & 32 of Companies Act, 2013

100% Book Built Issue

Registered Office		Corporate Office & Plant no 1	Contact Person	Email and Telephone	Website
4 <sup>th</sup> Floor, Techniplex -I, Techniplex Complex, Off Veer Savarkar Flyover, Goregaon (West), Mumbai 400062, India		Bldg A, Indiplex IV, Survey No-12, Hissa No-9A, Village Ghodbunder, Shanti Vidya Nagri Road, Mira Road (E) Thane- 401104 India	Ms. Neha Pinak Chedda  Company Secretary and Compliance Officer	Email Id: <a href="mailto:compliance@sealmaticindia.com">compliance@sealmaticindia.com</a>  Tel No: +91 9867058592	<a href="http://www.sealmaticindia.com">www.sealmaticindia.com</a>
PROMOTERS OF THE COMPANY					
MR. MOHAMED HANIF CHAUDHARI, MR. UMAR A K BALWA AND MR. RAFIQ H. BALWA					
DETAILS OF THE ISSUE					
Type	Fresh Issue Size ₹ In Lakhs	OFS Size ₹ In Lakhs	Total Issue Size ₹ In Lakhs	Market Maker Reservation Portion ₹ In Lakhs	Eligibility 229(1)/229(2) & Share Reservation among NII & RII
FRESH ISSUE & OFFER FOR SALE (OFS)	Upto 18,50,000 Equity Shares aggregating upto ₹ 4162.5 Lakhs	Upto 6,49,600 Equity Shares aggregating upto ₹1461.6 Lakhs	Upto 24,99,600 Equity Shares aggregating upto ₹ 5624.1 Lakhs	Upto 1,26,000 Equity Shares aggregating upto ₹ 283.5 Lakhs	THIS ISSUE IS MADE IN TERMS OF CHAPTER IX OF THE SEBI (ICDR) REGULATIONS, 2018 AS AMENDED
DETAILS OF OFFER FOR SALE, SELLING SHAREHOLDERS AND THEIR AVERAGE COST OF ACQUISITION					
Name		Type	No. of Shares Offered	Weighted Average Cost of Acquisition (in ₹)	
Mr. Mohamed Hanif Chaudhari		Promoter	1,01,769	Negligible	
Mr. Sadik S. Chaudhari		Promoter group	1,01,769	Negligible	
Mr. Abid Ali. Chaudhari		Promoter group	1,01,771	Negligible	
Mrs. Waheeda U. Balwa		Promoter group	1,14,764	Negligible	
Mr. Rafiq H. Balwa		Promoter	2,29,527	Negligible	
RISK IN RELATION TO THE FIRST ISSUE					
This being the first Public Issue of our Company, there has been no formal market for the Equity Shares of our Company. The face value of the Equity Shares is ₹ 10 per Equity share. The Floor Price, the Cap Price and the Offer Price ( as determined by our Company in consultation with the BRLM ), on the basis of the assessment of market demand for our Equity Shares by way of the Book Building Process, as disclosed in the chapter titled “Basis for Issue Price” beginning on page no 94 of this Prospectus should not be taken to be indicative of the market price of the equity shares after the equity shares are listed. No assurance can be given regarding an active and/or sustained trading in the Equity Shares of our company nor regarding the price at which the equity shares will be traded after listing.					
GENERAL RISKS					
Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in the Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in 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 offered in the Issue have neither been recommended nor approved by the Securities and Exchange Board of India (“SEBI”), nor does SEBI guarantee the accuracy or adequacy of this Prospectus. Specific attention of the investors is invited to the section titled “Risk Factors” beginning on page no. 35 of this Prospectus.					
ISSUER'S AND SELLING SHAREHOLDER'S ABSOLUTE RESPONSIBILITY					
Our company, having made all reasonable inquiries, accepts responsibility for and confirms that this Prospectus contains all information with regard to our Company and the Offer, which is material in the context of the 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. Further Each of the selling shareholders severally and jointly, accepts responsibility only for the statements expressly made by such selling shareholders in this Prospectus as Selling Shareholders in connection with the Offer for Sale and the Equity Shares by such Selling Shareholders in the Offer for Sale and that statements are true and correct in all material respects and are not misleading in any material respect.					
LISTING					
The Equity Shares of our company offered through this Prospectus are proposed to be listed on the SME Platform of BSE Limited (BSE SME) in terms of the Chapter IX of the SEBI (ICDR) Regulations, 2018 as amended from time to time. Our Company has received in-principal approval letter dated January 24, 2023 from BSE SME for using its name in this Offer document for listing our shares on the BSE SME. For the purpose of this Issue, the Designated Exchange will be the BSE Limited (“BSE”)					
BOOK RUNNING LEAD MANAGER			REGISTRAR TO THE ISSUE		
					
ISK ADVISORS PRIVATE LIMITED 501, A. N. Chambers, 130, Turner Road, Bandra West, Mumbai-400 050 Tel No.: +91 – 22 – 26431002 Email: <a href="mailto:ncmpl@ncmpl.com">ncmpl@ncmpl.com</a> Website: <a href="http://www.iskadvisors.com">www.iskadvisors.com</a> Investor Grievance Email: <a href="mailto:enquiry@ncmpl.com">enquiry@ncmpl.com</a> Contact Person: Mr. Ronak I. Kadri SEBI Registration No. INM000012625			KFIN TECHNOLOGIES LIMITED Selenium Tower- B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Serilingampally, Hyderabad-500 032, Telangana, India. Tel No.: +91 40 6716 2222 Fax: +91 40 2343 1551 Website: <a href="http://www.kfintech.com">www.kfintech.com</a> Email: <a href="mailto:nvl ipo@kfintech.com">nvl ipo@kfintech.com</a> ; Investor Grievance Email: <a href="mailto:einward.ris@kfintech.com">einward.ris@kfintech.com</a> Contact Person: Mr. M Murali Krishna SEBI Registration No.: INR000000221		
BID/ OFFER OPENS ON		BID/ OFFER CLOSES ON		ANCHOR INVESTOR BID PERIOD	
FRIDAY, FEBRUARY 17, 2023 <sup>(1)</sup>		TUESDAY, FEBRUARY 21, 2023 <sup>(2)</sup>		THURSDAY, FEBRUARY 16, 2023 <sup>1)</sup>	

(1) Our company and the Selling Shareholder, in consultation with the BRLM, consider participation by Anchor Investors, in accordance with SEBI ICDR Regulations. The Anchor Investor Bidding Date shall be one working day prior to the Bid/Offer opening date

(2) Our Company and the Selling Shareholder, in consultation with the BRLM, may decide to close the Bid/Offer Period for QIBS one working day prior to the Bid/Offer Closing Date, in accordance with the SEBI ICDR Regulations.



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SEALMATIC INDIA LIMITED

CIN: U26900MH2009PLC197524

Our company was originally incorporated as Seal Matic India Private Limited on December 02, 2009 at Mumbai, Maharashtra as a private limited company under the Companies Act, 1956 with the Registrar of Companies (ROC), Mumbai, Maharashtra. Subsequently, the name of the company was changed to "Sealmatic India Private Limited" pursuant to a special resolution passed by the shareholders of the company at the Extra Ordinary General Meeting held on March 12, 2021. A fresh certificate of incorporation consequent upon change of name was issued on March 30, 2021 by the ROC, Mumbai, Maharashtra. Subsequently, the name of the company was changed to "Sealmatic India Limited" pursuant to a special resolution passed by the shareholders of the company at the Extra Ordinary General Meeting held on October 13, 2022. A fresh certificate of incorporation consequent upon change of name was issued on November 03, 2022 by the ROC, Mumbai, Maharashtra. The Corporate Identity Number of our Company is U26900MH2009PLC197524. For further details, pertaining to the change of name of our Company upon conversion, please refer the chapter "History and Certain Corporate Matters" on page no. 137 of this Prospectus.

**Registered Office:** 4<sup>th</sup> Floor, Techniplex I, Off Veer Savarkar Flyover, Goregaon (West), Mumbai 400 062, Maharashtra, India.

**Tel No.:** +91 9867058592 **Email:** [compliance@sealmaticindia.com](mailto:compliance@sealmaticindia.com) ; **Website:** [www.sealmaticindia.com](http://www.sealmaticindia.com)

**Contact Person:** Ms. Neha Pinak Chheda, Company Secretary and Compliance Officer.

**Our Promoters:** Mr. Mohamed Hanif Chaudhari, Mr. Umar A. K. Balwa and Mr. Rafiq H. Balwa

### THE ISSUE

INITIAL PUBLIC OFFER OF UPTO 24,99,600 EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH ("EQUITY SHARES") OF SEALMATIC INDIA LIMITED (THE "COMPANY" OR "SIL" OR "THE ISSUER") FOR CASH AT A PRICE OF ₹ 225 PER EQUITY (INCLUDING A SHARE PREMIUM OF ₹ 215 PER EQUITY SHARE) (THE "ISSUE PRICE"), AGGREGATING TO ₹ 5624.1 LAKHS ("THE ISSUE"), COMPRISING OF FRESH ISSUE OF UPTO 18,50,000 EQUITY SHARES AT ₹ 225 PER EQUITY SHARES AGGREGATING TO ₹ 4162.5 LAKHS AND OFFER FOR SALE OF 6,49,600 EQUITY SHARES BY SELLING SHAREHOLDERS AT A PRICE OF ₹ 225 PER EQUITY SHARES AGGREGATING TO ₹ 1461.6 LAKHS. THE OFFER INCLUDES A RESERVATION OF UPTO 1,26,000 EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH AT A PRICE OF ₹ 225 PER EQUITY SHARE AGGREGATING TO ₹ 283.5 LAKHS FOR SUBSCRIPTION BY THE MARKET MAKER TO THE OFFER (THE "MARKET MAKER RESERVATION PORTION"). THE ISSUE LESS MARKET MAKER RESERVATION PORTION I.E. ISSUE OF UPTO 23,73,600 EQUITY SHARES AGGREGATING TO ₹ 5340.6 LAKHS HEREINAFTER REFERRED TO AS THE ("NET ISSUE"). THE ISSUE AND THE NET ISSUE WILL CONSTITUTE 27.62 % AND 26.23 % RESPECTIVELY OF THE POST ISSUE PAID UP EQUITY SHARE CAPITAL OF THE COMPANY. THE FACE VALUE OF THE EQUITY SHARES IS ₹ 10/- EACH.

**PRICE BAND: ₹ 220.00 TO ₹ 225.00 PER EQUITY SHARE OF FACE VALUE OF ₹ 10/- EACH AND THE ISSUE PRICE IS 22 TO 22.5 TIMES OF THE FACE VALUE AT THE LOWER PRICE BAND AND UPPER PRICE BAND RESPECTIVELY. BID CAN BE MADE FOR MINIMUM OF 600 EQUITY SHARES AND THE MULTIPLES OF 600 EQUITY SHARES THEREAFTER.**

IN CASE OF ANY REVISION IN THE PRICE BAND, THE BID/ ISSUE PERIOD WILL BE EXTENDED BY AT LEAST THREE ADDITIONAL WORKING DAYS AFTER SUCH REVISION IN THE PRICE BAND, SUBJECT TO THE BID/ISSUE PERIOD NOT EXCEEDING 10 WORKING DAYS. IN CASES OF FORCE MAJEURE, BANKING STRIKE OR SIMILAR CIRCUMSTANCES, THE ISSUER MAY, FOR REASONS TO BE RECORDED IN WRITING, EXTEND THE BID/OFFER PERIOD FOR A MINIMUM OF THREE WORKING DAYS, SUBJECT TO THE BID/ISSUE PERIOD NOT EXCEEDING 10 WORKING DAYS. ANY REVISION IN THE PRICE BAND AND THE REVISED BID/ISSUE PERIOD, IF APPLICABLE, SHALL BE WIDELY DISSEMINATED BY NOTIFICATION TO THE STOCK EXCHANGE, BY ISSUING A PUBLIC NOTICE, AND ALSO BY INDICATING THE CHANGE ON THE RESPECTIVE WEBSITES OF THE BRLM AND THE TERMINALS OF THE SYNDICATE MEMBER(S) AND BY INTIMATION TO THE DESIGNATED INTERMEDIARIES AND THE SPONSOR BANK AS APPLICABLE.

### THE FACE VALUE OF THE EQUITY SHARE IS ₹ 10 AND THE ISSUE PRICE IS 22 TO 22.5 TIMES OF THE FACE VALUE AT THE LOWER PRICE BAND AND UPPER PRICE BAND RESPECTIVELY

27.62% of the post-Issue Paid-up Equity Share capital of our Company. This Issue is being made through Book Building Process, in accordance with Chapter IX and other applicable provisions of SEBI ICDR Regulations wherein not more than 40.00% of the Net Issue will be allocated on a proportionate basis to Qualified Institutional Buyers ("QIBs") ("the QIB Category"), provided that our company and selling shareholders in consultation with the BRLM, may allocate up to 60.00% of the QIB category to Anchor Investors, on a discretionary basis (the "Anchor Investor Portion"), of which one-third shall be reserved for domestic Mutual Funds, subject to valid Bids received from domestic Mutual Funds at or above the Anchor Investor Offer Price. Further 5.00% of the QIB Category (excluding the Anchor Investor Portion) shall be available for allocation on a proportionate basis to Mutual Funds only and the remainder shall be available for allocation on a proportionate basis to QIBs including Mutual Funds, subject to valid bids being received from them at or above the Offer Price. Further, not less than 18% of the Net Offer will be available for allocation on a proportionate basis to Non- Institutional Investors and not less than 42.00% of the Net Offer will be available for allocation to Retail Individual Investors, in accordance with the SEBI ICDR Regulations, subject to valid bids being received at or above the Offer Price. All investors (except Anchor Investors) shall participate in this Offer mandatorily through the Applications Supported by Blocked Amount ("ASBA") process by providing details of their respective bank accounts which will be blocked by SCSBs. For details, please refer the section titled "Issue Related Information" beginning on page no. 236 of this Prospectus.

### RISK IN RELATION TO THE FIRST ISSUE

This being the first Public Issue of our Company, there has been no formal market for the Equity Shares of our Company. The face value of the Equity Shares is ₹ 10 each. The Floor Price, the Cap Price and the Offer Price (as determined by the company in consultation with the BRLM) should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active and/or sustained trading in the Equity Shares of our company nor regarding the price at which the equity shares will be traded after listing.

### GENERAL RISKS

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in the Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in 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 offered in the Issue have neither been recommended nor approved by the Securities and Exchange Board of India ("SEBI"), nor does SEBI guarantee the accuracy or adequacy of this Prospectus. Specific attention of the investors is invited to the section titled "Risk Factors" beginning on page no. 35 of this Prospectus.

### ISSUER'S AND SELLING SHAREHOLDER'S ABSOLUTE RESPONSIBILITY

Our company, having made all reasonable inquiries, accepts responsibility for and confirms that this Prospectus contains all information with regard to our Company and the Offer, which is material in the context of the 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. Further Each of the selling shareholders severally and jointly, accepts responsibility only for the statements expressly made by such selling shareholders in this Prospectus as Selling Shareholder in connection with the Offer for Sale and the Equity Shares by such Selling Shareholder in the Offer for Sale and that statements are true and correct in all material respects and are not misleading in any material respect.

### LISTING

The Equity Shares of our company offered through this Prospectus are proposed to be listed on the SME Platform of BSE Limited ("BSE"). In terms of the Chapter IX of the SEBI (ICDR) Regulations, 2018 as amended from time to time. Our Company has received an Approval letter dated January 24, 2023 from BSE Limited for using its name in the Offer document for listing of our shares on the SME Platform of BSE Limited. For the purpose of this Offer, BSE Limited shall be the Designated Stock Exchange.

### BOOK RUNNING LEAD MANAGER

### REGISTRAR TO THE ISSUE



#### ISK ADVISORS PRIVATE LIMITED

501, A. N. Chambers, 130, Turner Road, Bandra West, Mumbai-400 050

**Tel No.:** +91 - 22 - 26431002 **Email:** [ncmpl@ncmpl.com](mailto:ncmpl@ncmpl.com) **Website:** [www.iskadvisors.com](http://www.iskadvisors.com)

**Investor Grievance Email:** [enquiry@ncmpl.com](mailto:enquiry@ncmpl.com)

**Contact Person:** Mr. Ronak I. Kadri

**SEBI Registration No.** INM000012625

#### KFIN TECHNOLOGIES LIMITED

Selenium Tower- B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Serilingampally, Hyderabad-500 032, Telangana, India.

**Tel No.:** +91 40 6716 2222 **Fax:** +91 40 2343 1551 **Website:** [www.kfintech.com](http://www.kfintech.com)

**Email:** [nvl ipo@kfintech.com](mailto:nvl ipo@kfintech.com); **Investor Grievance Email:** [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com)

**Contact Person:** Mr. M Murali Krishna **SEBI Registration No.:** INR000000221

### BID/ OFFER OPENS ON

### BID/ OFFER CLOSES ON

### ANCHOR INVESTOR BID PERIOD

FRIDAY, FEBRUARY 17, 2023<sup>(1)</sup>

TUESDAY, FEBRUARY 21, 2023<sup>(2)</sup>

THURSDAY, FEBRUARY 16, 2023<sup>(1)</sup>

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## SECTION I – GENERAL

### DEFINITIONS AND ABBREVIATIONS

Unless the context otherwise indicates, requires or implies the following terms shall have the following meanings in this Prospectus. References to statutes, rules, regulations, guidelines and policies will be deemed to include all amendments, modifications or re-enactments notified thereto.

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

#### General Terms

Term	Description
“Sealmatic India Limited”/ “SIL”/ “the Company” / “the Issuer Company” / “We” / “Us”/ “Our Company”	Sealmatic India Limited, a public limited company incorporated under the provisions of the Companies Act, 1956 and having its registered office at 4th Floor, Techniplex I, Off Veer Savarkar Flyover, Goregaon (West), Mumbai 400 062, Maharashtra, India.
“Promoter(s)” / “Core Promoter”	Mr. Mohamed Hanif Chaudhari, Mr. Umar A K Balwa and Mr. Rafiq H. Balwa
“Promoter Group”	Such persons, entities and companies constituting our promoter group pursuant to Regulation 2(1) (pp) of the SEBI (ICDR) Regulations as disclosed in the Chapter titled “Our Promoter and Promoter Group” on page no. 155 of this Prospectus.

#### Company related Terms

Term	Description
AoA/ Articles / Articles of Association	The Articles of Association of our Company, as amended from time to time
Auditor of the Company	The Statutory Auditors of our company being M/s R.R. Shah & Associates, Chartered Accountants (FRN: 112007W) having their office at 207, Kshamalya, 37 Marg, New Marine Lines, Mumbai 400020
Audit Committee	The committee of the Board of Directors constituted on January 03, 2023 as our Company’s Audit Committee in accordance with Section 177 of the Companies Act, 2013
Board of Directors / Board	The Board of Directors of Sealmatic India Limited, including all duly constituted Committees thereof.
Chief Financial Officer	Chief Financial officer of our Company is Mr. Ratan Bhabutlal Kandare
Company Secretary and Compliance Officer	The Company Secretary and Compliance officer of our Company is Ms. Neha Pinak Chheda
Director(s)	Director (s) of Sealmatic India Limited, unless otherwise specified.
Equity Shares	Equity Shares of our Company of Face Value of ₹ 10 each unless otherwise specified in the context thereof.
Equity Shareholders	Persons holding Equity Share of our Company
Group Company/ Entity	Companies (other than our Promoters and Subsidiaries) with which there were related party transactions as disclosed in the Restated Financial Statements as covered under the applicable accounting standards, and as disclosed in “Our Group Company” beginning on page no. 163 of this Prospectus.
Independent Director	A non-executive, Independent Director as per the Companies Act, 2013 and the Listing Regulations.

Term	Description
ISIN	International Securities Identification Number. In this case being INE004601016
Key Management Personnel / KMP	Key managerial personnel of our Company in terms of Regulation 2 (1) (bb) of the SEBI ICDR Regulations as disclosed in the chapter titled “Our Management” on page no. 140 of this Prospectus
MOA / Memorandum/ Memorandum of Association	Memorandum of Association of Sealmatic India Limited
Nomination and Remuneration Committee	The committee of the Board of Directors constituted on January 03, 2023 as our Company’s Nomination and Remuneration Committee in accordance with Section 178 of the Companies Act, 2013
Registered Office	The Registered Office of our company which is at 4 <sup>th</sup> Floor, Techniplex I, Off Veer Savarkar Flyover, Goregaon (West), Mumbai 400 062, Maharashtra, India.
Registrar of Companies / RoC	Registrar of Companies, Mumbai situated at 100, Everest, Marine Drive, Mumbai-400002, Maharashtra.
Stakeholders’ Relationship Committee	The committee of the Board of Directors constituted on January 03, 2023 as our Company’s Stakeholders’ Relationship Committee.
Stock Exchange	Unless the context requires otherwise, refers to, the SME Platform of Bombay Stock Exchange of India Limited i.e., SME Platform of BSE Limited.
Offered Shares	Up to 6,49,600 equity shares being offered by the Selling Shareholder(s)
Selling Shareholders	Selling Shareholders of our company being Mr. Rafiq Hussein Balwa (PAN: AICPB6636K), Mr. Mohamed Hanif Chaudhari (PAN: ABOPC5627L), Mrs. Waheeda Umar Balwa (PAN: AAEPB8970A) Mr. Sadik Hussien S Chaudhari (PAN: ADEPC6959K) and Mr. Abidali Sharif Chaudhari (PAN: AFRPC6477R)
“you”, “your” or “yours”	Prospective Investors in this Offer/Issue

#### Issue Related Term

Term	Description
Acknowledgement Slip	The slip or document issued by the Designated Intermediary to an Applicant as proof of registration of the Application Form.
Allot/ Allotment/ Allotted	Unless the context otherwise requires, the allotment of the Equity Shares pursuant to the Issue to the successful applicants/ Bidders including transfer of the Equity Shares pursuant to the Issue to the successful applicants/Bidders
Allotment Advice	Note, advice or intimation of Allotment sent to the 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.
Anchor Investor	A Qualified Institutional Buyer, applying under the Anchor Investor Portion, who has Bid for an amount of atleast ₹ 200 Lakhs, in accordance with the requirements specified in the SEBI ICDR Regulations, 2018
Anchor Investor Allocation Notice	Notice or intimation of Allocation of Equity Shares sent to Anchor Investors who have been allocated Equity Shares, and includes any device, intimation or notice sent to Anchor Investors in the event that the Offer Price is higher than the Anchor Investor Allocation Price.
Anchor Investor Allocation Price	The Price at which Equity Shares will be allocated in terms of the Prospectus and Prospectus to the Anchor Investors, which will be decided by our company and selling shareholders, in consultation with the BRLM, on the Anchor Investor Bidding Date.
Anchor Investor Application Form	The form used by an Anchor Investor to make a Bid in the Anchor Investor Portion and which will be considered as an application for allotment in terms of the Prospectus and the Prospectus.
Anchor Investor Bidding Date	One working day prior to the bid/offer/issue opening date on which Bids by the Anchor Investors will be submitted, being Thursday, February 16, 2023, prior to or after which the members of the

Term	Description
	Syndicate will not accept any Bids from Anchor Investors and allocation to Anchor Investors shall be completed.
Anchor Investor Escrow Account(s)	Account opened for the offer to which funds shall be transferred by Anchor Investors.
Anchor Investor Pay-in Date	With respect to Anchor Investors, it shall be the Anchor Investor Bidding Date, and, in the event the Anchor Investor Allocation Price is lower than the Offer Price/ Issue Price not later than two working days after the Bid/Offer Closing date.
Anchor Investor Portion	Upto 60% of the QIB Portion, which may be allocated by our company and the selling shareholders, in consultation with the BRLM to Anchor Investors on a discretionary basis, out of which one-third shall be reserved for domestic Mutual Funds, subject to valid bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price.
Allottees	The successful applicant to whom the Equity Shares are being / have been allotted.
Applicant	Any prospective investor who makes an application for Equity Shares in terms of this Prospectus.
Bid cum Application Form	The ASBA Form where the context so requires, in terms of which a Bidder makes a Bid in terms of the Prospectus which will be considered as an application for Allotment.
Application Supported by Blocked Amount/ ASBA	An application, whether physical or electronic, used by ASBA Applicant to make an application authorizing an SCSB to block the Application Amount in the specified Bank Account maintained with such SCSB. ASBA is mandatory for all Applicants participating in the Issue.
ASBA Account	A bank account 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 / Prospectus and the Application Form.
ASBA Application / Application	An application form, whether physical or electronic, used by ASBA Bidders which will be considered as the application for Allotment in terms of the Prospectus
Banker(s) to the Company	Such banks which are disclosed as Bankers to our Company in the chapter titled “General Information” on page no. 64 of this Prospectus
Banker(s) to the Issue	The banks which are Clearing Members and registered with SEBI as Banker to an Issue with whom the Escrow Agreement is entered and in this case being ICICI Bank Limited
Basis of Allotment	The basis on which the Equity Shares will be Allotted to successful Applicants under the Issue and which is described in the chapter titled “Issue Procedure” beginning on page no. 255 of this Prospectus
Bid	An indication to make an application during the Bid/ Offer Period by a Bidder (other than Anchor Investor) or on Anchor Investor Bidding Date by an Anchor Investor, pursuant to submission of the Bid cum Application Form, to subscribe to or purchase the Equity Shares at a price within the Price Band, including all revisions and modifications thereto as permitted under the SEBI ICDR Regulations in accordance with the Prospectus and Bid cum Application Form
Bidder	Any prospective investor who makes a Bid pursuant to the terms of the Prospectus and the Bid cum Application Form and unless otherwise stated or implied, includes an ASBA Bidder and Anchor Investor.
Bid Amount	The highest value of optional Bids indicated in the Bid cum Application Form and in the case of Retail Individual Bidders Bidding at Cut Off Price, the Cap Price multiplied by the number of Equity Shares Bid for by such Retail Individual Bidder and mentioned in the Bid cum Application Form and payable by the Retail Individual Bidder or blocked in the ASBA Account upon submission of the Bid in the Offer.
Cut Off Price	The offer price, which shall be any price within the Price band as finalised by our company and the Selling Shareholders in consultation with the BRLM. Only Retail Individual Investors are entitled to Bid at the Cut off Price. QIBs (including Anchor Investors) and Non- Institutional Investors are not entitled to Bid at the Cut-Off Price.
Bidding	The process of making a Bid.

Term	Description
Bid Lot	600 equity shares and in multiples of 600 equity shares thereafter.
Broker Centres	Broker centres notified by the Stock Exchanges where Applicants can submit the ASBA Forms to a Registered Broker. The details of such Broker Centres, along with the names and contact details of the Registered Broker are available on the respective websites of the Stock Exchanges ( <a href="http://www.bseindia.com">www.bseindia.com</a> and <a href="http://www.nseindia.com">www.nseindia.com</a> )
CAN Confirmation / of Allocation Note	The note or advice or intimation sent to each successful Applicant indicating the Equity Shares which will be Allotted, after approval of Basis of Allotment by the Designated Stock Exchange.
Cap Price	The higher end of the price band above which the Offer Price will not be finalised and above which no Bids (or a revision thereof) will be accepted
Floor Price	The lowest end of the Price Band, subject to any revision thereto, at or above which the Offer Price will be finalised and below which no Bids (or revisions thereof) will be accepted
Client ID	Client identification number maintained with one of the Depositories in relation to Demat account
Collecting Depository Participant(s) or CDP(s)	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Applications at the Designated CDP Locations in terms of circular No. GR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
Controlling Branches	Such Branches of the SCSBs which co-ordinate Applications by the Applicants with the Registrar to the Issue and the Stock Exchanges and a list of which is available at <a href="http://www.sebi.gov.in">http://www.sebi.gov.in</a> or at such other website as may be prescribed by SEBI from time to time.
Demographic Details	The demographic details of the Applicants such as their Address, PAN, Occupation and Bank Account details.
Depositories	A depository registered with SEBI under the SEBI (Depositories and Participant) Regulations, 1996 i.e., CDSL and NSDL
Depositories Act	The Depositories Act, 1996, as amended from time to time
Designated Date	The date on which the funds from the Anchor Escrow Accounts the funds blocked by the SCSBs are transferred from the ASBA Accounts specified by the ASBA Bidders to the Public Issue Account.
Designated Intermediaries / Collecting Agent	Syndicate Members, Sub-Syndicate/Agents, SCSBs, Registered Brokers, Brokers, the CDPs and RTAs, who are authorized to collect Application Forms from the Applicants, in relation to the Issue
Designated CDP Locations	Such locations of the CDPs where Applicants can submit the Application Forms to Collecting Depository Participants.  The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept Application Forms are available on the websites of the Stock Exchange.
Designated Market Maker	Sunflower Broking Pvt. Ltd. will act as the Market Maker and has agreed to receive or deliver the specified securities in the market making process for a period of three years from the date of listing of our Equity Shares or for a period as may be notified by amendment to SEBI ICDR Regulations.
Designated RTA Locations	Such locations of the RTAs where Applicants can submit the Application Forms to RTAs. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept Application Forms are available on the websites of the Stock Exchange
Designated SCSB Branches	Such Branches of the SCSBs which shall collect the Application Forms used by the Applicants applying through the ASBA process and a list of which is available on <a href="http://www.sebi.gov.in/pmd/scsb.pdf">http://www.sebi.gov.in/pmd/scsb.pdf</a>
Designated Stock Exchange	Unless the context requires otherwise, refers to, the SME Platform of BSE Limited.
Draft Red Herring Prospectus	This Draft Red Herring Prospectus dated January 05, 2023 issued in accordance with the SEBI ICDR Regulations filed with BSE SME for obtaining In- Principle approval.

Term	Description
Eligible NRI(s)	An NRI (s) from such a jurisdiction outside India where it is not unlawful to make an Issue or invitation under this Issue and in relation to whom the Application Form and the Prospectus will constitutes an invitation to purchase the equity shares.
Escrow Agreement	Agreement dated January 25, 2023 entered into amongst the Company, Book Running Lead Managers, the Registrar and the Banker to the Issue to receive monies from the Applicants through the SCSBs Bank Account on the Designated Date in the Public Issue Account.
Foreign Portfolio Investor / FPIs	Foreign Portfolio Investor as defined under the SEBI (Foreign Portfolio Investors) Regulations, 2014.
Issue Proceeds	The proceeds of the Issue as stipulated by the Company. For further information about use of the Issue Proceeds please see the chapter titled " <i>Objects of the Issue</i> " beginning on page no. 94 of this Prospectus.
Issue/ Issue Size / Public Issue/ IPO	This Initial Public Issue of upto 24,99,600 Equity Shares of ₹ 10 each for cash at a price of ₹ 225 (including a Share premium of ₹ 215 per Equity Share) per equity share aggregating to ₹ 5624.1 lakhs by our Company.
Bid/ Offer / Issue Closing date	<p>Except in relation to Anchor Investors, the date on which the Syndicate, the Designated Branches and the Registered Brokers shall not accept the Bids, being February 21, 2023 which shall be notified in all edition of the English national newspaper 'Business Standard', all edition of the Hindi national newspaper 'Business Standard' and all edition of the Marathi newspaper 'Lakshdeep' each with wide circulation, and in case of any revision, the extended Bid/ Offer closing Date also to be notified on the website and terminals of the Syndicate and SCSBs, as required under the SEBI ICDR Regulations.</p> <p>Our company in consultation with the BRLM, may, consider closing the Bid/Issue period for QIBs one Working Day prior to the Bid/Issue Closing Date in accordance with the SEBI ICDR Regulations. In case of any revision, the extended Bid/Issue Closing Date shall be widely disseminated by notification to the Stock Exchanges, and also be notified on the websites of the BRLM and at the terminals of the Syndicate Members, if any and communicated to the Designated Intermediaries and the Sponsor Bank, which shall also be notified in an advertisement in same newspapers in which the Bid/ Issue Opening Date was published, as required under the SEBI ICDR Regulations.</p>
Bid/ Offer / Issue Opening date	Except in relation to Anchor Investors, the date on which the Syndicate, the Designated Branches and the Registered Brokers shall start accepting Bids, being February 17, 2023 which shall be notified in all editions of the English national newspaper 'Business Standard', all edition of the Hindi national newspaper 'Business Standard', and all edition of the Marathi newspaper 'Lakshdeep', each with wide circulation, and in case of any revision, the extended Bid/ Offer Opening Date also to be notified the website and terminals of the Syndicate and SCSBs, as required under the SEBI ICDR Regulations.
Bid/ Offer Period	<p>The period between the Bid/ Offer Opening Date and the Bid/ Offer Closing Date or the QIB Bid/ Offer Closing Date, as the case may be, inclusive of both days, during which Bidders other than Anchor Investors can submit their Bids, including any revisions thereof. Provided however that the Bidding/ Offer Period shall be kept open for a minimum of three Working Days for all categories of Bidders, other than Anchor Investors.</p> <p>Our Company in consultation with the BRLM may consider closing the Bid/Issue Period for the QIB Portion One Working Day prior to the Bid/Issue Closing Date which shall also be notified in an advertisement in same newspapers in which the Bid/Issue Opening Date was published, in accordance with the SEBI ICDR Regulations.</p>

Term	Description
	In cases of force majeure, banking strike or similar circumstances, our company in consultation with the BRLM, for reasons to be recorded in writing, extend the Bid/ Issue Period for a minimum of three (3) working days, subject to the Bid/Issue Period not exceeding ten (10) working days.
Bidding/ Collection Centres	Centres at which the Designated intermediaries shall accept the ASBA Forms, i.e., Designated SCSB branch for SCSBs, specified locations for syndicate, broker centre for registered brokers, designated RTA locations for RTAs and designated CDP locations for CDPs.
Issue Price	The price at which the Equity Shares are being issued by our Company in consultation with the Book Running Lead Managers under this Prospectus being ₹ 225 (including a Share premium of ₹ 215 per Equity Share) per equity share.
Issue Closing Date	The date on which Issue closes for subscription is Tuesday, February 21, 2023
Issue Opening Date	The date on which Issue opens for subscription is Friday, February 17, 2023
BRLM's / Book Running Lead Managers	Book Running Lead Manager to the Offer in this case being, ISK Advisors Private Limited, SEBI Registered Category I Merchant Banker.
Listing Agreement	Unless the context specifies otherwise, this means the Equity Listing Agreement to be signed between our Company and BSE Limited.
Price Band	Price Band of Floor Price (minimum price) of ₹ 220/- and the Cap Price (maximum price) of ₹ 225/- and includes revisions thereof. The Price Band as decided by the Company and the Selling Shareholders in consultation with the BRLM and advertised in two national daily newspapers (one each in English and Hindi) with wide circulation and one daily regional newspaper, in the language where the registered office of the company is situated, with wide circulation at least two working days prior to the Bid/ Offer opening date.
Lot Size	The Market lot and Trading lot for the Equity Share is 600 and in multiples of 600 thereafter; subject to a minimum allotment of 600 Equity Shares to the successful applicants.
Market Maker Reservation Portion	The Reserved portion of upto 1,26,000 Equity shares of ₹10 each at an Issue Price of ₹ 225 (including a Share premium of ₹ 215 per Equity Share) aggregating to ₹ 283.5 lakhs for Designated Market Maker in the Public Issue of our Company.
Market Making Agreement	The Agreement among the Market Maker, the Book Running Lead Managers and our Company dated January 20, 2023.
Mutual Fund	A Mutual Fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996, as amended.
Net Issue	The Net Issue of upto 23,73,600 Equity Shares of ₹ 10 each at ₹ 225 (including a Share premium of ₹ 215 per Equity Share) per Equity Share aggregating to ₹ 5340.6 by our Company.
Non-Institutional Applicant	All Applicants, including Eligible QFIs, sub accounts of FIIs registered with SEBI which are foreign corporates or foreign individuals, that are not QIBs or Retail Individual Applicants and who have applied for Equity Shares for an amount of more than ₹ 2,00,000 (but not including NRIs other than Eligible NRIs)
Non-Resident	A person resident outside India, as defined under FEMA and includes Eligible NRIs, Eligible QFIs, FIIs registered with SEBI and FVCIs registered with SEBI
Person or Persons	Any individual, sole proprietorship, unincorporated association, unincorporated organization, body corporate, corporation, Company, partnership, limited liability Company, joint venture, or trust or any other entity or organization validly constituted and/or incorporated in the jurisdiction in which it exists and operates, as the context requires.
Prospectus	The Prospectus dated February 24, 2023, to be filed with the RoC containing, inter alia, the Issue opening and closing dates and other information.
Red Herring Prospectus/RHP	The Red Herring Prospectus to be issued in accordance with section 32 of the Companies Act, 2013 and the provisions of the SEBI ICDR Regulations, which will not have complete particulars of the price at which the Equity Shares will be offered and the size of the Offer, including any addendum or corrigendum thereto

Term	Description
Public Issue Account	Account opened with Bankers 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.
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
Qualified Institutional Buyers / QIBs	A qualified institutional buyer as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations
Refund Bank(s)	The Banker(s) to the Issue with whom the Refund Account(s) will be opened, in this case being ICICI Bank Limited.
Registrar Agreement	The agreement dated January 13, 2023 among our Company, Selling Shareholders 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 Applications at the Designated RTA Locations in terms of circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
Registrar/ Registrar to the Issue	Registrar to the Issue being Kfin Technologies Limited
Retail Individual Investors	Individual investors (including HUFs, in the name of Karta and Eligible NRIs) who apply for the Equity Shares of a value of not more than ₹ 2,00,000
Revision Form	Form used by the Applicants to modify the quantity of the Equity Shares or the Applicant Amount in any of their ASBA Form(s) or any previous Revision Form(s)  QIB Bidders and Non-Institutional Bidders are not allowed to withdraw or lower their applications (in terms of quantity of Equity Shares or the Bid Amount) at any stage. Retail Individual Applicants can revise their Application during the Issue Period and withdraw their Applications until Issue Closing Date.
Self-Certified Syndicate Bank(s) / SCSBs	The banks registered with SEBI, offering services, i. in relation to ASBA where the Application Amount will be blocked by authorising an SCSB, a list of which is available on the website of SEBI at <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=34">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=34</a> or such other website as updated from time to time, and ii. in relation to RIBs using the UPI Mechanism, a list of which is available on the website of SEBI at <a href="https://sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=40">https://sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=40</a> or such other website as updated from time to time
TRS / Transaction Registration Slip	The slip or document issued by a member of the Syndicate or an SCSB (only on demand), as the case may be, to the Applicant, as proof of registration of the Application.
Underwriters	ISK Advisors Private Limited & Sunflower Broking Pvt.Ltd
Underwriting Agreement	The Agreement among the Underwriters and our Company dated January 20, 2023.
Unified Payments Interface (UPI)	UPI is an instant payment system developed by the NPCI. It enables merging several banking features, seamless fund routing & merchant payments into one hood. UPI allows instant transfer of money between any two persons' bank accounts using a payment address which uniquely identifies a person's bank a/c.
UPI ID	ID created on Unified Payment Interface (UPI) for single-window mobile payment system developed by the National Payments Corporation of India (NPCI).
UPI ID Linked bank account	Account of the RIIs, applying in the Issue using the UPI mechanism, which will be blocked upon acceptance of UPI Mandate request by RIIs to the extent of the appropriate Application Amount and subsequent debit of funds in case of Allotment
UPI Mandate Request	Mandate request means a request initiated on the RII by sponsor bank to authorize blocking of funds equivalent to application amount and subsequent debit of funds in case of allotment

Term	Description
UPI Mechanism	Pursuant to SEBI Circular No. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 08, 2019, Retail Individual Investors applying in public issue may use either Application Supported by Blocked Amount (ASBA) process or UPI payment mechanism by providing UPI ID in the Application Form which is linked from Bank Account of the investor.
UPI PIN	Password to authenticate UPI transaction
U.S. Securities Act	U.S. Securities Act of 1933, as amended
Working Days	<p>In accordance with Regulation 2(1)(mmm) of SEBI ICDR Regulation, working day means all days on which commercial banks in the city as specified in the Prospectus are open for business-</p> <p>1. However, in respect of announcement of price band and Issue Period, working day shall mean all days, excluding Saturday, Sundays and Public holidays, on which commercial banks in the city as notified in this RedHerring Prospectus are open for business.</p> <p>2. In respect to the time period between the Issue closing date and the listing of the specified securities on the stock exchange, working day shall mean all trading days of the Stock Exchanges, excluding Sundays and bank holiday in accordance with circular issued by SEBI.</p> <p>All trading days of the Stock Exchange excluding Sundays and Bank holidays in Mumbai.</p>

#### Technical / Industry related Terms

Term	Description
CAGR	Compound Annual Growth Rate
CSO	Central Statistics Office
CV	Commercial Vehicle
EBITDA	Earnings Before interest Tax, Depreciation and Amortization
EU	European Union
F.Y	Financial Year
FDI	Foreign Direct Investment
FIPB	Foreign Investment Promotion Board
FODP	Fibre Optic Distribution Panel
GDP	Gross Domestic Products
GST	Goods and Services Tax
IMF	International Monetary Fund
IPO	Initial Public offer
KG	Kilo Gram
KM	Kilo Metres
KMP	Key Managerial Personnel
LED	Light Emitting Diode
MoEF	Ministry of Environment, Forest and Climate Change
MW	Mega Watts
No	Number
NPB	National Policy on Biofuels
NSGM	National Smart Grid Mission
OECD	Organisation for Economic Co-operation and Development
OEM	Original Equipment Manufacturer
OFC	Optical Fibre Cable
RBI	Reserve Bank of India
REC	Renewable Energy Certificate
ROC	Registrar of Companies

Term	Description
RPO	Renewable Purchase Obligation
TWh	Terawatt-hour
UN	United Nations
USD	United States Dollar
UT	Union Territories

#### Conventional Terms / General Terms / Abbreviations

Term	Description
A/c	Account
AGM	Annual General Meeting
AIF	Alternative Investment Fund as defined in and registered with SEBI under the Securities and Exchange Board of India (Alternative Investments Funds) Regulations, 2012
AS / Accounting Standards	Accounting Standards as issued by the Institute of Chartered Accountants of India
ASBA	Applications Supported by Blocked Amount
AY	Assessment Year
BSE	BSE Limited
Category I foreign portfolio investor(s) / Category I FPIs	FPIs who are registered as “Category I foreign portfolio investors” under the SEBI FPI Regulations
Category II foreign portfolio investor(s) / Category II FPIs	FPIs who are registered as “Category II foreign portfolio investors” under the SEBI FPI Regulations
Category III foreign portfolio investor(s) / Category III FPIs	FPIs who are registered as “Category III foreign portfolio investors” under the SEBI FPI Regulations
CDSL	Central Depository Services (India) Limited
CFO	Chief Financial Officer
CIN	Company Identification Number
CIT	Commissioner of Income Tax
Client ID	Client identification number of the Applicant’s beneficiary account
Companies Act	Unless specified otherwise, this would imply to the provisions of the Companies Act, 2013 (to the extent notified from time to time) and /or Provisions of Companies Act, 1956 w.r.t. the sections which have not yet been replaced by the Companies Act, 2013 through any official notification.
Companies Act, 1956	The Companies Act, 1956, as amended from time to time
Companies Act, 2013	The Companies Act, 2013 published on August 29, 2013 and applicable to the extent notified by MCA till date.
CSR	Corporate Social Responsibility
CST	Central Sales Tax
CY	Calendar Year
DIN	Director Identification Number
DP	Depository Participant, as defined under the Depositories Act 1996
DP ID	Depository Participant’s identification
EBITDA	Earnings before Interest, Taxes, Depreciation and Amortization
ECS	Electronic Clearing System
EGM	Extraordinary General Meeting
EMDEs	Emerging Markets and Developing Economies
EPS	Earnings Per Share

Term	Description
FCNR Account	Foreign Currency Non-Resident Account
FDI	Foreign Direct Investment
FEMA	Foreign Exchange Management Act, 1999, read with rules and regulations thereunder and amended from time to time.
FEMA Regulations	Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017
FIIIs	Foreign Institutional Investors (as defined under Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000) registered with SEBI under applicable laws in India
FPIs	Foreign Portfolio Investors as defined under the SEBI FPI Regulations
Fugitive economic offender	“Fugitive economic offender” shall mean an individual who is declared a fugitive economic offender under section 12 of the Fugitive Economic Offenders Act, 2018 (17 of 2018)
FVCI	Foreign Venture Capital Investors as defined and registered under the SEBI FVCI Regulations
FY / Fiscal / Financial Year	Period of twelve months ended March 31 of that particular year, unless otherwise stated
GDP	Gross Domestic Product
GoI/Government	Government of India
GST	Goods & Services Tax
HNIs	High Net worth Individuals
HUF	Hindu Undivided Family
IAS Rules	Indian Accounting Standards, Rules 2015
ICAI	The Institute of Chartered Accountants of India
ICSI	Institute of Company Secretaries of India
IFRS	International Financial Reporting Standards
IMF	International Monetary Fund
Indian GAAP	Generally Accepted Accounting Principles in India
Ind AS	Indian Accounting Standards prescribed under section 133 of the Companies Act, 2013, as notified under the Companies (Indian Accounting Standard) Rules, 2015
I.T. Act	Income Tax Act, 1961, as amended from time to time
IPO	Initial Public Offering
KM / Km / km	Kilo Meter
Merchant Banker	Merchant Banker as defined under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992
MoF	Ministry of Finance, Government of India
MCA	Ministry of Corporate Affairs, Government of India
MICR	Magnetic Ink Character Recognition
MOU	Memorandum of Understanding
NA / N. A.	Not Applicable
NAV	Net Asset Value
NECS	National Electronic Clearing Service
NEFT	National Electronic Fund Transfer
NOC	No Objection Certificate
NRE Account	Non-Resident External Account
NRIs	A person resident outside India, who is a citizen of India or a person of Indian origin, and shall have the meaning ascribed to such term in the Foreign Exchange Management (Deposit) Regulations, 2000
NRO Account	Non-Resident Ordinary Account
NSDL	National Securities Depository Limited

Term	Description
OCB / Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60.00% by NRIs including overseas trusts, in which not less than 60.00% of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date had taken benefits under the general permission granted to OCBs under FEMA
p.a.	per annum
P/E Ratio	Price/Earnings Ratio
PAC	Persons Acting in Concert
PAN	Permanent Account Number
PAT	Profit After Tax
PLR	Prime Lending Rate
RBI	Reserve Bank of India
Regulation S	Regulation S under the U.S. Securities Act
RoC	Registrar of Companies
ROE	Return on Equity
RONW	Return on Net Worth
Rupees / ₹/ INR	Rupees, the official currency of the Republic of India
RTGS	Real Time Gross Settlement
SCRA	Securities Contract (Regulation) Act, 1956, as amended from time to time
SCRR	Securities Contracts (Regulation) Rules, 1957, as amended from time to time
SEBI	Securities and Exchange Board of India
SEBI Act	Securities and Exchange Board of India Act, 1992
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investments Funds) Regulations, 2012
SEBI FII Regulations	Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014
SEBI FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000
SEBI ICDR Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018
SEBI LODR Regulations, 2015 / SEBI Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 notified on September 2, 2015
SEBI SAST 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 by the SEBI AIF Regulations
Sec.	Section
Securities Act	U.S. Securities Act of 1933, as amended
SICA	Sick Industrial Companies (Special Provisions) Act, 1985
STT	Securities Transaction Tax
Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
TIN	Taxpayers Identification Number
TDS	Tax Deducted at Source
UPI	Unified Payments Interface
US/United States	United States of America
USD/ US\$/ \$	United States Dollar, the official currency of the United States of America
VAT	Value Added Tax

Term	Description
VCF / Venture Capital Fund	Foreign Venture Capital Funds (as defined under the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996) registered with SEBI under applicable laws in India.
Wilful Defaulter(s)	Wilful defaulter as defined under Regulation 2(1)(III) of the SEBI ICDR Regulations
DRHP	Draft Red Herring Prospectus

## CERTAIN CONVENTIONS; PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA

### Certain Conventions

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

### Financial Data

Unless stated otherwise, the financial data in this Prospectus are derived from our Audited Financial Statements as on 30<sup>th</sup> September, 2022 and for the Fiscal Years ended March 31, 2022, 2021 and 2020 prepared in accordance with Indian GAAP and the Companies Act and restated in accordance with the SEBI Regulations and Guidance Note on “Reports in Company Prospectus (Revised 2019)” issued by ICAI, as stated in the report of our Statutory Auditor, as set out in the chapter titled “Financial Statements as Restated” beginning on page no. 171 of this Prospectus. Our Fiscal Year commences on April 1 and ends on March 31 of the following year. In this Prospectus, any discrepancy in any table, graphs or charts between the total and the sums of the amounts listed are due to rounding-off.

There are significant differences between Indian GAAP, U.S. GAAP and IFRS. The Company has not attempted to quantify their impact on the financial data included herein and urges you to consult your own advisors regarding such differences and their impact on the Company’s financial data. Accordingly, the degree to which the Indian GAAP financial statements included in this Prospectus will provide meaningful information is entirely dependent on the reader’s level of familiarity with Indian accounting practices. Any reliance by persons not familiar with Indian accounting practices, Indian GAAP, the Companies Act and the SEBI Regulations on the financial disclosures presented in this Prospectus should accordingly be limited. We have not attempted to explain the differences between Indian GAAP, U.S. GAAP and IFRS or quantify their impact on the financial data included herein, and we urge you to consult your own advisors regarding such differences and their impact on our financial data.

Any percentage amounts, as set forth in the section titled “Risk Factors”, chapters titled “Our Business” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” beginning on page nos. 35, 118 and 210 of this Prospectus, respectively, and elsewhere in this Prospectus, unless otherwise indicated, have been calculated on the basis of our audited financial statements prepared in accordance with Indian GAAP and the Companies Act and restated in accordance with the SEBI Regulations.

### Currency, Units of Presentation and Exchange Rates

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

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

### Definitions

For definitions, please see the Chapter titled “Definitions and Abbreviations” on page no. 04 of this Prospectus. In the Section titled “Main Provisions of Articles of Association” beginning on page no. 289 of this Prospectus, defined terms have the meaning given to such terms in the Articles of Association.

## **Industry and Market Data**

Unless stated otherwise, the industry and market data and forecasts used throughout this Prospectus has been obtained from industry sources as well as Government Publications. Industry sources as well as Government Publications generally state that the information contained in those publications has been obtained from sources believed to be reliable but that their accuracy and completeness and underlying assumptions are not guaranteed and their reliability cannot be assured. Further, the extent to which the industry and market data presented in this Prospectus is meaningful depends on the reader's familiarity with and understanding of the methodologies used in compiling such data. There are no standard data gathering methodologies in the industry in which we conduct our business, and methodologies and assumptions may vary widely among different industry sources.

## FORWARD-LOOKING STATEMENTS

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

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

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

- The COVID-19 pandemic or any future pandemic or widespread public health emergency could adversely affect our business, results of operations, financial condition and cash flows
- Changes in laws and regulations relating to the sectors/areas in which we operate;
- Our ability to successfully implement our growth strategy and expansion plans;
- Our ability to meet our further capital expenditure requirements;
- Fluctuations in operating costs;
- Our ability to attract and retain qualified personnel;
- Changes in political and social conditions in India, the monetary and interest rate policies of India and other Countries;
- Conflict of Interest with affiliated companies, the promoter group and other related parties
- General economic and business conditions in the markets in which we operate and in the local, regional, national and international economies;
- Changes in government policies and regulatory actions that apply to or affect our business.
- Inflation, deflation, unanticipated turbulence in interest rates, equity prices or other rates or prices;
- The occurrence of natural disasters or calamities;
- Our inability to maintain or enhance our brand recognition;
- Failure to successfully upgrade our products and service portfolio, from time to time;
- Inability to adequately protect our trademarks and
- Changes in consumer demand

For further discussions of factors that could cause our actual results to differ, please see the section titled “*Risk Factors*”, chapters titled “*Our Business*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” beginning on page nos. 35 ,118 and 210 of this Prospectus, respectively.

By their nature, certain risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual future gains or losses could materially differ from those that have been estimated. Forward-looking statements speak only as of this Prospectus. Our Company, our Directors, the Lead Managers, and their respective affiliates or associates do not have any obligation to, and do not intend 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 requirements, our Company and the Lead Managers will ensure that investors in India are informed of material developments until such time as the grant of listing and trading approvals by the Stock Exchange.

## SECTION II

### OFFER DOCUMENT SUMMARY

#### A. Summary of Business

Our company was originally incorporated as Seal Matic India Private Limited on December 02, 2009 at Mumbai, Maharashtra as a private limited company under the Companies Act, 1956 with the Registrar of Companies (ROC), Mumbai, Maharashtra. Subsequently, the name of the company was changed to "Sealmatic India Private Limited" pursuant to a special resolution passed by the shareholders of the company at the Extra Ordinary General Meeting held on March 12, 2021. A fresh certificate of incorporation consequent upon change of name was issued on March 30, 2021 by the ROC, Mumbai, Maharashtra. Subsequently, the name of the company was changed to "Sealmatic India Limited" pursuant to a special resolution passed by the shareholders of the company at the Extra Ordinary General Meeting held on October 13, 2022. A fresh certificate of incorporation consequent upon change of name was issued on November 03, 2022 by the ROC, Mumbai, Maharashtra.

Sealmatic designs and manufactures mechanical seals and associated products, sealing support systems mainly for the oil & gas, refinery, petrochemical, chemical, pharmaceutical, fertilizer, power, mining, pulp & paper, aerospace, marine and many more industrial applications. With a wide range of products and services, Sealmatic has solutions for every sealing requirement – such as Pusher Seals, Standard Cartridge Seals, Elastomer Bellows Seals, Metal Bellows Seals, Engineered Seals, Split Seals, Gas-Lubricated Seals and many more. Sealmatic has proven itself with its heavy-duty mechanical seals with innovative and tailor-made sealing solutions guaranteeing longer service. Sealmatic products are globally recognized as a trusted brand in the process industry.

(Source: <https://www.fortunebusinessinsights.com/industry-reports/industrial-seals-market-101546>)

*For, further details regarding risk involved in Business of the company and risk in relation to the offer, refer chapter titled “Risk Factors” beginning on page 34 of this Prospectus.*

#### Summary of Industry

The global mechanical seals market stood at USD 3.20 billion in 2018 and is projected to reach USD 4.77 billion by 2026, exhibiting a CAGR of 5.2% during the forecast period. Growth is attributed to the growing manufacturing as well as industrial sectors. Few of the major factors that have led to high demand for mechanical seals in India include, rapid industrialization which has led to high demand for Power and infrastructure sector, One of the other factor is that seals help in reducing leaks and are help in efficiency further reduces cost of maintenance, Thus Indian Oil and Gas, Power sector and other capital intensive industry have started using mechanical seals for bringing efficiency in the process and thereby reducing overall operational cost. Seals help in reducing leaks which leads to significant savings that comes from less waste, reduces pump failure and eases maintenance. One major factor of using mechanical seals by Indian companies in recent years is that such use reduces hazards to pump operators and adverse environmental conditions, high rotational speed and pressure levels place demanding requirements on sealing technology employed in the process industry.

*For further details please refer to the chapter titled “Industry Overview” beginning on page 103 of this Prospectus*

#### B. Our Promoters:

Our Company is promoted by Mr. Umar A. K. Balwa, Mr. Mohamed Hanif Chaudhari and Mr. Rafiq H. Balwa.

### C. Details of the offer:

Initial Public offer of upto 24,99,600 Equity Shares of ₹ 10 each ("Equity Shares") of Sealmatic India Limited ("SIL" or the "Company") for cash at a price of ₹ 225 (including a Share premium of ₹ 215 per Equity Share) per share (the "Issue Price"), aggregating to ₹ 5624.1 lakhs ("the Issue") comprising of fresh issue of 18,50,000 equity shares of ₹ 225 per equity share aggregating to ₹ 4162.5 lakhs and offer for sale of 6,49,600 equity shares by selling shareholders of ₹ 225 per equity share aggregating to ₹ 1461.6 lakhs, of which upto 1,26,000 equity shares of ₹ 10 each for cash at a price of ₹ 225 (including a Share premium of ₹ 215 per Equity Share) per share aggregating to ₹ 283.5 Lakhs will be reserved for subscription by Market Makers to the Issue (the "Market Maker Reservation Portion"). The Issue less Market Maker Reservation Portion i.e., Issue of upto 23,73,600 equity shares of ₹ 10 each for cash at a price of ₹ 225 (including a Share premium of ₹ 215 per Equity Share) per share aggregating to ₹ 5340.6 Lakhs is hereinafter referred to as the "Net Issue". The Issue and the Net Issue will constitute 27.62 % and 26.23%, respectively of the post issue paid up equity share capital of the Company.

Price Band: ₹ 220.00 To ₹225.00 per equity share of face value of ₹ 10/- each and the Issue Price is 22 to 22.5 times of the face value at the lower price band and upper price band respectively. Bid can be made for minimum of 600 equity shares and the multiples of 600 equity shares thereafter.

For further details kindly refer the chapter titled "Terms of the Issue" beginning on page 236 of this Prospectus.

### D. Object of the Issue

Particulars	Amount (₹ in Lakhs)
Gross Issue Proceeds	4162.50
Less: Public Issue Related Expenses*	112.50
Net Issue Proceeds	4050.00

\* To be determined upon finalization of the offer Price and updated in the prospectus prior to filing with the RoC.

The amount utilized for general corporate purpose shall not exceed 25% of the gross proceeds from the Issue.

### E. Pre-Issue Shareholding of our Promoter and Promoter Group as a percentage of the paid-up share capital of the Company

Set forth is the Pre-Issue and Post-Issue shareholding of our Promoter and Promoter Group as a percentage of the paid-up share capital of the Company

Category of Promoter	Pre-Issue		Offer for Sale (OFS) Shares	Post Issue	
	No. of Shares	% Of Pre- Issue Paid Up Capital		No. of Shares	% Of Post- Issue Paid Up Capital
<b>1. Promoter</b>					
Mr. Mohamed Hanif Chaudhari	11,27,988	15.67	1,01,769	10,26,219	11.34
Mr. Umar A. K. Balwa	4,08,024	5.67	-	4,08,024	4.51
Mr. Rafiq H. Balwa	7,62,764	10.59	2,29,527	5,33,237	5.89
<b>Total (A)</b>	<b>22,98,776</b>	<b>31.93</b>	<b>3,31,296</b>	<b>19,67,480</b>	<b>21.74</b>
<b>2. Promoter Group (as defined by SEBI (ICDR) Regulations)</b>					
Mr. Hussein A. K. Balwa	6,23,988	8.67	-	6,23,988	6.89
Mrs. Saleha I. Balwa	6,36,012	8.83	-	6,36,012	7.03
Mr. Ismail A. K. Balwa	5,21,212	7.24	-	5,21,212	5.76
Mrs. Waheeda U. Balwa	2,88,000	4.00	1,14,764	1,73,236	1.91

Category of Promoter	Pre-Issue		Offer for Sale (OFS) Shares	Post Issue	
	No. of Shares	% Of Pre-Issue Paid Up Capital		No. of Shares	% Of Post-Issue Paid Up Capital
Ms. Sania U. Balwa	2,88,000	4.00		2,88,000	3.18
Ms. Neha U. Balwa	2,88,000	4.00		2,88,000	3.18
Mr. Sadik S. Chaudhari	11,27,988	15.67	1,01,769	10,26,219	11.34
Mr. Abid A. Chaudhari	11,28,024	15.67	1,01,771	10,26,253	11.34
<b>Total (B)</b>	<b>49,01,224</b>	<b>68.07</b>	<b>3,18,304</b>	<b>45,82,920</b>	<b>50.64</b>
<b>Total Promoter &amp; Promoter Group Holding (A+B)</b>	<b>72,00,000</b>	<b>100.00</b>	<b>6,49,600</b>	<b>65,50,400</b>	<b>72.38</b>

#### F. Summary of Restated Financial Statement

(₹ in lakhs)

Particulars	As of Sept 30, 2022*	For the year ended March 31		
		2022	2021	2020
Share Capital	720.00	20.00	20.00	20.00
Reserves & Surplus	2,830.15	2,995.89	2,154.43	1,504.67
<b>Net-Worth</b>	<b>3,550.15</b>	<b>3,015.89</b>	<b>2,174.43</b>	<b>1,524.67</b>
Total Revenue	2,582.12	4,276.80	3,557.01	3,358.88
Profit After Tax	<b>543.45</b>	<b>841.46</b>	<b>649.76</b>	<b>494.13</b>
<b>Earnings Per Share (EPS)</b>				
Basic & Diluted (Post Bonus) (₹ in actuals)	7.55	420.73	324.88	247.06
Net Asset Value Per Share (₹ in lakhs) – Based on actual no. of equity shares at the end of the year.	49.31	1507.95	1087.22	762.33
Total Borrowings	224.39	93.56	272.62	278.30

\*For the period of 6 months months and not annualised.

#### G. Qualifications by Auditor

There are no audit qualifications which have not been given effect in the restated financial statements.

**H. Summary of Outstanding Litigation are as follows:**

**LITIGATION INVOLVING OUR COMPANY**

**a. Cases against Company**

Sr. No.	Nature of Case	No. of Outstanding cases	Amount in dispute/demanded to the extent quantifiable (₹ in lakhs) <sup>(1)</sup>
1.	<b>Litigation against our Company</b>	NIL	NIL
(a)	Direct Tax Liabilities		
(b)	Indirect Tax Liability (Central Excise)	NIL	NIL
2.	<b>Civil Case for Recovery of Dues</b>	NIL	NIL
3.	<b>Criminal Case for Cheque Return</b>	NIL	NIL

**b. Cases filed by Company**

**(i) Direct Tax Liabilities**

Provision of Law	Forum	Amount Concerned	Particulars of Proceedings
Appeal under section 246A of the Income Tax Act, 1961  (Acknowledgement number - 269440341091219)	Commissioner of Income Tax (Appeals)	₹ 79,620/-	The dispute pertains to whether there was an error in assessment of the income of our company for AY 2018-2019. The assessed income of our company was ₹ 3,25,61,928/- as against returned income of ₹ 3,23,02,603/- The same resulted in addition of income of ₹ 2,59,325/- resulting in a disputed amount of ₹ 79,620/- in income tax.
Appeal under section 246A of the Income Tax Act, 1961  (Acknowledgement number - 339627511210520)	Commissioner of Income Tax (Appeals)	₹ 2,80,680/-	The dispute pertains to whether there was an error in assessment of the income of our company for AY 2019-2020. The assessed income of our company was ₹ 6,78,08,300/- as against returned income of ₹ 6,69,70,440/-. The same resulted in addition of income of ₹ 8,37,860/- resulting in a disputed amount of ₹ 2,80,680/- in income tax.

**(ii) Indirect Tax Liabilities**

NIL

## **LITIGATION INVOLVING OUR DIRECTORS**

### **A. LITIGATION AGAINST OUR DIRECTORS**

#### **1. Criminal matters**

NIL

#### **2. Litigation / Proceedings Involving Actions by Statutory/Regulatory Authorities**

NIL

#### **3. Litigation involving Tax Liabilities**

##### **(i) Direct Tax Liabilities**

NIL

##### **(ii) Indirect Taxes Liabilities**

NIL

#### **4. Other Pending Litigations**

NIL

### **B. LITIGATION FILED BY OUR DIRECTORS**

#### **1. Litigation Involving Criminal matters**

NIL

#### **2. Litigation Involving Actions by Statutory/Regulatory Authorities**

NIL

#### **3. Litigation involving Tax Liabilities**

##### **(i) Direct Tax Liabilities**

NIL

##### **(ii) Indirect Taxes Liabilities**

NIL

#### **4. Other Pending Litigations**

NIL

**LITIGATION INVOLVING OUR PROMOTERS AND PROMOTER GROUP:**

**A. LITIGATION AGAINST OUR PROMOTERS**

**1. Litigation Involving Criminal matters**

NIL

**2. Litigation / Proceedings Involving Actions by Statutory/Regulatory Authorities**

NIL

**3. Litigation involving Tax Liabilities**

**(i) Direct Tax Liabilities**

NIL

**(ii) Indirect Taxes Liabilities**

NIL

**4. Other Pending Litigations**

NIL

**B. LITIGATION FILED BY OUR PROMOTERS**

**1. Litigation Involving Criminal matters**

NIL

**2. Litigation Involving Actions by Statutory/Regulatory Authorities**

NIL

**3. Litigation involving Tax Liabilities**

**(i) Direct Tax Liabilities**

NIL

**(ii) Indirect Taxes Liabilities**

NIL

**4. Other Pending Litigations**

NIL

## C. LITIGATION AGAINST OUR PROMOTER GROUP

### 1. Litigation involving Tax Liabilities

#### (i) Direct Tax Liabilities

Provision of Law	Forum	Amount Concerned	Particulars of Proceedings
Appeal under section 246A of the Income Tax Act, 1961 filed by Ismail A. Balwa  (Acknowledgement number -115847210060121)	Commissioner of Income Tax (Appeals)	₹ 4,92,059/- (being the amount of disputed demand)	The dispute pertains to whether there was an error in not granting the full credit for tax deducted at source for assessment year 2018-2019.
Appeal under section 246A of the Income Tax Act, 1961 filed by Ismail A. Balwa  (Acknowledgement number -747230280050722)	Commissioner of Income Tax (Appeals)	₹ 2,35,010/- (being the amount of disputed demand)	The dispute pertains to a computation error while calculating the NAV of house / residential property in respect of income tax for assessment year 2020-2021.

#### (ii) Indirect Taxes Liabilities

NIL

#### (iii) Other Pending Litigations:

Provision of Law	Forum	Amount Concerned / Particulars	Particulars of Proceedings
Civil Suit as per the Code of Civil Procedure, 1908  Special Civil Suit No. 123 of 2009 filed against Mr. Ismail Balwa	Court of the Civil Judge, Thane	Survey No. 36, Hissa No. 4 of village Ghodbunder, Thane admeasuring 6897 sq. yards.	The suit has been filed for specific performance of alleged agreement to sell in respect of the premises.
Civil Suit as per the Code of Civil Procedure, 1908  Miscellaneous Application No. 133 of 2014 in Special Civil Suit No. 123 of 2009 filed against	Court of the Civil Judge, Thane	Survey No. 36, Hissa No. 4 of village Ghodbunder, Thane admeasuring 6897 sq. yards.	The applicant alleges that defends have committed contempt by violating an order of status quo passed by the civil court.

Mr. Ismail Balwa			
Civil Suit as per the Code of Civil Procedure, 1908  Civil Suit No. 558 of 2019 filed against Mr. Ismail Balwa	Court of the Civil Judge, Thane	Survey No. 36, Hissa No. 4 of village Ghodbunder, Thane admeasuring 6897 sq. yards.	The suit has been filed for specific performance of alleged agreement to sell in respect of the premises.

## **LITIGATION AGAINST OUR GROUP ENTITIES**

### **1. Litigation involving Tax Liabilities**

#### **(i) Direct Tax Liabilities**

<b>Sr. No.</b>	<b>Provision of Law</b>	<b>Forum</b>	<b>Amount Concerned</b>	<b>Particulars of Proceedings</b>
1.	Appeal under section 246A of the Income Tax Act, 1961 filed by Resiplex  (Acknowledgement number - 410988841210119)	Commissioner of Income Tax (Appeals)	Rs. 4,00,000/- (being the amount added to returned income)	The dispute pertains to action by the assessing officer in assessing the income of the company at Rs. 21,32,845/- against returned income of Rs. 17,32,845/- by reopening assessment for AY 2011-2012.
2.	Appeal under section 246A of the Income Tax Act, 1961 filed by Techniplex  (Acknowledgement number - 319003281070320)	Commissioner of Income Tax (Appeals)	Rs. 5,43,000/- (being the amount of pending credit not granted towards tax deducted at source)	The dispute pertains to whether there was an error in not granting the full credit for tax deducted at source.
3.	ITXA/146 of 2020 filed by Associated Hospitality and Developers Private Limited	Bombay High Court		An appeal was filed by Associated Hospitality and Developers Private Limited against the Assessment Order in respect of AY 2013-14 with before the Income Tax Appellate Tribunal. Against the observations of the Tribunal disallowing the claim of interest expense, appeal is preferred.
4.	ITXA/835 of 2020 Before the Bombay High Court filed by Associated Hospitality and Developers Private Limited	Bombay High Court		An appeal was filed by Associated Hospitality and Developers Private Limited against the Assessment Order in respect of AY 2013-14 with

				before the Income Tax Appellate Tribunal. The Tribunal allowed contentions with respect to the Deemed Dividend u/s 2(22)(e) of the Income Tax Act, 1961. Against the said observations, appeal is preferred by the department.
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**(ii) Indirect Taxes Liabilities**

Provision of Law	Forum	Amount Concerned	Particulars of Proceedings
Appeal under section 26 of the Maharashtra Value Added Tax Act, 2006 filed by Techniplex	Deputy Commissioner of State Tax (Appeal)	Rs. 16,14,294/- (being amount of set off denied, interest levied and penalty imposed)	The dispute pertains to value added tax liability assessed for the period 01.04.2008 to 31.03.2009
Appeal under section 26 of the Maharashtra Value Added Tax Act, 2006 filed by Techniplex	Deputy Commissioner of Sales Tax (Appeal)	Rs. 3,27,67,242/- (being amount of set off denied, interest levied and penalty imposed)	The dispute pertains to value added tax liability assessed for the period 01.04.2009 to 31.03.2010.
Appeal under section 26 of the Maharashtra Value Added Tax Act, 2006 filed by Techniplex	Deputy Commissioner of Sales Tax (Appeal)	Rs. 4,05,55,820/- (being amount of set off denied, interest levied and penalty imposed)	The dispute pertains to value added tax liability assessed for the period 01.04.2010 to 31.03.2011.

**(iii) Other Pending Litigations:**

NIL

*For further details in relation to legal proceedings involving our Company, Promoters, Promoter Group, Directors and Group Companies refer chapter titled "Outstanding Litigation and Other Material Developments" on page 214 of this Prospectus.*

- I.** Investors should read chapter titled "Risk Factors" beginning on page No. 35 of this Prospectus to get more informed view before making any investment decisions.

**J. Summary of contingent liabilities**

Summary table of our contingent liabilities as indicated in our Restated Financial Statements and also certified by our statutory auditors is as follows:

(₹ in lakhs)

	As of	As at March 31,
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Particulars	Sept 30, 2022	2022	2021	2020
<b>Liability disputed and not provided for:</b>				
Under Income Tax	3.60	3.60	3.60	3.60
<b>Other Contingent Liabilities:</b>				
Bank Guarantees issued	15.79	28.58	22.14	-
Government Subsidy against Machinery Loan from SIDBI	15.00	15.00	-	-
On letters of Guarantee	-	-	-	11.57

For further information, please refer “Annexure XII Restated Statement of Contingent Liability” of Financial Information on page no 200 of this Prospectus.

#### K. Summary of related party transactions

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

(₹ in lakhs)

Nature of Transactions	Name of Related Parties	As of Sept 30, 2022	For the year ended March 31,		
			2022	2021	2020
1) Loan Taken/ (Repayment)					
	<b><u>Zubair I. Balwa</u></b>				
	Opening Balance	-	21.12	21.12	21.12
	Loan received during the year	-	-	-	-
	Loan paid during the year	-	(21.12)	-	-
	Closing balance	-	-	21.12	21.12
	<b><u>Imran I. Balwa</u></b>				
	Opening Balance	13.19	43.99	43.99	43.99
	Loan received during the year	-	-	-	-
	Loan paid during the year	(13.19)	(30.80)	-	-
	Closing balance	-	13.19	43.99	43.99
	<b><u>Rafiq H. Balwa</u></b>				
	Opening Balance	-	7.41	7.41	7.41
	Loan received during the year	-	-	-	-
	Loan paid during the year	-	(7.41)	-	-
	Closing balance	-	-	7.41	7.41
	<b><u>Abid S. Chaudhary</u></b>				
	Opening Balance	-	12.17	12.17	12.17
	Loan received during the year	-	-	-	-
	Loan paid during the year	-	(12.17)	-	-
	Closing balance	-	-	12.17	12.17
	<b><u>Mohamed Hanif Chaudhary</u></b>				

Nature of Transactions	Name of Related Parties	As of Sept 30, 2022	For the year ended March 31,		
			2022	2021	2020
	Opening Balance	-	41.00	41.00	41.00
	Loan received during the year	-	-	-	-
	Loan paid during the year	-	(41.00)	-	-
	Closing balance	-	-	41.00	41.00
	<b><u>Sadik H. Chaudhary</u></b>				
	Opening Balance	-	7.60	7.60	7.60
	Loan received during the year	-	-	-	-
	Loan paid during the year	-	(7.60)	-	-
	Closing balance	-	-	7.60	7.60
	<b><u>Ismail Balwa</u></b>				
	Opening Balance	-	9.18	9.18	9.18
	Loan received during the year	-	-	-	-
	Loan paid during the year	-	(9.18)	-	-
	Closing balance	-	-	9.18	9.18
	<b><u>Umar A.K. Balwa</u></b>				
	Opening Balance	-	-	-	39.08
	Loan received during the year	-	-	-	-
	Loan paid during the year	-	-	-	(39.08)
	Closing balance	-	-	-	-
2) Loan Given (Dr.)	<b>Associated Hospitality Pvt Ltd</b>				
	Opening Balance	-	-	-	-
	Loan given during the year	125.00	-	-	-
	Loan paid during the year	-	-	-	-
	<b>Closing balance</b>	125.00	-	-	-
	<b>Total</b>	125.00	-	-	-
	<b>Techniplex (AOP)</b>				
	Opening Balance	-	60.00	-	-
	Loan received during the year	-	-	-	-
	Loan paid during the year	-	(60.00)	-	-
	<b>Closing balance</b>	-	-	-	-
3) Salary	<b>Warrishhusain H. Chaudhary</b>	3.03	5.37	3.90	2.81
	<b>Zakirhusain H. Chaudhary</b>	4.69	8.11	6.36	5.92
	<b>Firoz H. Chaudhary</b>	4.03	2.49	-	-
	<b>Abid S. Chaudhary</b>	-	-	-	8.10
	<b>Total</b>	11.75	15.97	10.26	16.83
4) Rent	<b>Morrill &amp; Greenwood Developers Pvt Ltd.</b>	27.90	60.82	55.37	44.40
	<b>Total</b>	27.90	60.82	55.37	44.40

Nature of Transactions	Name of Related Parties	As of Sept 30, 2022	For the year ended March 31,		
			2022	2021	2020
5) Donation	A. K. Balwa Charitable Trust	-	-	-	1.50
	Total	-	-	-	1.50
6) Sales of Goods & Services	Isomag Sealmatic India Pvt Ltd	19.38	39.66	15.22	0.54
	Total	19.38	39.66	15.22	0.54
7) Purchase of Goods & Services	Isomag Sealmatic India Private Limited	-	-	3.52	1.32
	Valvemantics Engineering Private Ltd	-	0.89	-	1.20
	Total	-	0.89	3.53	2.52
8) Service received	Microtact Hydraulic (India) Private Limited	-	-	0.01	-
8) Sale of material	Microtact Hydraulic (India) Private Limited	-	-	1.77	-
	Total	-	-	1.77	-
9) Conference & Seminar Expenses	Associated Hospitality & Developers pvt ltd	-	3.65	-	1.36
	Associated Hospitality Pvt Ltd	9.09	-	-	-
	Resiplex Hospitality & Developers Private Limited	-	1.32	-	-
	Total	9.09	4.97	-	1.36
10) Business Promotion Expenses	Associated Hospitality & Developers pvt ltd	2.66	4.58	8.50	5.05
	Associated Hospitality Pvt Ltd	1.47	-	-	-
	Resiplex Hospitality & Developers Private Limited	0.05	0.07	-	0.70
	Total	4.18	4.65	8.50	5.75
11) Staff Welfare	Associated Hospitality & Developers pvt ltd	-	1.39	0.99	-
	Total	-	1.39	0.99	-
12) Amount Payable	Associated Hospitality & Developers pvt ltd	0.07	1.15	0.49	0.09
	Resiplex Hospitality & Developers Private Limited	-	-	-	0.04
	Total	0.07	1.15	0.49	0.13
13) Deposit	Associated Hospitality & Developers pvt ltd	-	0.02	0.02	-

Nature of Transactions	Name of Related Parties	As of Sept 30, 2022	For the year ended March 31,		
			2022	2021	2020
	<b>Total</b>	-	0.02	0.02	-
<b>14) Interest Income</b>	<b>Associated Hospitality Pvt Ltd</b>	2.68	-	-	-
	<b>Techniplex (AOP)</b>	-	0.14	-	-
	<b>Total</b>	<b>2.68</b>	<b>0.14</b>	-	-
<b>15) Uniform Expenses</b>	<b>Sakina H. Chaudhari</b>	1.19	-	-	-
	<b>Total</b>	<b>1.19</b>	-	-	-
<b>16) Commission &amp; Brokerage</b>	<b>Jasmin Chaudhari</b>	2.05	-	-	-
	<b>Total</b>	<b>2.05</b>	-	-	-
<b>17) Reimbursement</b>	<b>Isomag Sealmatic India Private Limited</b>	0.47	0.69	-	-
	<b>Techniplex (AOP)</b>	-	3.05	-	-
	<b>Total</b>	<b>0.47</b>	<b>3.74</b>	-	-
<b>18) Office Expenses Recovered</b>	<b>Isomag Sealmatic India Private Limited</b>	1.26	5.04	-	-
	<b>Total</b>	<b>1.26</b>	<b>5.04</b>	-	-
<b>19) Labour Charges-Income</b>	<b>Isomag Sealmatic India Private Limited</b>	-	-	-	0.09
	<b>Total</b>	-	-	-	<b>0.09</b>
<b>20) Outstanding Balance (Cr.)</b>	<b>Associated Hospitality Pvt Ltd</b>	0.82	-	-	-
	<b>Total</b>	<b>0.82</b>	-	-	-
<b>21) Closing Balance (Dr.)</b>	<b>Valvemantics Engineering Private Ltd</b>	-	3.97	3.97	3.97
	<b>Total</b>	-	<b>3.97</b>	<b>3.97</b>	<b>3.97</b>
<b>22) Director's Remuneration</b>	<b>Abid S. Chaudhary</b>	7.50	13.65	11.40	2.70
	<b>Mohamed H. Chaudhary</b>	12.90	23.10	19.05	18.00
	<b>Sadik H. Chaudhary</b>	7.50	13.65	11.40	10.80
	<b>Total</b>	<b>27.90</b>	<b>50.40</b>	<b>41.85</b>	<b>31.50</b>

For further information, please refer "Annexure IX Restated Statement of Related Party Transactions" of Financial Information on Page No. 205 of this Prospectus.

#### **L. Financing Arrangements:**

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

## M. Weighted Average Price and Average Cost of Acquisition

### Weighted Average Price:

Weighted average price at which the Equity Shares were acquired by our Promoters and Selling Shareholder in the last one year:

Sr. No.	Name of Promoters/ Selling Shareholder	Promoter / Promoter Group/ Selling Shareholder	No. of Equity Shares acquired in the last one year from the date of this DRHP	Weighted Average Price (in ₹ per equity share)
1	Mr. Umar A. K. Balwa	Promoter	3,96,691*	Negligible
2	Mr. Mohamed Hanif Chaudhari	Promoter and Selling Shareholder	10,96,655*	NIL
3	Mr. Rafiq H. Balwa	Promoter and Selling Shareholder	6,30,000*	NIL
4	Mrs. Waheeda U. Balwa	Selling Shareholder (Promoter Group)	2,80,000*	NIL
5	Mr. Sadik H. Chaudhari	Selling Shareholder (Promoter Group)	10,96,655*	NIL
6	Mr. Abid A. Chaudhari	Selling Shareholder (Promoter Group)	10,96,690*	NIL

\*The above Equity Shares acquired by Promoters and Selling Shareholders in the last one year are majorly by Bonus Issue

### Average Cost of Acquisition of Shares

The average cost of acquisition per Equity Shares by our Promoters and Selling Shareholder are set forth in the table below:

Sr. No.	Name of Promoters/ Selling Shareholder	Promoter / Promoter Group/ Selling Shareholder	No. of Equity Shares held	Average cost of Acquisition per share (Amt in ₹)
1	Mr. Umar A. K. Balwa	Promoter	4,08,024	₹ 5.45
2	Mr. Mohamed Hanif Chaudhari	Promoter and Selling Shareholder	11,27,988	NIL
3	Mr. Rafiq H. Balwa	Promoter and Selling Shareholder	7,62,764	₹ 3.40
4	Mrs. Waheeda U. Balwa	Selling Shareholder (Promoter Group)	2,88,000	NIL
5	Mr. Sadik H. Chaudhari	Selling Shareholder (Promoter Group)	11,27,988	₹ 1.28
6	Mr. Abid A. Chaudhari	Selling Shareholder (Promoter Group)	11,28,024	₹ 1.28

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

For further details refer chapter titled "Capital Structure" beginning on page no. 78 of this Prospectus.

**N. Pre- IPO Placement:**

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

**O. Equity Shares for consideration other than cash in last one year:**

Our Company has not issued any Equity Shares for consideration other than cash during last one year except for issue of 70,00,000 bonus shares allotted on September 29, 2022.

*For further details regarding issue of shares please refer chapter titled "Capital Structure" on page 74 of this Prospectus.*

**P. Split/ Consolidation:**

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

### SECTION III

#### RISK FACTORS

*An investment in Equity Shares involves a high degree of financial risk. You should carefully consider all information in this Prospectus, including the risks described below, before making an investment in our Equity Shares. The risk factors set forth below do not purport to be complete or comprehensive in terms of all the risk factors that may arise in connection with our business or any decision to purchase, own or dispose of the Equity Shares. This section addresses general risks associated with the industry in which we operate and specific risks associated with our Company.*

*Any of the following risks, as well as the other risks and uncertainties discussed in this Prospectus, could have a material adverse effect on our business and could cause the trading price of our Equity Shares to decline and you may lose all or part of your investment. In addition, the risks set out in this Prospectus are not exhaustive. Additional risks and uncertainties, whether known or unknown, may in the future have material adverse effect on our business, financial condition and results of operations, or which we currently deem immaterial, may arise or become material in the future. To obtain a complete understanding of our Company, prospective investors should read this section in conjunction with the sections entitled "Our Business" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" on page nos. 118 and 210 of this Prospectus respectively as well as other financial and statistical information contained in this Prospectus. Unless otherwise stated in the relevant risk factors set forth below, we are not in a position to specify or quantify the financial or other risks mentioned herein.*

*This Prospectus also contains forward-looking statements that involve risks and uncertainties. Our results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including events described below and elsewhere in this Prospectus. Unless otherwise stated, the financial information used in this section is derived from and should be read in conjunction with restated financial information of our Company prepared in accordance with the Companies Act and restated in accordance with the SEBI (ICDR) Regulations, including the schedules, annexure and notes thereto.*

#### **Materiality**

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

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

#### **Note:**

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

In this Prospectus, any discrepancies in any table between total and the sums of the amount listed are due to rounding off. Any percentage amounts, as set forth in "Risk Factors" and elsewhere in this Prospectus unless otherwise indicated, has been calculated on the basis of the amount disclosed in our Restated Financial Information prepared in accordance with Indian GAAP. Unless otherwise specifically provided in the respective Risk factors given below, the amounts of impact of risks specified hereunder, on our financial conditions, are not quantifiable.

## INTERNAL RISK FACTORS

1. *Our Company is party to certain legal proceedings under Civil Laws and Negotiable Instruments Act. Any adverse decision in such proceedings may have effect on our business, results of operations and financial condition.*

Our Company is party to certain legal proceedings under Income Tax Laws. These legal proceedings are pending at different levels under the law. Mentioned below are the details of the proceedings involving our company and Group Companies as on the date of this Prospectus along with the amount involved, to the extent quantifiable, based on the materiality policy for litigations, as approved by the Company in its Board meeting held on January 03, 2023.

The Litigations are summarized as below:

### LITIGATION INVOLVING OUR COMPANY

#### a. Cases filed by Company

##### (i) Direct Tax Liabilities

Provision of Law	Forum	Amount Concerned	Particulars of Proceedings
Appeal under section 246A of the Income Tax Act, 1961  (Acknowledgement number - 269440341091219)	Commissioner of Income Tax (Appeals)	Rs 79,620/-	The dispute pertains to whether there was an error in assessment of the income of our company for AY 2018-2019. The assessed income of our company was Rs 3,25,61,928/- as against returned income of Rs 3,23,02,603/- The same resulted in addition of income of Rs 2,59,325/- resulting in a disputed amount of Rs 79,620/- in income tax.
Appeal under section 246A of the Income Tax Act, 1961  (Acknowledgement number - 339627511210520)	Commissioner of Income Tax (Appeals)	Rs 2,80,680/-	The dispute pertains to whether there was an error in assessment of the income of our company for AY 2019-2020. The assessed income of our company was Rs 6,78,08,300/- as against returned income of Rs 6,69,70,440/-. The same resulted in addition of income of Rs 8,37,860/- resulting in a disputed amount of Rs 2,80,680/- in income tax.

## LITIGATION INVOLVING OUR DIRECTORS

### A. LITIGATION AGAINST OUR PROMOTER GROUP

#### 1. Litigation involving Tax Liabilities

##### (i) Direct Tax Liabilities

Provision of Law	Forum	Amount Concerned	Particulars of Proceedings
Appeal under section 246A of the Income Tax Act, 1961 filed by Ismail A. Balwa  (Acknowledgement number -115847210060121)	Commissioner of Income Tax (Appeals)	Rs 4,92,059/- (being the amount of disputed demand)	The dispute pertains to whether there was an error in not granting the full credit for tax deducted at source for assessment year 2018-2019.
Appeal under section 246A of the Income Tax Act, 1961 filed by Ismail A. Balwa  (Acknowledgement number -747230280050722)	Commissioner of Income Tax (Appeals)	Rs 2,35,010/- (being the amount of disputed demand)	The dispute pertains to a computation error while calculating the NAV of house / residential property in respect of income tax for assessment year 2020-2021.

##### (ii) Other Pending Litigations:

Provision of Law	Forum	Amount Concerned / Particulars	Particulars of Proceedings
Civil Suit as per the Code of Civil Procedure, 1908  Special Civil Suit No. 123 of 2009 filed against Mr. Ismail Balwa	Court of the Civil Judge, Thane	Survey No. 36, Hissa No. 4 of village Ghodbunder, Thane admeasuring 6897 sq. yards.	The suit has been filed for specific performance of alleged agreement to sell in respect of the premises.
Civil Suit as per the Code of Civil Procedure, 1908  Miscellaneous Application No. 133 of 2014 in Special Civil Suit No. 123 of 2009 filed against Mr. Ismail Balwa	Court of the Civil Judge, Thane	Survey No. 36, Hissa No. 4 of village Ghodbunder, Thane admeasuring 6897 sq. yards.	The applicant alleges that defends have committed contempt by violating an order of status quo passed by the civil court.
Civil Suit as per the Code of Civil Procedure, 1908	Court of the Civil Judge, Thane	Survey No. 36, Hissa No. 4 of village Ghodbunder, Thane	The suit has been filed for specific performance of

Civil Suit No. 558 of 2019 filed against Mr. Ismail Balwa		admeasuring 6897 sq. yards.	alleged agreement to sell in respect of the premises.
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## **LITIGATION AGAINST OUR GROUP ENTITIES**

### **1. Litigation involving Tax Liabilities**

#### **(i) Direct Tax Liabilities**

<b>Sr. No.</b>	<b>Provision of Law</b>	<b>Forum</b>	<b>Amount Concerned</b>	<b>Particulars of Proceedings</b>
1.	Appeal under section 246A of the Income Tax Act, 1961 filed by Resiplex  (Acknowledgement number - 410988841210119)	Commissioner of Income Tax (Appeals)	Rs. 4,00,000/- (being the amount added to returned income)	The dispute pertains to action by the assessing officer in assessing the income of the company at Rs. 21,32,845/- against returned income of Rs. 17,32,845/- by reopening assessment for AY 2011-2012.
2.	Appeal under section 246A of the Income Tax Act, 1961 filed by Techniplex  (Acknowledgement number - 319003281070320)	Commissioner of Income Tax (Appeals)	Rs. 5,43,000/- (being the amount of pending credit not granted towards tax deducted at source)	The dispute pertains to whether there was an error in not granting the full credit for tax deducted at source.
3.	ITXA/146 of 2020 filed by Associated Hospitality and Developers Private Limited	Bombay High Court		An appeal was filed by Associated Hospitality and Developers Private Limited against the Assessment Order in respect of AY 2013-14 with before the Income Tax Appellate Tribunal. Against the observations of the Tribunal disallowing the claim of interest expense, appeal is preferred.
4.	ITXA/835 of 2020 Before the Bombay High Court filed by Associated Hospitality and Developers Private Limited	Bombay High Court		An appeal was filed by Associated Hospitality and Developers Private Limited

				against the Assessment Order in respect of AY 2013-14 with before the Income Tax Appellate Tribunal. The Tribunal allowed contentions with respect to the Deemed Dividend u/s 2(22)(e) of the Income Tax Act, 1961. Against the said observations, appeal is preferred by the department.
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**(ii) Indirect Taxes Liabilities**

Provision of Law	Forum	Amount Concerned	Particulars of Proceedings
Appeal under section 26 of the Maharashtra Value Added Tax Act, 2006 filed by Techniplex	Deputy Commissioner of State Tax (Appeal)	Rs. 16,14,294/- (being amount of set off denied, interest levied and penalty imposed)	The dispute pertains to value added tax liability assessed for the period 01.04.2008 to 31.03.2009
Appeal under section 26 of the Maharashtra Value Added Tax Act, 2006 filed by Techniplex	Deputy Commissioner of Sales Tax (Appeal)	Rs. 3,27,67,242/- (being amount of set off denied, interest levied and penalty imposed)	The dispute pertains to value added tax liability assessed for the period 01.04.2009 to 31.03.2010.
Appeal under section 26 of the Maharashtra Value Added Tax Act, 2006 filed by Techniplex	Deputy Commissioner of Sales Tax (Appeal)	Rs. 4,05,55,820/- (being amount of set off denied, interest levied and penalty imposed)	The dispute pertains to value added tax liability assessed for the period 01.04.2010 to 31.03.2011.

There can be no assurance that these litigations will be decided in favor of our Company and its group companies and consequently it may divert the attention of our management and Promoters and waste our corporate resources and we may incur significant expenses in such proceedings and may have to make provisions in our financial statements, which could increase our expenses and liabilities. If such claims are determined against us, there could be a material adverse effect on our reputation, business, financial condition and results of operations, which could adversely affect the trading price of our Equity Shares. For the details of the cases filed by and against our Company, Promoters and Directors please refer to the chapter titled *“Outstanding Litigations and Material Developments”* beginning on page no. 222 of this Prospectus.

2. *Some of the statutory approvals and property (ies) owned by our Company are required to be transferred in the name of "Sealmatic India Limited" from "Sealmatic India Private Limited", pursuant to conversion from private limited to public limited company. Any failure to obtain and renew them or failure to transfer them in name of "Sealmatic India Limited" in a timely manner may affect our business operations*

Our Company is in the process of updating some of its certificates/ licenses with respect to the details of our offices or updating of its name from "Sealmatic India Private Limited" to "Sealmatic India Limited" after the conversion. For more information on the licenses obtained by our Company and the licenses applied for by our Company, please refer chapter titled "Government and other Key Approvals" beginning on page no. 230 of this Prospectus and the property owned by our company are mentioned in chapter titled "Our Business" beginning on Page No. 118 of Prospectus.

3. *We require certain approvals and licenses in the ordinary course of business and are required to comply with certain rules and regulations to operate our business, and the failure to obtain, retain and renew such approvals and licenses in timely manner or comply with such rules and regulations or at all may adversely affect our operations.*

We require several statutory and regulatory permits, licenses and approvals to operate our business, some of which our Company has received. Many of these approvals are granted for fixed periods of time and need renewal from time to time. We will also require various permissions to start new unit no. 2 near Mumbai under expansion plan mentioned in object of the issue on page no 92 of this Prospectus. Non-renewal or issue of new permission of the said required permits and licenses would adversely affect our Company's operations, thereby having a material adverse effect on our business, results of operations and financial condition. We cannot guarantee that we have taken or applied for all the approvals required and if we have not taken any particular approval at all, the same may lead to penalties, both monetary and operational. Details of the approvals obtained by us or are under process of application or which are pending before the appropriate authorities are more particularly mentioned in the chapter titled "Government and Other Key Approvals" beginning on page no. 230 of this Prospectus.

Further, some of our permits, licenses and approvals are subject to several conditions and we cannot provide any assurance that we will be able to continuously meet such conditions or be able to prove compliance with such conditions to the statutory authorities, which may lead to the cancellation, revocation or suspension of relevant permits, licenses or approvals. Any failure by us to apply in time, to renew, maintain or obtain the required permits, licenses or approvals, or the cancellation, suspension or revocation of any of the permits, licenses or approvals may result in the interruption of our operations and may have a material adverse effect on the business. For further details, please see chapters titled "Key Industry Regulations and Policies" and "Government and Other Key Approvals" at pages nos. 132 and 230 respectively of this Prospectus.

4. *Our third-party suppliers, on whom we rely for the raw material, may fail to deliver raw material of sufficient quality or in a timely manner, which could adversely affect our reputation, net sales and profitability.*

Our company is importing raw material from third party suppliers from USA, Germany and UK from approved sources of various international sealing companies. Seal Faces such as carbon and silicon carbide are imported from USA & Germany. Elastomers are imported from Germany. The third-party suppliers from whom we are importing raw material may not supply required quality, quantity as per time schedule which may adversely affect our production capability & product.

5. ***Our business derives a major portion of its revenue from our users in India & Overseas. The loss of a major customer or a significant reduction and sales of, or demand for our products from our major customers, may adversely affect our business, financial condition.***

A major portion of our income from operations is from sales to users in India & overseas. We cannot assure that we can maintain the historical levels of orders from our users and dealers or that we will be able to find new customers or dealers in case we lose any of them. Further, major events affecting our customers includes dealers, such as adverse market conditions, regulatory changes, adverse cashflows, change of management, mergers and acquisitions by customers could adversely affect our business. If any of our customers including dealers become bankrupt or insolvent, we may lose some or all of our business from that customer and our receivables from that customer may have to be written off, thus impacting our cash flows and financial condition.

6. ***Our revenues and profits are difficult to predict and can vary significantly from period to period, which may impact our ability to pay dividend as well as cause the price of our Equity Shares to fluctuate.***

Reduction in Gross Revenue, Net Profit will adversely affect the company's ability to pay dividend to its shareholders & such development may adversely affect the share price of equity shares to be listed on stock exchange.

7. ***The industry in which we operate, requires labor/ manpower and our operations may be materially adversely affected by strikes, work stoppages or increased wage demands by our employees or any other kind of disputes with our employees.***

The industry in which we operate being labor intensive depends on skilled and unskilled labor force for carrying out its activity. Although we have not experienced any labor unrest so far, we cannot assure you that we will not experience disruptions in work due to disputes or other problems with our work force, which may adversely affect our ability to continue our business operations. Any labor unrest directed against us, could directly or indirectly prevent or hinder our normal operating activities, and, if not resolved in a timely manner, could lead to disruptions in our operations. These actions are impossible for us to predict or control and any such event could adversely affect our business, results of operations and financial condition.

8. ***Our efforts to protect our intellectual property and to avoid infringing on the intellectual property rights of others may not be successful, which could affect the reputation of our brands and business operations.***

Our company has registered Copyright for work titled 'Catalogue 2.0 for Mechanical Seals' under class 'Literary/ Dramatic work' with the Copyright Office, Government of India. The following Trademark



is registered with the Trade Marks Registry, Government of India, with Trademark No. 2129449 in the name of 'Microtact India Pvt. Ltd' and is assigned in favor of 'Sealmatic India Limited' vide Deed of Assignment dated March 15, 2021. The company has overseas registrations as follows, the following



trademark is registered with the 'European Union Intellectual Property Office' and also in USA with 'United States Patent and Trademark Office'. For further details, see Government and Other approvals on page 222 of this Prospectus. We believe that our trademarks are key drivers to sustain our branding. The infringement or the inability to protect our intellectual property rights could materially and adversely affect our business, financial condition, results of operations and prospects.

We believe that our intellectual property rights, gives us a competitive advantage that protects the goodwill, promote our brand name recognition, enhance our competitiveness and otherwise support our business goals and objectives. The precautions we take to protect our intellectual property rights, may be

inadequate and unauthorized use or other misappropriation of our trademarks may cause a decline in our revenues and force us to incur costs related to enforcing our rights or protecting and promoting our brands. While we have taken and will continue to take protective actions with respect to our intellectual property, these actions may not be sufficient to prevent, and we may not be aware of all incidents of, unauthorized usage or imitation by others. Moreover, other parties may challenge the validity, scope and protection of our intellectual property. Any such unauthorized usage or imitation of our intellectual property, including the costs related to enforcing our rights, any legal action or time could adversely affect our business and results of operations.

Certain products are developed by the company & have exclusive rights for the same & trade mark owned by the company are very important for achieving target revenue & profit margins any infringement may adversely affect our revenue, profit margin & reputation of our business.

**9. *Trade Receivables and Inventories form a substantial part of our current assets and net worth. Failure to manage our trade receivables could have an adverse effect on our net sales, profitability, cash flow and liquidity.***

Our business is working capital intensive and hence, Trade Receivables forms substantial part of our current assets and net worth. Our, Trade Receivables as on March 31, 2022, March 31, 2021 and March 31, 2020 were ₹ 895.80 lakhs, ₹ 642.67 lakhs, ₹ 611.66 lakhs respectively. The Inventory as on March 31, 2022, March 31, 2021 and March 31, 2020 were ₹ 1457.75 lakhs, ₹ 858.54 lakhs, ₹ 734.13 lakhs respectively. The results of operations of our business are dependent on our ability to effectively manage our inventory (raw material and finished goods) and trade receivables.

We generally procure raw materials on the basis of management estimates based on past requirements and future estimates. To effectively manage our inventory, we must be able to accurately estimate customer demand and supply requirements and purchase new inventory accordingly. However, if our management misjudges expected customer demand, it could cause either a shortage of products or an accumulation of excess inventory. Further, if we fail to sell the finished inventory we manufacture, we may be required to write-down our inventory or pay our suppliers without new purchases, or create additional vendor financing, all of which could have an adverse impact on our income and cash flows.

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 credit worthiness of our customers, it may lead to bad debts, delays in recoveries and / or write-offs 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.

**10. *Our business will suffer if we fail to keep pace with rapid changes in technology, product, demand & competition on which we focus.***

We are constantly working to keep pace with change in technology, products & successfully facing competitions from local & global competitors. If for any reason we fail to keep pace or face competition our business may be adversely affected in future. Our industry is subject to change in product design, customer's requirement and technology for efficient production of quality products. Further competition from unorganised sector and domestic manufacturers may also affect the demand of our products.

We may not be successful in anticipating or responding to our customers' requirements on a timely and cost-efficient basis. We may also be unsuccessful in stimulating customer demand for new and upgraded

products. Additionally, during the regular course of operating our business, we may adjust our future plans as a result of our research, experience and market demand. We cannot guarantee that any change in Market situation will become successful or be more successful than our current and proposed technology.

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

We may have to confront pressures in respect of pricing; product quality etc. from the clients and such pressures may put strain on our profit margins which may consequently affect the financial position of our Company. Competition emerges not only from the organized sector but also from the unorganized sector and from both small and big players. Our Competitiveness also depends on the existing & new supply of products and our inability to compete with this intense competition; will have material adverse impact on our Company's financial position.

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

We use third party transportation providers for the delivery of our raw material and Finished products. Transportation strikes could have an adverse effect on our receipt of raw materials and our ability to deliver our products to our customers. In addition, transportation costs in India have been steadily increasing over the past several years. 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.

In addition, India's physical infrastructure is less developed than that of many developed nations, and problems with its road networks, electricity grid, communication systems or any other public facility could disrupt our normal business activity, including our supply of raw materials and the delivery of our products to customers by third-party transportation providers. Any deterioration of India's physical infrastructure would harm the national economy, disrupt the transportation of goods and supplies, and add costs to doing business in India. These problems could interrupt our business operations, which could have a material adverse effect on our results of operations and financial condition.

***13. Improper handling of our products, or spoilage and damage to our products, could damage our reputation and may have an adverse effect on our business, results of operations and financial condition.***

Our products are subject to risks during their transport or storage. Any shortcoming in the transport or storage of our products due to negligence, human error or otherwise, may damage our products and result in noncompliance with applicable quality standards. Any claim that our products do not match requisite quality standards could damage our reputation, which would adversely affect our sales and result in legal proceedings being initiated against us, irrespective of whether such allegations have any factual basis. We sell our products, directly to customers and if the products sold by those customers are found to be faulty on account of our products, our customers may return our products, terminate their relationships with us and initiate legal proceedings against us. We cannot assure you that we will not be subject to such product liability claims in the future. Should any of our products be perceived or found to be faulty, we may be subject to regulatory action, product recalls and our reputation, business, results of operations and financial condition may be adversely affected. We may also be exposed to liability from consumers for defects in the quality of our products.

- 14. *We may face several risks associated with the setting up of our proposed new plant and machinery for expansion plan, which could hamper our growth, cash flows and business and financial condition.***

We intend to utilize a portion of the Net Proceeds of the Issue for installation of new plant & machinery. For additional details in respect of the foregoing, see “Objects of the Issue” on page 90 of this Prospectus. During installation, we may encounter cost overruns or delays for various reasons, including, but not limited to, delays in delivery of Plant & Machinery, power connection, statutory and other regulatory approvals including customs clearance, permits, delays in, or non-delivery of equipment by suppliers etc. If our new plant that we propose to set up is not completed in a timely manner, or at all, our business, prospects and results of operations may be adversely affected. We cannot assure that we will be able to set up the aforesaid plant in accordance with the proposed schedule of implementation. Any delay in setting up such proposed plant in a timely manner, or at all, could have an adverse impact on our growth, prospects and results of operations.

- 15. *Our Promoters play key role in our functioning and we heavily rely on their knowledge and experience in operating our business and therefore, it is critical for our business that our Promoters remain associated with us.***

Our success also depends upon the continued services of our promoters and our ability to attract, train and retain them. Our promoters Mr. Umar A K Balwa, Mr. Mohamed Hanif Chaudhari and Mr. Rafiq H. Balwa are actively involved in running day to day business of the company, products development and have been in this business and industry for more than 20 years now. Our Promoters share various functional responsibilities amongst themselves for effective management and are well supported by qualified and experienced staff at different levels with appropriate functional responsibilities.

Our Promoters, along with the managerial personnel, have over the years-built relations with customers, government agencies and other persons who 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.

- 16. *The fund requirement mentioned as a part of the objects of the Issue is based on internal management estimates and has not been appraised by any bank or financial institution.***

We intend to utilize Issue proceeds towards meeting the fund required for purchase new plant & Machinery, establishing marketing & after sales center abroad, Working Capital Requirement and General Corporate Purposes is based on internal management estimates and strategy which our company believes to implement in future and has not been appraised by Bank or any financial Institution. This is based on current conditions and is subject to change in light of changes in external circumstances, costs, other financial condition or business strategies. As a consequence of any increased costs, our actual deployment of funds may be higher than our management estimates and may cause an additional burden on our finance plans, as a result of which, our business, financial condition, results of operations and cash flows could be materially and adversely impacted.

Furthermore, we may need to vary the objects of the Issue due to several factors or circumstances including competitive and dynamic market conditions, variation in cost structures, changes in estimates due to cost overruns or delays, which may be beyond our control. However, pursuant to Section 27 of the Companies Act, 2013, any variation in Object of the Issue requires authorization of shareholders by way of Special resolution

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

The deployment of the funds towards the objects of the issue is entirely at the discretion of the Board of Directors/Management and is not subject to monitoring by external independent agency. As per SEBI (ICDR) Regulations, 2018, as amended, appointment of monitoring agency is required only for Issue size above ₹ 10,000.00 lakhs. Hence, we have not appointed any monitoring agency to monitor the utilization of Issue proceeds. However, the audit committee of our Board will monitor the utilization of Issue proceeds in terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Further, our Company shall inform about material deviations in the utilization of Issue proceeds to BSE and shall also simultaneously make the material deviations / adverse comments of the audit committee public. Any inability on our part to effectively utilize the Issue proceeds could adversely affect our financials.

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

Our business and assets could suffer damage from fire, natural calamities, misappropriation or other causes, resulting in losses, which may not be fully compensated by insurance. There can be no assurance that the terms of our insurance policies will be adequate to cover any damage or loss suffered by our Company or that such coverage will continue to be available on reasonable terms or will be available in sufficient amounts to cover one or more large claims, or that the insurer will not disclaim coverage as to any future claim.

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.

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

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

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

We have entered into related party transactions with our Promoters, Promoter Group and Directors. While we believe that all such transactions have been conducted on the arm's length basis, however it is difficult to ascertain whether more favorable terms would have been achieved had such transactions been entered with unrelated parties. Furthermore, it is likely that we may enter into related party transactions in the future. For details, please refer "Annexure IX of Restated Standalone Financial

Statements” under section “Statement of Related Party & Transactions” on page no. 205 of this Prospectus.

- 21. *Our success largely depends on our ability to attract and retain our Key Managerial Personnel. Any loss of our Key Managerial Personnel could adversely affect our business, operations and financial condition.***

Our Company is depending significantly on the expertise, experience, and continued efforts of our Key Managerial & Production Personnel. If one or more members of our Key Managerial Personnel are unable or unwilling to continue in his/her present position, it may be difficult to find a replacement, and business might thereby be adversely affected. Our industry requires personnel with specific technical knowledge and experience.

Competition for Key Managerial & Production Personnel in our industry is intense and it is possible that our Company may not be able to retain existing Key Managerial Personnel or may fail to attract/ retain new employees at equivalent positions in the future. As such, loss of Key Managerial Personnel could adversely affect our business, results of operations and financial condition. For further details on the key managerial personnel of our Company, please refer to the chapter titled “Our Management” beginning on page no. 140 of this Prospectus.

- 22. *In addition to normal remuneration, rent, /other benefits and reimbursement of expenses to Directors (including our Promoters) and Key Management Personnel are interested in the Company to the extent of their shareholding and dividend entitlement in our Company.***

Some of our Directors (including our Promoters) and Key Management Personnel are interested in our Company to the extent of their shareholding and dividend entitlement in our Company, in addition to normal remuneration, rent, incentives or benefits and reimbursement of expenses. We cannot assure you that our directors or our Key Management Personnel would always exercise their rights as Shareholders to the benefit and best interest of our Company. As a result, our directors will continue to exercise significant control over our Company, including being able to control the composition of our board of directors and determine decisions requiring simple or special majority voting, and our other Shareholders may be unable to affect the outcome of such voting. Our directors may take or block actions with respect to our business, which may conflict with our best interests or the interests of other minority Shareholders, such as actions with respect to future capital raising or acquisitions. We cannot assure you that our directors will always act to resolve any conflicts of interest in our favor, thereby adversely affecting our business and results of operations and prospects.

- 23. *Our Company if not able to manage our growth or to successfully implement our business plan could have an 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 strategy. Our growth strategy involves focusing on Optimal Utilization of Resources and Increasing Operational efficiency. For further details, see the section titled “Our Business” on page no. 118 of this Prospectus. Our success in implementing our growth strategies may be affected by:

- Our ability to identify new markets to expand;
- Our ability to maintain the quality of our products;
- Changes in the Indian regulatory environment in field

If our Company is not able to execute our strategy in time and within our estimated budget, our profitability will be impacted. Any of these factors could impact our results of operations. Further, we

expect our growth strategy 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 implement our growth strategy may have an effect on our business, financial condition and profitability.

- 24. Our Promoters and Promoter Group will continue to retain majority shareholding after the Issue, which will allow them to exercise significant influence and potentially create conflicts of interest.***

Our Promoter and Promoter Group may beneficially own approximately 72.38% of our post-Issue equity share capital. As a result, the Promoter Group may have the ability to control our business including matters relating to any sale of all or substantially all of our assets, the timing and distribution of dividends and the election or termination of appointment of our officers and directors. This control could delay, defer or prevent a change in control of the Company, impede a merger, consolidation, takeover or other business combination involving the Company, or discourage a potential acquirer from making a tender offer or otherwise attempting to obtain control of the Company even if it is in the Company's best interest. In addition, for so long as the Promoter Group continues to exercise significant control over the Company, they may influence the material policies of the Company in a manner that could conflict with the interests of our other shareholders. The Promoter Group may have interests that are averse to the interests of our other shareholders and may take positions with which our other shareholders do not agree.

- 25. Employee misconduct, errors or fraud could expose us to business risks or losses that could adversely affect our business prospects, results of operations and financial condition.***

Employee misconduct, errors or frauds could expose us to business risks or losses, including regulatory sanctions, penalties which may on a serious note harm our reputation. Such employee misconduct includes breach in security requirements, misappropriation of funds, hiding unauthorized activities, failure to observe our stringent operational standards and processes, and improper use of confidential information. It is not always possible to detect or deter such misconduct, and the precautions we take to prevent and detect such misconduct may not be effective. In addition, losses caused on account of employee misconduct or misappropriation of petty cash expenses and advances may not be recoverable, which we may result in write-off of such amounts and thereby adversely affecting our results of operations. Our employees may also commit errors that could subject us to claims and proceedings for alleged negligence, as well as regulatory actions in which case, our reputation, business prospects, results of operations and financial condition could be adversely affected.

- 26. If we fail to maintain an effective system of internal controls, we may not be able to successfully manage, or accurately report, our financial risks.***

Effective internal controls are necessary for us to prepare reliable financial reports and effectively avoid fraud. Moreover, any internal controls that we may implement, or our level of compliance with such controls, may deteriorate over a period of time, due to evolving business conditions. There can be no assurance that deficiencies in our internal controls will not arise in the future, or that we will be able to implement, and continue to maintain, adequate measures to rectify or mitigate any such deficiencies in our internal controls. Any inability on our part to adequately detect, rectify or mitigate any such deficiencies in our internal controls may adversely impact our ability to accurately report, or successfully manage, our financial risks, and to avoid fraud.

- 27. We could become liable to customers, suffer adverse publicity and incur substantial costs as a result of defects in our existing or proposed products which in turn could adversely affect the value of our***

*brand, and our sales could diminish if we are associated with negative publicity.*

While we consistently carry out tests to check the quality of our products before delivery and ensure that it meets the quality standards and customer requirements, we cannot assure that all our traded products would be of required quality, which in turn could adversely affect the value of our brand and reputation. Further, our business is dependent on the trust our customers have in the quality of our products. Although we attempt to maintain high quality standards, any defect in products could result in cancellation of orders or loss of customers for future orders thereby affecting our business, financial condition and results of operations.

- 28. *The deployment of the Net Proceeds from the Issue are based on management estimates and have not been independently appraised by any bank or financial institution and is not subject to any monitoring by any independent agency and our Company's management will have flexibility in utilizing the Net Proceeds from the Issue.***

Our Company intends to primarily use the Net Proceeds from the Issue towards capital cost for expansion and for meeting working capital requirements as described in "Objects of the Issue" on page no. 94 of this Prospectus. In terms of Regulation 16 of the SEBI (ICDR) Regulations, we are not required to appoint a monitoring agency since the Issue size is not in excess of ₹ 100 crores. The management of our Company will have discretion to use the Net Proceeds from the Issue, and investors will be relying on the judgment of our Company's management regarding the application of the Net Proceeds from the Issue. Our Company may have to revise its management estimates from time to time and consequently its requirements may change. Further, estimates of certain costs are based on quotations received from various vendors from time to time. However, we have not entered into any definitive agreements with any of the above vendors and there can be no assurance that the same vendor would be engaged to eventually supply the above-mentioned items at the same costs. We may have to revise our expenditure and funding requirements as a result of variations in costs, estimates, quotations or other external factors, which may not be within the control of our management. Additionally, various risks and uncertainties, including those set forth in this section "Risk Factors", may limit or delay our Company's efforts to use the Net Proceeds from the Issue to achieve profitable growth in its business.

- 29. *Failure to manage our inventory could have an adverse effect on our net sales, profitability, cash flow and liquidity.***

The results of operations of our business are dependent on our ability to effectively manage our inventory. To effectively manage our inventory, we must be able to accurately estimate customer demand and supply requirement, expected orders accordingly. If our management has misjudged expected demand, it could adversely impact the results by causing either a shortage of products or an accumulation of excess inventory.

- 30. *We may not be able to sustain effective implementation of our business and growth strategies.***

The success of our business will depend greatly on our ability to effectively implement our business and growth strategies. We may not be able to execute our strategies in the future. Further, our growth strategies could place significant demand on our management team and other resources and would require us to continuously develop and improve our operational, financial and other controls, none of which can be assured. Any failure on our part to scale up our infrastructure and management could cause disruptions to our business and could be detrimental to our long-term business outlook. Further, we operate in a highly dynamic industry and our growth strategy and plans may undergo changes or modifications on account of changes in market conditions, industry dynamics, technological improvements or changes and any other relevant factors. Such changes or modifications may be substantial, and may even include limiting or foregoing growth opportunities if the situation so

demands. Our inability to implement our business strategies and sustain our growth may impair our financial growth and thus result in an adverse impact on our Company's share price.

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

The funds that we receive would be utilized for the Objects of the Issue as has been stated in the Chapter "Objects of the Issue" on page no. 94 of the Prospectus. The proposed schedule of implementation of the objects of the Issue is based on our management's estimates. If the schedule of implementation is delayed for any other reason whatsoever, including any delay in the completion of the Issue, we may have to revise our business, development and working capital plans resulting in unprecedented financial mismatch and this may adversely affect our revenues and results of operations.

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

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

- 33. *We face foreign exchange risks that could adversely affect our results of operations and cashflows.***

We are exposed to foreign currency fluctuation risk. Although, we closely follow our exposure to foreign currencies by entering into forward contracts to hedge our exposure in an attempt to reduce the risks of currency fluctuations, our results of operations, cash flows and financial performance could be adversely affected in case these currencies fluctuate significantly. We may from time to time be required to make provisions for foreign exchange differences in accordance with accounting standards. Though we avail forward cover from time to time to minimize the foreign exchange related risks, we may experience foreign exchange losses and gains in respect of transactions denominated in foreign currencies. While we selectively enter into hedging transactions to minimize our foreign currency exchange risks, there can be no assurance that such measures will enable us to manage our foreign currency risks. For further details please refer Note 06 of chapter titled as "Restated Financial Statement" on page 190 of this Prospectus.

In addition, the policies of the RBI may also change from time to time, which may limit our ability to effectively hedge our foreign currency exposures and may have an adverse effect on our results of operations and cash flows. Any such losses on account of foreign exchange fluctuations may adversely affect our results of operations and cash flows. Certain markets in which we sell our products may be subject to foreign exchange repatriation and exchange control risks, which may result in either delayed recovery or even non-realization of revenue.

- 34. *We have certain contingent liabilities, which if materialized may affect our financial condition and***

*results of operations.*

Our Contingent liabilities as per AS 29 as of September 30, 2022, were as follows:

(₹ in Lakhs)

Particulars	As of Sept 30, 2022	As at March 31,		
		2022	2021	2020
<b>Liability disputed and not provided for:</b>				
Under Income Tax	3.60	3.60	3.60	3.60
<b>Other Contingent Liabilities:</b>				
Bank Guarantees issued	15.79	28.58	22.14	-
Government Subsidy against Machinery Loan from SIDBI	15.00	15.00	-	-
On letters of Guarantee	-	-	-	11.57

For further details of the contingent liabilities and commitments of our Company, see “Annexure XII” Restated Financial Information-Contingent Liabilities” on page 200 of this Prospectus. If a significant portion of these liabilities materialize, it could have an effect on our results of operations and financial condition. Further, there can be no assurance that we will not incur similar or increased levels of contingent liabilities in the future.

**35. The average cost of acquisition of Equity Shares by our promoters could be lower than the floor price.**

Our promoter’s average cost of acquisition of Equity Shares in our company may be lower than the Floor Price to be decided by our company in consultation with the BRLM. For further details regarding average cost of acquisition of Equity Shares by our promoters in our company and build up of Equity Shares by our promoters in our company, please refer to the chapters “Capital Structure” beginning on 74 of this Prospectus.

**36. Our company will not receive any proceeds from the Offer for Sales portion.**

As on the date of this Prospectus, Mr. Rafiq H. Balwa has consented to offer 2,29,527 shares, Mr. Mohamed Hanif Chaudhari has consented to offer 1,01,769 shares, Mrs. Waheeda U. Balwa has consented to offer 1,14,764 shares, Mr. Abid A. Chaudhari has consented to offer 1,01,771 shares and Mr. Sadik S. Chaudhari has consented to offer 1,01,769 shares.

For further details please refer chapter titled “The Issue” on page 54 of this Prospectus. The proceeds from the Offer for Sale will be remitted to the Selling Shareholders and our company will not benefit from such proceeds.

## **RISK FACTORS RELATED TO EQUITY SHARES**

**37. The Issue Price of our Equity Shares may not be indicative of the market price of our Equity Shares after the Issue.**

The Issue price based on numerous factors and may not be indicative of the market price for our Equity Shares after the Issue. The market price of our Equity Shares could be subject to significant fluctuations after the Issue, and may decline below the Issue Price. There can be no assurance that you will be able to resell your Shares at or above the Issue Price. Among the factors that could affect our Share price are: quarterly variations in the rate of growth of our financial indicators, such as earnings per share, net profit

and income; changes in income or earnings estimates or publication of research reports by analysts; speculation in the press or investment community; general market conditions; and domestic and international economic, legal and regulatory factors unrelated to our performance.

38. *The Equity Shares issued pursuant to the Issue may not be listed on the Stock Exchange(s) in a timely manner, or at all, and any trading closures at the Stock Exchange(s) may adversely affect the trading price of our Equity Shares.*

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

The regulation and monitoring of Indian securities markets and the activities of investors, brokers and other participants differ, in some cases significantly, from those in developed economies. The Stock Exchanges have in the past experienced problems, including temporary exchange closures, broker defaults, settlements delays and strikes by brokerage firm employees, which, if continuing or recurring, could affect the market price and liquidity of the securities of Indian companies, including the Equity Shares, in both domestic and international markets. A closure of, or trading stoppage on, either of the Stock Exchanges could adversely affect the trading price of the Equity Shares.

39. *Any further issuance of Equity Shares by our Company or sales of Equity Shares by any significant shareholders may adversely affect the trading price of the Equity Shares*

Any future issuance of Equity Shares by our Company could dilute the investors' shareholding. Any such future issuance of Equity Shares or sales of Equity Shares by any of our significant shareholders may also adversely affect the trading price of the Equity Shares, and could impact our ability to raise capital through an offering of securities. In addition, any perception by investors that such issuances or sales might occur could also affect the trading price of the Equity Shares.

40. *There is no existing market for our Equity Shares, and we do not know if one will develop. Our stock price may be highly volatile after the Issue and, as a result, you could lose a significant portion or all of your investment*

There is no guarantee that our Equity Shares will be listed on the Stock Exchanges in a timely manner or at all and any trading closures at the Stock Exchanges may adversely affect the trading price of our Equity Shares. Prior to the Issue, there has not been a public market for the Equity Shares. Further, we cannot predict the extent to which investor interest will lead to the development of an active trading market on the Stock Exchanges or how liquid that market will become. If an active market does not develop, you may experience difficulty selling the Equity Shares that you purchased. The Issue Price is not indicative of prices that will prevail in the open market following the Issue. Consequently, you may not be able to sell your Equity Shares at prices equal to or greater than the Issue Price. The market price of the Equity Shares on the Stock Exchanges may fluctuate after listing as a result of several factors, including the following:

- Volatility in the Indian and other Global Securities Markets;
- The performance of the Indian and Global Economy;
- Risks relating to our business and industry, including those discussed in this Prospectus;
- Strategic actions by us or our competitors;
- Investor perception of the investment opportunity associated with the Equity Shares and our future performance;

- Adverse media reports about us, our shareholders or Group Companies;
- Future sales of the Equity Shares;
- Variations in our half-yearly results of operations;
- Differences between our actual financial and operating results and those expected by investors and analysts;
- Our future expansion plans;
- Perceptions about our future performance or the performance of Power (Transmission and Distribution) companies generally;
- Performance of our competitors in the Power (Transmission and Distribution) industry and the perception in the market about investments in the Trading sector;
- Significant developments in the regulation of the trading and distribution industry in our keytrade locations;
- Changes in the estimates of our performance or recommendations by financial analysts;
- Significant developments in India's economic liberalization and deregulation policies; and
- Significant developments in India's fiscal and environmental regulations. There has been significant volatility in the Indian stock markets in the recent past, and our Equity Share.

Price could fluctuate significantly as a result of market volatility. A decrease in the market price of the Equity Shares could cause you to lose some or all of your investment.

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

The price of the Equity Shares will be subject to a daily circuit breaker imposed by all stock exchanges in India which does not allow transactions beyond a certain level of volatility in the price of the Equity Shares. This circuit breaker operates independently of the index-based market-wide circuit breakers generally imposed by the SEBI on Indian stock exchanges. The percentage limit on our circuit breaker is set by the stock exchanges based on the historical volatility in the price and trading volume of the Equity Shares. The stock exchanges do not inform us of the percentage limit of the circuit breaker from time to time, and may change it without our knowledge. This circuit breaker effectively limits upward and downward movements in the price of the Equity Shares. As a result, shareholders' ability to sell the Equity Shares, or the price at which they can sell the Equity Shares, may be adversely affected at a particular point in time.

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

Under current Indian tax laws and regulations, capital gains arising from the sale of equity shares in an Indian company are generally taxable in India. Any gain 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, upto an amount of ₹ 1 lakh, if Securities Transaction Tax ("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. Any gain realized on the sale of equity shares held for more than 12 months to an Indian resident, 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 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 from taxation in India is provided under a treaty between India and the country of which the seller is resident. Generally, Indian tax treaties do not limit India's ability to impose tax on capital gains. As a result, residents of other countries may be liable for tax in India as well as in their own jurisdiction on a gain upon the sale of the Equity Shares. In addition, changes in the terms of tax treaties or in their interpretation, as a result of renegotiations or otherwise, may affect the tax treatment of capital gains

arising from a sale of Equity Shares.

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

Our company designs and manufactures mechanical seals and associated products, sealing support systems mainly for the oil & gas, refinery, petrochemical, chemical, pharmaceutical, fertilizer, power, mining, pulp & paper, aerospace, marine and many more industrial applications. With a wide range of products and services, Sealmatic has solutions for every sealing requirement – such as Pusher Seals, Standard Cartridge Seals, Elastomer Bellows Seals, Metal Bellows Seals, Engineered Seals, Split Seals, Gas-Lubricated Seals and many more.

Our future ability to pay dividends will depend on the earnings, financial condition and capital requirements of our Company. We cannot assure you that we will generate sufficient income to cover our operating expenses and pay dividends to our shareholders.

Our business is working capital intensive and we may plan to invest additional working capital expenditures to effect purchase of inventory or pay creditors. Our ability to pay dividends could also be restricted under certain financing arrangements that we may enter into. We may be unable to pay dividends in the near or medium term, and our future dividend policy will depend on our capital requirements and financing arrangements for the products proposed to be purchased, financial condition and results of operations.

#### **EXTERNAL RISK FACTORS**

44. *The outbreak of COVID-19, or outbreak of any other similar severe communicable disease could have a potential impact on our business, financial condition and results of operations*

The outbreak, or threatened outbreak, of any severe communicable disease (particularly COVID-19) could adversely affect the overall business sentiment and environment, particularly if such outbreak is inadequately controlled. The spread of any severe communicable disease may also adversely affect the operations of our customers and suppliers, which could adversely affect our business, financial condition and results of operations. The outbreak of COVID-19 has resulted in authorities implementing several measures such as travel bans and restrictions, quarantines and lockdowns. These measures have impacted and may further impact our workforce and operations, the operations of our customers, and those of our respective vendors and suppliers. There is currently substantial medical uncertainty regarding COVID-19 and no government-certified treatment or freely accessible vaccine for larger section of the population is available yet. In case there is a rapid increase in severe cases of infections leading to deaths, where the measures taken by governments are not successful or are any bans imposed by the government in this regard are lifted prematurely, may cause significant economic disruption in India and in the rest of the world. The scope, duration and frequency of such measures and the adverse effects of COVID-19 remain uncertain and could be severe. Our ability to meet our ongoing disclosure obligations might be adversely affected, despite our best efforts. If any of our employees were suspected of contracting COVID-19 or any other epidemic disease, this could require us to quarantine some or all of these employees or disinfect the facilities used for our operations. In addition, our revenue and profitability could be impacted to the extent that a natural disaster, health epidemic or other outbreak harms the Indian and global economy in general. The outbreak has significantly increased economic uncertainty.

It is likely that the current outbreak or continued spread of COVID-19 will cause an economic slowdown and it is possible that it could cause a global recession. The extent to which the COVID-19 further

impacts our results will depend on future developments, which are highly uncertain and cannot be predicted. Existing insurance coverage may not provide protection for all costs that may arise from all such possible events. We are still assessing our business operations and system supports and the impact COVID-19 may have on our results and financial condition, but we cannot assure that this analysis will enable us to avoid part or all of any impact from the spread of COVID-19 or its consequences. The above risks can threaten the safe operation of our facilities and cause disruption of operational activities, environmental harm, loss of life, injuries and impact the wellbeing of our people. Further if the lockdown is extended, it could result in muted economic growth or give rise to a recessionary economic scenario, in India and globally, which could adversely affect the business, prospects, results of operations and financial condition of our Company.

***45. The Companies Act, 2013 has effected significant changes to the existing Indian company law framework, which may subject us to higher compliance requirements and increase our compliance costs***

A majority of the provisions and rules under the Companies Act, 2013 have been notified and have come into effect from the date of their respective notification, resulting in the corresponding provisions of the Companies Act, 1956 ceasing to have effect. The Companies Act, 2013, and amendments there to, has brought into effect significant changes to the Indian company law framework, such as in the provisions related to issue of capital, disclosures in Prospectus, corporate governance norms, audit matters, related party transactions, introduction of a provision allowing the initiation of class action suits in India against companies by shareholders or depositors, a restriction on investment by an Indian company through more than two layers of subsidiary investment companies (subject to certain permitted exceptions), prohibitions on loans to directors and insider trading and restrictions on directors and key managerial personnel from engaging in forward dealing. Further, companies meeting certain financial thresholds are also required to constitute a committee of the board of directors for corporate social responsibility activities and ensure that at least 2% of the average net profits of the company during three immediately preceding financial years are utilized for corporate social responsibility activities. Penalties for instances of non-compliance have been prescribed under the Companies Act, 2013, which may result in inter alia, our Company, Directors and key managerial employees being subject to such penalties and formal actions as prescribed under the Companies Act, 2013, should we not be able to comply with the provisions of the New Companies Act within the prescribed timelines, and this could also affect our reputation.

To ensure compliance with the requirements of the Companies Act, 2013 within the prescribed timelines, we may need to allocate additional resources, which may increase our regulatory compliance costs and divert management attention. While we shall endeavor to comply with the prescribed framework and procedures, we may not be in a position to do so in a timely manner.

The Companies Act, 2013 introduced certain additional requirements which do not have corresponding equivalents under the Companies Act, 1956. Accordingly, we may face challenges in interpreting and complying with such provisions due to limited jurisprudence on them. In the event, our interpretation of such provisions of the Companies Act, 2013 differs from, or contradicts with, any judicial pronouncements or clarifications issued by the Government in the future, we may face regulatory actions or we may be required to undertake remedial steps. Additionally, some of the provisions of the Companies Act, 2013 overlap with other existing laws and regulations (such as the corporate governance norms and insider trading regulations). We may face difficulties in complying with any such overlapping requirements. Any increase in our compliance requirements or in our compliance costs may have an adverse effect on our business and results of operations.

***46. Environmental and safety regulations impose additional costs and may affect our Company's results of operations.***

Our Suppliers are subject to various central, state and local environmental and safety laws, concerning issues such as harm caused by air or waste water emission and the investigation and contamination. While we believe that our suppliers are currently in compliance with all material respects with applicable environmental laws and regulations, additional costs and liabilities related to compliance with these laws and regulations are an inherent part of their business. Further, while they currently intend to continue to comply with applicable environmental legislation and regulatory requirements, any changes in the applicable laws and regulations in the future may create substantial environmental compliance or remediation liabilities and costs, including monetary fines, criminal penalties on our Suppliers for violation of applicable laws, or imposition of restrictions on our Suppliers operations (which may include temporary suspension or closure of its operations). This may also increase our Company's cost and affect our revenues in the future.

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

Our business and financial performance could be adversely affected by unfavorable changes in or interpretations of existing, or the promulgation of new laws, rules and regulations applicable to us and our business. Please refer to "Key Industry Regulations and Policies" on page no. 132 of this Prospectus for details of the laws currently applicable to us. There can be no assurance that the Government of India may not implement new regulations and policies which will require us to obtain approvals and licenses from the Government of India and other regulatory bodies or impose onerous requirements and conditions on our operations. Any such changes and the related uncertainties with respect to the applicability, interpretation and implementation of any amendment to, or change to governing laws, regulation or policy in the jurisdictions in which we operate may have a material adverse effect on our business, financial condition and results of operations. In addition, we may have to incur expenditures to comply with the requirements of any new regulations, which may also materially harm our results of operations. Any unfavorable changes to the laws and regulations applicable to us could also subject us to additional liabilities.

GST has been implemented with effect from July 1, 2017 and has replaced the indirect taxes on goods and services such as central excise duty, service tax, central sales tax, state VAT and surcharge currently being collected by the central and state governments. The GST is expected to increase tax incidence and administrative compliance. Given the limited availability of information in the public domain concerning the GST, we are unable to provide any assurance as to the tax regime following implementation of the GST. The implementation of this new structure may be affected by any disagreement between certain state Governments, which could create uncertainty. Any future amendments may affect our overall tax efficiency, and may result in significant additional taxes becoming payable.

Further, the general anti avoidance rules ("GAAR") provisions have been made effective from assessment year 2018-19 onwards, i.e.; financial Year 2017-18 onwards and the same may get triggered once transactions are undertaken to avoid tax. The consequences of the GAAR provisions being applied to an arrangement could result in denial of tax benefit amongst other consequences.

In the absence of any precedents on the subject, the application of these provisions is uncertain. The application of various Indian tax laws, rules and regulations to our business, currently or in the future, is subject to interpretation by the applicable taxation authorities. If such tax laws, rules and regulations are amended, new adverse laws, rules or regulations are adopted or current laws are interpreted adversely to our interests, the results could increase our tax payments (prospectively or retrospectively) and/or subject us to penalties. Further, changes in capital gains tax or tax on capital market transactions or sale of shares could affect investor returns. As a result, any such changes or interpretations could have

an adverse effect on our business and financial performance.

- 48. *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.

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

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

- 50. *Terrorist attacks, civil unrest and other acts of violence or war involving India and other countries could adversely affect the financial markets and our business.***

Terrorist attacks and other acts of violence or war in any region of our trade may negatively affect the Indian markets on which our Equity Shares will trade and also adversely affect the worldwide financial markets. These acts may also result in a loss of business confidence, impede travel and other services and ultimately adversely affect our business. In addition, any deterioration in relations between India and Pakistan might result in investor concern about stability in the region, which could adversely affect the price of our Equity Shares.

India, Africa and Middle East are regions that have witnessed civil disturbances in recent years and it is possible that future civil unrest as well as other \ adverse social, economic and political events in any such region could have a negative impact on the value of business and eventually the price of our Equity Shares. Such incidents could also create a greater perception that investment in Indian companies involves a higher degree of risk and could have an adverse impact on our business and the price of our Equity Shares.

- 51. *Significant differences exist between Indian GAAP and other accounting principles, such as US GAAP and IFRS, which may be material to investors' assessments of Our Company's financial condition. Our failure to successfully adopt IFRS may have an adverse effect on the price of our Equity Shares. The proposed adoption of IFRS could result in our financial condition and results of operations appearing materially different than under Indian GAAP.***

Our financial statements, including the financial statements provided in this Prospectus, are prepared in accordance with Indian GAAP. We have not attempted to quantify the impact of IFRS or U.S. GAAP on the financial data included in this Prospectus, nor do we provide a reconciliation of our financial statements to those of U.S. GAAP or IFRS. U.S. GAAP and IFRS differ in significant respects from Indian GAAP. Accordingly, the degree to which the Indian GAAP financial statements included in this Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity

with Indian accounting practices. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Prospectus should accordingly be limited.

India has decided to adopt the “Convergence of its existing standards with IFRS” and not the “International Financial Reporting Standards” (“IFRS”), which was announced by the MCA, through the press note dated January 22, 2010. These “IFRS based / synchronized Accounting Standards” are referred to in India as IND (AS). Public companies in India, including our Company, may be required to prepare annual and interim financial statements under IND (AS). The MCA, through a press release dated February 25, 2011, announced that it will implement the converged accounting standards in a phased manner after various issues, including tax related issues, are resolved. Further, MCA Notification dated February 16, 2015, has provided an exemption to the Companies proposing to list their shares on the SME Exchange as per Chapter IX of the SEBI ICDR Regulations and hence the adoption of IND (AS) by a SME exchange listed company is voluntary. Accordingly, we have made no attempt to quantify or identify the impact of the differences between Indian GAAP and IFRS or to quantify the impact of the difference between Indian GAAP and IFRS as applied to its financial statements. There can be no assurance that the adoption of IND-AS will not affect our reported results of operations or financial condition. Any failure to successfully adopt IND-AS may have an adverse effect on the trading price of our Equity Shares. Currently, it is not possible to quantify whether our financial results will vary significantly due to the convergence to IND (AS), given that the accounting principles laid down in the IND (AS) are to be applied to transactions and balances carried in books of accounts as on the date of the applicability of the converged standards (i.e., IND (AS)) and for future periods.

Moreover, if we volunteer for transition to IND (AS) reporting, the same may be hampered by increasing competition and increased costs for the relatively small number of IND (AS)-experienced accounting personnel available as more Indian companies begin to prepare IND (AS) financial statements. Any of these factors relating to the use of converged Indian Accounting Standards may adversely affect our financial condition.

**52. *Any downgrading of India's debt rating by a domestic or international rating agency could adversely affect our Company's business***

Any adverse revisions to India's credit ratings for domestic and international debt by domestic or international rating agencies may adversely affect our Company's ability to raise additional financing, and the interest rates and other commercial terms at which such additional financing is available. This could harm our Company's business and financial performance and ability to obtain financing for capital expenditures.

**53. *Conditions in the Indian securities market and stock exchanges may affect the price and liquidity of our Equity Shares.***

Indian stock exchanges, which are smaller and more volatile than stock markets in developed economies, have in the past, experienced problems which have affected the prices and liquidity of listed securities of Indian companies. These problems include temporary exchange closures to manage extreme market volatility, broker defaults, settlement delays and strikes by brokers. In addition, the governing bodies of the Indian stock exchanges have from time-to-time restricted securities from trading, limited price movements and restricted margin requirements. Further, disputes have occurred on occasion between listed companies and the Indian stock exchanges and other regulatory bodies that, in some cases, have had a negative effect on market sentiment. If similar problems occur in the future, the market price and liquidity of the Equity Shares could be adversely affected. Further, a closure of, or trading stoppage on, either of the Stock Exchanges could adversely affect the trading price of our Equity Shares.

**SECTION IV**  
**INTRODUCTION**  
**THE ISSUE**

**PRESENT ISSUE IN TERMS OF THIS PROSPECTUS**

Particulars	Details of Equity Shares
Offer of Equity Shares by our Company <sup>(1)</sup>	Offer of upto 24,99,600* Equity Shares of ₹ 10 each for cash at a price of ₹ 225 (including a Share premium of ₹ 215 per Equity Share) per share aggregating ₹ 5624.1 lakhs.
<i>Consisting of:</i>	
Fresh Issue	Upto 18,50,000 Equity Shares of ₹ 10 each for cash at a price of ₹ 225 (including a Share premium of ₹ 215 per Equity Share) per share aggregating ₹ 4162.5 lakhs.
Offer for Sale	Offer for sale by existing shareholder upto 6,49,600 equity shares of ₹ 10 each at ₹ 225 per equity share aggregating to ₹ 1461.6 lakhs.
<i>The offer consists of:</i>	
Market Maker Reservation Portion	Upto 1,26,000 equity Shares of ₹ 10 each for cash at a price of ₹ 225 (including a Share premium of ₹ 215 per Equity Share) per share aggregating ₹ 283.5 lakhs
Net Issue to the Public	Upto 23,73,600 equity Shares of ₹ 10 each for cash at a price of ₹ 225 (including a Share premium of ₹ 215 per Equity Share) per share aggregating ₹ 5340.6 lakhs
<i>Of Which</i>	
<b>A. QIB Portion</b>	QIB Portion being not more than 40% of the Net Offer aggregating to 9,49,200 Equity shares shall be available for allocation of face value of ₹ 10 each for cash at a price of ₹ 225 (including a Share premium of ₹ 215 per Equity Share) per share aggregating ₹ 2135.7 lakhs
<i>Of Which</i>	
Anchor Investor Portion	Upto 5,69,400 Equity Shares of ₹ 10 each at a price of ₹ 225 (including a Share premium of ₹ 215 per Equity Share) per share aggregating ₹ 1281.15 Lakhs
Net QIBs Portion (assuming Anchor Investor portion is fully subscribed)	Upto 3,79,800 Equity Shares of ₹ 10 each at a price of ₹ 225 (including a Share premium of ₹ 215 per Equity Share) per share aggregating ₹ 854.55 Lakhs
<i>Of which</i>	
Available for allocation to Mutual Funds only (5% of the Net QIB portion)	Upto 18,600 Equity Shares of ₹ 10 each at a price of ₹ 225 (including a Share premium of ₹ 215 per Equity Share) per share aggregating ₹ 41.85 Lakhs
Balance of all QIBs including Mutual Funds	Upto 3,79,800 Equity Shares of ₹ 10 each at a price of ₹ 225 (including a Share premium of ₹ 215 per Equity Share) per share aggregating 854.55 lakhs

<b>B. Retail Portion</b>	Upto 9,97,200 Equity Shares of ₹ 10 each at a price of ₹ 225 (including a Share premium of ₹ 215 per EquityShare) per share aggregating ₹ 2243.7 lakhs will be available for allocation to Investors up to ₹ 2.00 lakhs
<b>C. Non-Institutional Portion</b>	Upto 4,27,200 Equity Shares of ₹ 10 each at a price of ₹ 225 (including a Share premium of ₹ 215 per Equity Share) per share aggregating ₹ 961.2 lakhs will be available for allocation to Investors above ₹ 2.00 lakhs
<b>Equity Shares outstanding prior to the Issue</b>	72,00,000 Equity Shares
<b>Equity Shares outstanding after the Issue</b>	Upto 90,50,000 Equity Shares
<b>Objects of the Issue</b>	Please see the chapter titled “Objects of the Issue” beginning on page no. 94 of this Prospectus

*\*Number of shares may need to be adjusted for lot size upon determination of Offer/Issue Price.*

**Notes:**

1. This Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time. For further details, please see the section titled “Issue Related Information” beginning on page no. 2443 of this Prospectus.
2. The present Issue has been authorized pursuant to a resolution of our Board dated November 28, 2022 and by Special Resolution passed under Section 62(1)(C) of the Companies Act, 2013 at an Extra Ordinary General Meeting of our shareholders held on December 21, 2022.
3. Our Company and Selling Shareholders, in consultation with the BRIM may allocate up to 60% of the OIB Portion to Anchor Investors on a discretionary basis in accordance with SEBI ICDR Regulation. 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. 5% of the QIB Portion (excluding Anchor Investor Portion) shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion (excluding Anchor Investor Portion) shall be available for allocation on a proportionate basis to all QIB Bidders, including Mutual Funds, subject to valid Bids being received at or above the Offer Price. In the event of under-subscription in the Anchor Investor Portion, the remaining Equity Shares shall be added to the QIB Portion. In the event the aggregate demand from Mutual Funds is less than as specified above, the balance Equity Shares available for Allotment in the Mutual Fund Portion will be added to the QIB Portion and allocated proportionately to the OIB Bidders (other than Anchor Investors) in proportion to their Bids. Further, not less than 15% of the Net Offer shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Net Offer shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price.
4. In the event of over-subscription, Allotment shall be made on a proportionate basis, subject to valid Bids received at or above the Offer Price. If the retail individual investor category is entitled to more than the allocated portion on proportionate basis, the retail individual investors shall be allocated that higher percentage. Subject to valid Bids being received at or above the Offer Price, under-subscription, if any, in any category except the OIB Portion, would be allowed to be met with spill-over from other categories or a combination of categories at the discretion of our Company and Selling Shareholders, in consultation with the BRLM and the Designated Stock Exchange. However, under-subscription, if any, in the QIB Portion will not be allowed to be met with spill-over from other categories or a combination of categories.

5. Our Selling shareholders have approved the Offer for sale of Equity Shares and have conveyed their intention to participate in the Offer for Sale vide their Power of Attorney and consent dated January 04, 2023 each. The Equity Shares being offered by the Selling Shareholders have been held for a period of atleast one year immediately preceding the date of the Prospectus, and are eligible for being offered for Sale pursuant to the offer in terms of SEBI ICDR Regulations.

Name	Type	No. of Equity Shares	Amount (₹ in Lakhs)
Mr. Mohamed Hanif Chaudhari	Promoter	1,01,769	228.98
Mr. Sadik S. Chaudhari	Promoter group	1,01,769	228.98
Mr. Abid Ali. Chaudhari	Promoter group	1,01,771	228.98
Mrs. Waheeda U. Balwa	Promoter group	1,14,764	258.22
Mr. Rafiq H. Balwa	Promoter	2,29,527	516.53

6. The allocation in the net issue to the public category shall be made as per the requirements of Regulation 253(1) of SEBI (ICDR) Regulations, as amended from time to time:

- Not less than thirty five percent (35%) to Retail individual investors;
- Not less than fifteen percent (15%) to non-Institutional Investors; and
- Not more than fifty percent (50%) to Qualified Institutional Buyers (QIBs), five percent (5%) of which shall be allocated to mutual funds.

Provided the unsubscribed portion in either of the categories specified in clauses (a) or (b) above may be allocated to the applicants in the other category.

Provided further that in addition to five percent allocation available in terms of clause (c), mutual funds shall be eligible for allocation under the balance available for qualified institutional buyers.

For further details please refer to the chapter titled "Issue Structure" beginning on page no. 251 of this Prospectus.

**SUMMARY OF FINANCIAL INFORMATION**  
**RESTATED STANDALONE STATEMENT OF ASSETS AND LIABILITIES**

<b>SEALMATIC INDIA LIMITED</b> <b>(FORMERLY KNOWN AS SEALMATIC INDIA PRIVATE LIMITED)</b> <b>RESTATED CONSOLIDATED STATEMENT OF ASSETS &amp; LIABILITIES</b> <b>ANNEXURE - I</b>					
(All Amount in INR Lakhs, unless otherwise stated)					
	NOTE NO	As at 30.09.2022 (Rs.In Lakhs)	As at 31.03.2022 (Rs.In Lakhs)	As at 31.03.2021 (Rs.In Lakhs)	As at 31.03.2020 (Rs.In Lakhs)
<b>EQUITY AND LIABILITIES</b>					
<b>SHAREHOLDERS' FUNDS</b>					
Share Capital	1.1	720.00	20.00	20.00	20.00
Reserves & Surplus	1.2	2,630.15	2,995.89	2,154.43	1,504.67
		<b>3,550.15</b>	<b>3,015.89</b>	<b>2,174.43</b>	<b>1,524.67</b>
<b>NON-CURRENT LIABILITIES</b>					
Long Term Borrowings	1.3	158.38	60.31	234.33	246.88
Deferred Tax Liabilities (Net)	1.4	15.84	-	-	-
Long Term Provisions	1.5	0.83	1.32	0.09	-
		<b>175.05</b>	<b>61.63</b>	<b>234.42</b>	<b>246.88</b>
<b>CURRENT LIABILITIES</b>					
Short Term Borrowings	1.6	66.01	33.25	38.29	31.42
Trade Payables	1.7	1,029.72	699.91	367.10	460.75
Other Current Liabilities	1.8	163.03	115.25	125.83	38.04
Short Term Provisions	1.9	124.86	21.43	35.87	3.30
		<b>1,383.32</b>	<b>869.84</b>	<b>567.09</b>	<b>553.51</b>
<b>TOTAL</b>		<b>5,108.52</b>	<b>3,947.36</b>	<b>2,975.94</b>	<b>2,325.06</b>
<b>ASSETS</b>					
<b>NON-CURRENT ASSETS</b>					
Property, Plant & Equipment:	1.10				
Tangible Assets	1.10 (a)	931.85	844.67	667.44	524.00
Capital Work in Progress	1.10 (b)	-	-	7.15	23.68
Intangible Assets	1.10 (c)	21.86	25.69	35.29	30.62
		<b>953.71</b>	<b>870.36</b>	<b>709.88</b>	<b>578.30</b>
Deferred Tax Assets (Net)	1.4	-	10.66	22.51	15.33
Long Term Loans and Advances	1.11	34.50	8.46	13.79	21.77
Other Non Current Asset	1.12	47.87	12.99	43.00	51.35
		<b>82.37</b>	<b>32.11</b>	<b>79.30</b>	<b>88.45</b>
		<b>1,036.08</b>	<b>902.47</b>	<b>789.18</b>	<b>666.75</b>
<b>CURRENT ASSETS</b>					
Current Investment	1.13	10.65	-	-	-
Inventories	1.14	2,053.92	1,457.75	858.54	734.13
Trade Receivables	1.15	1,191.81	895.80	642.67	611.68
Cash and Cash Equivalents	1.16	235.47	252.55	295.49	112.60
Other Bank Balance	1.17	74.93	197.64	190.32	10.82
Short Term Loans and Advances	1.18	204.15	55.19	30.18	32.69
Other Current Assets	1.19	288.31	185.96	169.56	155.51
		<b>4,072.44</b>	<b>3,044.89</b>	<b>2,186.76</b>	<b>1,658.31</b>
<b>TOTAL</b>		<b>5,108.52</b>	<b>3,947.36</b>	<b>2,975.94</b>	<b>2,325.06</b>

Note : As The Company has disposed off its entire stake in the Jointly Controlled entity Isomag Sealmatic India Private Limited on 23/07/2022 hence standalone figures are presented for the period and as at September 30, 2022.

Note: The above statement should be read with the Significant Accounting Policies and Notes on Financial Statements appearing in Annexure IV & V respectively.

As Per Our Report of Even Date

For R. R. Shah & Associates  
Chartered Accountants  
Firm Registration No.112007W

(Rajesh S. Shah)  
Partner  
Membership No.017844  
UDIN: 23017844B6QPIL4622  
Place : Mumbai  
Date : - 2 JAN 2023

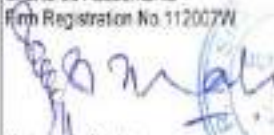
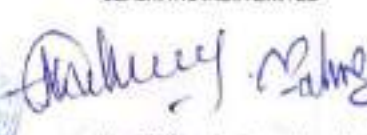

For and on behalf of the Board of Directors  
SEALMATIC INDIA LIMITED

(Hanif S. Chaudhari)  
Director  
DIN : 02817594


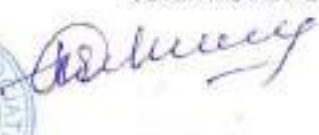

(Umar Abdulkarim Balwa)  
Director  
DIN : 00142258

Place : Mumbai  
Date : - 2 JAN 2023

## RESTATED STANDALONE STATEMENT OF PROFIT AND LOSS ACCOUNT

SEALMATIC INDIA LIMITED (FORMERLY KNOWN AS SEALMATIC INDIA PRIVATE LIMITED) RESTATED CONSOLIDATED STATEMENT OF PROFIT AND LOSS ANNEXURE - II					
(All Amount in INR Lakhs, unless otherwise stated)					
		For the six months period ended	For The Year Ended		
	NOTE NO	30.09.2022 (Rs. In Lakhs)	31.03.2022 (Rs. In Lakhs)	31.03.2021 (Rs. In Lakhs)	31.03.2020 (Rs. In Lakhs)
<b>REVENUE :</b>					
Revenue from Operations	1.1	2,562.72	4,254.06	3,532.58	3,309.13
Other Income	1.2	19.40	22.74	15.60	49.75
<b>TOTAL INCOME</b>		<b>2,582.12</b>	<b>4,276.80</b>	<b>3,548.18</b>	<b>3,358.88</b>
<b>EXPENDITURE:</b>					
Cost of Materials Consumed	1.3	1,293.71	1,740.30	1,410.45	1,362.81
Purchase of Stock in Trade		-	3.50	-	0.27
Changes in Inventories	1.4	(413.33)	(211.02)	(58.64)	32.70
Employee Benefits Expenses	1.5	417.34	729.56	517.83	501.01
Finance Costs	1.6	6.95	9.14	14.21	12.23
Depreciation and Amortization Expenses		48.20	85.43	150.45	135.90
Other Expenses	1.7	462.30	787.81	639.67	645.98
<b>TOTAL EXPENSES</b>		<b>1,815.16</b>	<b>3,144.72</b>	<b>2,673.97</b>	<b>2,690.90</b>
<b>Profit Before Tax</b>		<b>766.96</b>	<b>1,132.08</b>	<b>874.21</b>	<b>667.98</b>
<b>TAX EXPENSES:</b>					
Current Tax		197.00	277.33	231.63	173.00
Deferred Tax		25.51	11.84	(7.18)	0.46
Short/ (Excess) Provision for Income Tax of earlier year		-	1.45	-	0.36
		<b>223.51</b>	<b>290.62</b>	<b>224.45</b>	<b>173.84</b>
<b>Profit For The Year</b>		<b>543.45</b>	<b>841.46</b>	<b>649.76</b>	<b>494.14</b>
Earnings per equity share of Rs. 10/- each (Previous year Rs. 10/- each) Basic/Diluted	11.8	7.55	420.73	324.88	267.07
<p>Note : As The Company has disposed off its entire stake in the Jointly Controlled entity Isomag Sealmatic India Private Limited on 23/07/2022 hence standalone figures are presented for the period and as at September 30, 2022.</p> <p>Note: The above statement should be read with the Significant Accounting Policies and Notes on Financial Statements appearing in Annexure IV &amp; V respectively.</p> <p>As Per Our Report of Even Date</p> <p>For R. R. Shah &amp; Associates Chartered Accountants Firm Registration No.112007W</p> <p style="text-align: right;">For and on behalf of the Board of Directors SEALMATIC INDIA LIMITED</p> <div style="display: flex; justify-content: space-between; align-items: flex-end;"> <div style="text-align: center;">               (Rajesh S. Shah)              Partner              Membership No.017844              UDIN 23017844BGQPIL4622              Place : Mumbai              Date : - 2 JAN 2023         </div> <div style="text-align: center;">               (Hanif S. Chaudhari)              Director              DIN :02817594              Place : Mumbai              Date : - 7 JAN 2023         </div> <div style="text-align: center;">               (Umar Abdulkarim Bakhshi)              Director              DIN :02142268         </div> </div>					

## RESTATED STANDALONE CASH FLOW STATEMENT

<b>SEALMATIC INDIA LIMITED</b> <b>(FORMERLY KNOWN AS SEALMATIC INDIA PRIVATE LIMITED)</b> <b>ANNEXURE - III</b> <b>RESTATED CONSOLIDATED STATEMENT OF CASH FLOW</b> <small>(All Amount in INR Lakhs, unless otherwise stated)</small>				
Particulars	For the six months period ended	For The Year Ended		
	30.09.2022 (Rs. In Lakhs)	31.03.2022 (Rs. In Lakhs)	31.03.2021 (Rs. In Lakhs)	31.03.2020 (Rs. In Lakhs)
<b>A CASH FLOW FROM OPERATING ACTIVITIES</b>				
Net Profit Before Tax	766.96	1,132.08	874.21	667.98
Adjustments for:				
Depreciation	48.20	85.43	150.45	135.90
Provision for Diminution in value of Investment	1.10	-	-	-
Interest Expense	6.95	9.14	14.21	12.23
Profit on sale of Investment	(10.19)	-	-	-
Dividend Income	(0.10)	-	-	-
Interest on Income Tax paid	7.19	0.30	-	-
Interest Income	(4.36)	(16.03)	(7.28)	(2.02)
Operating profit before working capital changes	815.75	1,210.92	1,031.59	814.09
Adjustments for changes in working capital				
(Increase) / Decrease in Inventories	(608.71)	(599.21)	(124.40)	(36.83)
(Increase) / Decrease in Trade Receivable	(301.19)	(253.25)	(31.06)	(234.66)
(Increase) / Decrease in Other Bank Balance	122.71	31.81	(179.50)	-
(Increase) / Decrease in Short Term Loans & Advances	(153.39)	(25.01)	2.36	9.59
(Increase) / Decrease in Long Term Loans & Advances	(1.35)	(2.66)	0.00	1.60
(Increase) / Decrease in Other Non Current Asset	(34.87)	(8.62)	8.99	(38.57)
(Increase) / Decrease in Other Current Asset	(104.46)	(12.96)	(6.39)	64.86
Increase / (Decrease) in Trade Payables	330.65	332.95	(58.29)	129.95
Increase / (Decrease) in Other Current Liabilities	51.07	0.50	26.59	(11.45)
Increase / (Decrease) in Short Term Provision	2.08	6.88	(2.00)	0.25
Increase / (Decrease) in Long Term Provision	(0.48)	1.23	0.00	-
Taxes paid	(697.95)	(528.55)	(364.49)	(115.26)
Income Tax Paid	(100.87)	(300.20)	(177.88)	(260.74)
<b>Net Cash From Operating Activities</b>	<b>16.93</b>	<b>362.16</b>	<b>489.22</b>	<b>438.09</b>
<b>B CASH FLOW FROM INVESTING ACTIVITIES</b>				
Purchase of Property, Plant and Equipment	(159.29)	(249.50)	(287.05)	(292.50)
Sale of Investment in J.V.	28.69	-	-	-
Investments in Equity Shares (net of sale and profit)	(10.95)	-	-	-
Dividend Income	0.10	-	-	-
Interest Received	6.88	12.58	0.61	-
<b>Net Cash from Investing Activities</b>	<b>(135.59)</b>	<b>(236.91)</b>	<b>(286.44)</b>	<b>(292.50)</b>
<b>C CASH FLOW FROM FINANCING ACTIVITIES</b>				
Dividend Paid	(2.00)	-	-	-
Interest paid	(9.95)	(9.14)	(14.21)	(12.23)
Proceeds from Long Term Borrowings (Net of payment)	130.62	(179.06)	(6.68)	81.70
Proceeds from Short Term Borrowings (Net of payment)	-	-	-	(105.51)
<b>Net cash from Financing Activities</b>	<b>121.87</b>	<b>(158.20)</b>	<b>(19.89)</b>	<b>(35.96)</b>
<b>Net Increase / (Decrease) in Cash and Cash Equivalent</b>	<b>2.21</b>	<b>(42.94)</b>	<b>182.89</b>	<b>109.61</b>
Cash and Cash Equivalents at the Beginning of the year	236.26	295.49	112.60	2.99
Cash and Cash Equivalents at the End of the year	238.47	252.55	295.49	112.60
	<b>2.21</b>	<b>(42.94)</b>	<b>182.89</b>	<b>109.61</b>
<b>Note : As The Company has disposed off its entire stake in the Jointly Controlled entity Isomag Sealmatic India Private Limited on 23/07/2022 hence standalone figures are presented for the period and as at September 30, 2022.</b>				
As Per Our Report of Even Date For R. R. Shah & Associates Chartered Accountants ICAI Firm Registration no. 112007W		For and on behalf of the Board of Directors SEALMATIC INDIA LIMITED		
 (Rajesh S. Shah) Partner Membership No.017844 UDIN: 23012844BGQP1L4622 Place : Mumbai Date : - 2 JAN 2023		 (Hanif S. Chaudhari) Director DIN :02817594 Place : Mumbai Date : - 2 JAN 2023		
		 (Umar Abdulkarim Bawa) Director DIN :00142258		

## GENERAL INFORMATION

Our company was incorporated as Seal Matic India Private Limited on December 02, 2009 at 61-62, Ashiyana Apartment, 6<sup>th</sup> Floor, Wasil Khan Marg, Mumbai Central, Mumbai-400008 India, as a private limited company under the Companies Act, 1956 with the Registrar of Companies, Mumbai. The Registered Office of the company was changed from 61-62, Ashiyana Apartment, 6<sup>th</sup> Floor, Wasil Khan Marg, Mumbai Central, Mumbai-400008 India to 4<sup>th</sup> Floor, Techniplex- I, Techniplex Complex, off. Veer Savarkar Flyover, Goregaon (W), Mumbai, Maharashtra- 400062. The Name of the company was changed to "Sealmatic India Limited" pursuant to a special resolution passed by the shareholders of the company at the Extra Ordinary General Meeting held on October 13, 2022. A fresh certificate of incorporation consequent upon change of name was issued on November 03, 2022 by the Registrar of Companies, Mumbai.

The Corporate Identity Number of our Company is U26900MH2009PLC197524.

*For further details, please refer to the chapter titled "History and Certain Corporate Matters" beginning on page no. 137 of this Prospectus.*

## BRIEF COMPANY AND ISSUE INFORMATION

Particulars	Details
<b>Name of the Issuer</b>	<b>Sealmatic India Limited</b>
<b>Registered Office</b>	<p><b>Address:</b> 4th Floor, Techniplex I, Off Veer Savarkar Flyover, Goregaon (West), Mumbai 400 062, Maharashtra, India.</p> <p><b>Tel No:</b> +91 9867058592</p> <p><b>Website:</b> <a href="http://www.sealmaticindia.com">www.sealmaticindia.com</a></p> <p><b>Email:</b> <a href="mailto:compliance@sealmaticindia.com">compliance@sealmaticindia.com</a></p> <p><b>Contact Person:</b> Ms. Neha Pinak Chheda, Company Secretary and Compliance Officer of company</p> <p>For details relating to, "History and Corporate Structure" of our company please refer page 130 of this Prospectus.</p>
<b>Corporate Office</b>	Not Applicable
<b>Date of Incorporation</b>	December 02, 2009
<b>Company Registration No.</b>	197524
<b>Company Identification No.</b>	U26900MH2009PLC197524
<b>Address of Registrar of Companies</b>	<p><b>Address:</b> Registrar of Companies, 100, Everest, Marine Drive, Mumbai-400002 Maharashtra</p> <p><b>Tel:</b> 022-22812627/22020295/22846954</p>
<b>Designated Stock Exchange</b>	<p>SME Platform of BSE Limited ("BSE SME")</p> <p>P. J. Towers, Dalal Street, Fort, Mumbai – 400001, Maharashtra, India</p> <p>Website: <a href="http://www.bseindia.com">www.bseindia.com</a></p>

<b>Company Secretary &amp; Compliance Officer</b>	<b>Name: Ms. Neha Pinak Chheda</b> <b>Address:</b> 4th Floor, Techniplex - I, Techniplex Complex Off. Veer Savarkar Flyover, Goregaon (West) Mumbai Maharashtra 400062 India. <b>Tel No:</b> +91 9867058592 <b>Email:</b> <a href="mailto:compliance@sealmaticindia.com">compliance@sealmaticindia.com</a> <b>Website:</b> <a href="http://www.sealmaticindia.com">www.sealmaticindia.com</a>
<b>Issue Programme</b>	<b>Anchor Investor Bidding Date:</b> February 16, 2023 <b>Issue Opens on:</b> February 17, 2023 <b>Issue Closes on:</b> February 21, 2023

#### Note:

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

All grievances relating to the ASBA process and UPI process may be addressed to the Registrar to the Issue, with a copy to the SCSBs, giving full details such as name, address of Applicant, application number, number of Equity Shares applied for, amount blocked on application and designated branch or the collection centre of the SCSB where the Application Form was submitted by the Applicants.

Further, the investors shall also enclose a copy of the Acknowledgement Slip received from the designated intermediaries/ SCSBs in addition to the information mentioned herein above.

#### BOARD OF DIRECTORS OF OUR COMPANY

The following table sets forth the Board of Directors of our Company:

Name	Designation	Address	DIN
Mr. Mohamed Hanif Chaudhari	Director	1604, Fatemid Avenue, Behram Baug Road, Jogeshwari West, Near Sultanabad Colony, Mumbai, Maharashtra- 400102	02817594
Mr. Umar A K Balwa	Managing Director	Flat No. 1203, Resiplex C.H.S Ltd. Off S.V. Road, Near Techniplex Complex, Goregaon West, Mumbai- 400104	00142258
Ms Sania U. Balwa	Director	Flat No. 1203, Resiplex C.H.S Ltd. Off S.V. Road, Near Techniplex Complex, Goregaon West, Mumbai- 400104	08239375
Mr. Deepak A. Ghangurde	Independent Director	B- 701, Aspen Garden Co-op. Hsg. Scty. Ltd. Walbhatt Road, Behind Nirlon, Goregaon (East) Mumbai 400 063	09799885
Mr. Ajoy Balkrishna	Independent Director	A/104, Shiv Gauri CHS Ltd, Chincholi Bunder Road, Opp. Inorbit Mall, Mumbai, Maharashtra- 400064	09801722

For further details pertaining to the educational qualification and experience of our directors, for details please refer to the chapter titled "Our Management" beginning on page no. 140 of this Prospectus.

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**DETAILS OF KEY INTERMEDIARIES PERTAINING TO THIS ISSUE AND OUR COMPANY****BOOK RUNNING LEAD MANAGER TO THE ISSUE****ISK ADVISORS PRIVATE LIMITED**

501, A. N. Chambers, 130, Turner Road, Bandra West, Mumbai-400 050

**Tel No.:** +91 – 22 – 26431002 or +91 079 26464023

**Email:** [ncmpl@ncmpl.com](mailto:ncmpl@ncmpl.com)

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

**Investor Grievance Email:** [enquiry@ncmpl.com](mailto:enquiry@ncmpl.com)

**Contact Person:** Mr. Ronak I. Kadri

**SEBI Registration No.** INM000012625

**REGISTRAR TO THE ISSUE****KFIN TECHNOLOGIES LIMITED**

Selenium Tower- B, Plot 31-32, Gachibowli, Financial District,  
Nanakramguda, Serilingampally, Hyderabad-500 032, Telangana,  
India.

**Tel No.:** +91 40 6716 2222

**Fax:** +91 40 2343 1551

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

**Email:** [sealmatic.ipo@kfintech.com](mailto:sealmatic.ipo@kfintech.com);

**Investor Grievance Email:** [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com)

**Contact Person:** M Murali Krishna

**SEBI Registration No.:** INR000000221

**LEGAL COUNSEL TO THE ISSUE****MR. AYAAN A. PATEL, ADVOCATE**

Office: Plot No. 7, Rambaug, Spring Valley - Gate 'A',  
Behind Karnavati Club, S.G. Road, Ahmedabad – 380 058.

**Mobile No.:** +91 – 7359050212

**Email:** [adv.ayaanpatel@yahoo.in](mailto:adv.ayaanpatel@yahoo.in)

**Contact Person:** Mr. Ayaan A. Patel

**STATUTORY AUDITOR OF THE COMPANY****R.R. SHAH & ASSOCIATES,  
CHARTERED ACCOUNTANTS**

**Tel No.:** 022-22033160

**Email:** [rsshahca@gmail.com](mailto:rsshahca@gmail.com)

**Contact Person:** Mr. Rajesh S. Shah, Proprietor

**Peer Review No.:** 014821

**Membership No.:** 017844

**Firm Registration No.:** 112007W

**CHANGES IN THE AUDITORS**

There has been no change in the statutory auditors during the three years immediately preceding the date of this Prospectus.

**BANKER(S) TO OUR COMPANY**

1)		<b>AXIS BANK LIMITED</b> <b>Address:</b> Axis Bank Limited, Corporate Office, Bombay Dyeing Mills Compound, Pandurang Budhkar Marg, Worli, Mumbai - 400 02 <b>Tel No.:</b> (022) 2425 2525 <b>Website:</b> <a href="http://www.axisbank.com">www.axisbank.com</a> <b>Email:</b> <a href="mailto:miraroad.Branchhead@axisbank.com">miraroad.Branchhead@axisbank.com</a> <b>Contact Person:</b> Mr. Duryodhan Narnavare
2)		<b>CANARA BANK</b> <b>Address:</b> BLOCK-103, G4, Shanti Park, Mira Road, Thane, Maharashtra 401107 <b>Tel No.:</b> 1800 425 0018 <b>Website:</b> <a href="http://www.canarabank.com">www.canarabank.com</a> <b>Email:</b> <a href="mailto:cb15481@canarabank.com">cb15481@canarabank.com</a> <b>Contact Person:</b> Manali Vichare
3)		<b>STATE BANK OF INDIA (SBI)</b> <b>Address:</b> Industrial Finance Branch, S V Road, Near Chincholi Signal, Malad West, Mumbai West, Mumbai, Maharashtra- 400064 <b>Tel No.:</b> 022-28826408 <b>Website:</b> <a href="https://bank.sbi">https://bank.sbi</a> <b>Email:</b> <a href="mailto:sbi.04760@sbi.co.in">sbi.04760@sbi.co.in</a> <b>Contact Person:</b> Mr. Surendra Mishra
4)		<b>SMALL INDUSTRIES DEVELOPMENT BANK OF INDIA (SIDBI)</b> <b>Address:</b> D-31 & D-32, Regal Heights, Vasant Nagri, Vaasai East, Mumbai, Maharashtra- 401 208 <b>Tel No.:</b> 022 2582 6614 <b>Website:</b> <a href="http://www.sidbi.in">www.sidbi.in</a> <b>Email:</b> <a href="mailto:vasai@sidbi.in">vasai@sidbi.in</a> <b>Contact Person:</b> Mr. Rahul J.
5)		<b>BANK OF BARODA</b> <b>Address:</b> Goregaon West Branch, Sanjay Building, Jawahar Nagar, Road No.1 Goregaon West, Mumbai – 400062 <b>Tel No.:</b> 022-28720900 <b>Website:</b> <a href="http://www.bankofbaroda.in">www.bankofbaroda.in</a> <b>Email:</b> <a href="mailto:gorega@bankofbaroda.co.in">gorega@bankofbaroda.co.in</a> <b>Contact Person:</b> Mr. Arun Agarwal
6)		<b>ICICI BANK LIMITED</b> <b>Address:</b> Shop No.9,10 & 11, Ostwal Darshan Building, Near Jain Mandir Jesal Park, Bhayander East, Thane 401105 <b>Tel No.:</b> 022 3366 7777 <b>Website:</b> <a href="http://www.icicibank.com">www.icicibank.com</a> <b>Email:</b> <a href="mailto:346876@icicibank.com">346876@icicibank.com</a> <b>Contact Person:</b> Mr. Suman Agarwal

## **BANKER(S) TO THE ISSUE**



### **ICICI BANK LIMITED**

Capital Market Division, 1<sup>st</sup> Floor, 122, Mistry  
Bhavan Dinshaw Vachha Road, Backbay Reclamation,  
Churchgate, Mumbai- 400020  
Tel No.: (022) 66818911/ 23/ 24  
Website: [www.icicibank.com](http://www.icicibank.com)  
Email: [kmr.saurabh@icicibank.com](mailto:kmr.saurabh@icicibank.com)  
Contact Person: Mr. Saurabh Kumar  
SEBI Registration No.- INBI00000004

## **SELF CERTIFIED SYNDICATE BANKS**

The lists of banks that have been notified by SEBI to act as SCSB for the Applications Supported by Blocked Amount (ASBA) Process are provided on the website of SEBI on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes> For details on Designated Branches of SCSBs collecting the Application Forms, please refer to the above-mentioned SEBI link.

## **BROKERS TO THIS ISSUE**

Applicants can submit Application Forms in the Issue using the stock brokers network of the Stock Exchanges, i.e., through the Registered Brokers at the Broker Centres. The list of the Registered Brokers, including details such as postal address, telephone number and e-mail address, is provided on the website of the SEBI ([www.sebi.gov.in](http://www.sebi.gov.in)) and updated from time to time. For details on Registered Brokers, please refer <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>

## **REGISTRAR TO ISSUE AND SHARE TRANSFER AGENTS**

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

## **COLLECTING DEPOSITORY PARTICIPANTS**

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

## **STATEMENT OF INTER-SE ALLOCATION OF RESPONSIBILITIES**

Since ISK Advisors Private Limited is sole Book Running Lead Manager to the Issue, a statement of inter se allocation of responsibilities among Book Running Lead Managers is not required.

## **MONITORING AGENCY**

As per Regulation 262(1) of the SEBI (ICDR) Regulations, 2018 the requirement of Monitoring Agency is not mandatory if the issue size is below ₹10,000 lakhs and hence our Company has not appointed a monitoring agency for this Issue. However, as per Section 177 of the Companies Act, 2013, the Audit Committee of our Company, would be monitoring the utilization of the proceeds of the Issue.

## **IPO GRADING**

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

## **TRUSTEES**

This being an Issue of Equity Shares, the appointment of trustees is not required.

## **DETAILS OF THE APPRAISING AUTHORITY**

The objects of the Issue and deployment of funds are not appraised by any independent agency/ bank/ financial institution.

## **CREDIT RATING**

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

## **EXPERT OPINION**

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

Our Company has received written consent from the Statutory Auditor namely, R.R. Shah & Associates, Chartered Accountants, to include their name in respect of the reports on the Restated Financial Statements dated January 02, 2023 and the Statement of Tax Benefits dated January 02, 2023, issued by them and included in this Prospectus, as required under section 26(1)(a)(v) of the Companies Act, 2013 in this Prospectus and as “Expert” as defined under section 2(38) of the Companies Act, 2013 and such consent has not been withdrawn as on the date of this Prospectus.

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

## **FILING OF DRAFT RED HERRING PROSPECTUS/ RED HERRING PROSPECTUS/ OFFER DOCUMENT/ PROSPECTUS WITH THE BOARD AND THE REGISTER OF COMPANIES**

The Red Herring Prospectus is being filed with Bombay Stock Exchange, P. J. Towers, Dalal Street, Fort, Mumbai – 400001, Maharashtra, India

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

A copy of the Draft Red Herring Prospectus/ Red Herring Prospectus/ Prospectus along with the material contracts and documents referred elsewhere in the DRHP/ RHP/Prospectus will be delivered to the Registrar of Company, Mumbai, situated at Registrar of Companies, 100, Everest, Marine Drive, Mumbai -400002 Maharashtra pursuant to Section 26 of the Companies Act, 2013

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## BOOK BUILDING PROCESS

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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 English national newspaper, all editions of the Hindi national newspaper and in regional newspaper where our registered office is situated at least two working days prior to the Bid/Issue opening date. The Issue price shall be determined by our company in consultation with the Book Running Lead Manager in accordance with the Book Building Process after the Bid/Issue Closing Date.

Principal parties involved in the Book Building Process are-

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

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

The Issue is being made through the Book Building Process wherein 50% of the Net Issue shall be available for allocation on a proportionate basis to QIBS, 5% of the QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders, including Mutual Funds, subject to valid Bids being received at or above the Issue Price. Further, not less than 15 % of the Net Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Net Issue shall be available for allocation to Retail Individual Bidders, in accordance with the SEBI Regulations, subject to valid Bids being received at or above the Issue Price.

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

All Bidders, are mandatorily required to use the ASBA process for participating in the Issue. In accordance with the SEBI ICDR Regulations, QIBS bidding in the QIB Portion and Non-Institutional Bidders bidding in the Non-Institutional Portion are not allowed to withdraw or lower the size of their Bids (in terms of the quantity of the Equity Shares or the Bid Amount) at any stage. Retail Individual Bidders can revise their Bids during the Bid/Issue Period and withdraw their Bids until the Bid/Issue Closing Date.

Subject to valid Bids being received at or above the Issue Price, allocation to all categories in the Net Issue, shall be made on a proportionate basis, except for Retail Portion where allotment to each Retail Individual Bidders shall not be less than the minimum bid lot, subject to availability of Equity Shares in Retail Portion,

and the remaining available Equity Shares, if any, shall be allotted on a proportionate basis. Under-subscription, if any, in any category, would be allowed to be met with spill-over from any other category or a combination of categories at the discretion of our Company in consultation with the Book Running Lead Manager and the Stock Exchange. However, under-subscription, if any, in the QIB Portion will not be allowed to be met with spill over from other categories or a combination of categories.

In terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, all the investors applying in a public Issue shall use only Application Supported by Blocked Amount (ASBA) process for application providing details of the bank account which will be blocked by the Self Certified Syndicate Banks (SCSBs) for the same. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018, Retail Individual Investors applying in public Issue may use either Application Supported by Blocked Amount (ASBA) facility for making application or also can use UPI as a payment mechanism with Application Supported by Blocked Amount for making application. *For details in this regards, specific attention is invited to the chapter titled "Issue Procedure" beginning on page 247 of the Prospectus.*

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

*For further details on the method and procedure for Bidding, please see section titled "Issue Procedure" beginning on page 247 of the Prospectus.*

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

<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 Company in consultation with the BRLM, may finalise the Issue Price at or below such Cut-Off Price, i.e., at or below \* 22.00. All Bids at or above this Issue Price and cut-off Bids are valid Bids and are considered for allocation in the respective categories.

Steps to be taken by the Bidders for Bidding:

- Check eligibility for making a Bid (see section titled "Issue Procedure" on page 247 of this Prospectus);
- Ensure that you have a demat account and the demat account details are correctly mentioned in the Bid cum Application Form;

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

#### **BID/ ISSUE PROGRAMME:**

An indicative time table in respect of the Issue is set out below:

<b>Event</b>	<b>Indicative Date</b>
Bid/ Issue Opening Date	February 17, 2023
Bid/ Issue Closing Date	February 21, 2023
Finalization of Basis of Allotment with the Designated Stock Exchange	On or before February 24, 2023
Initiation of Allotment / Refunds / Unblocking of Funds from ASBA Account or UPI ID linked bank account	On or before February 27, 2023
Credit of Equity Shares to demat accounts of Allottees	On or before February 28, 2023
Commencement of trading of the Equity Shares on the Stock Exchange	On or before March 1, 2023

The above timetable is indicative and does not constitute any obligation on our Company or the Book Running Lead Manager. Whilst our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchange are taken within 6 Working Days of the Issue Closing Date, the timetable may change due to various factors, such as extension of the Issue Period by our Company, or any delays in receiving the final listing and trading approval from the Stock Exchange. The Commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchange and in accordance with the applicable laws.

Bid Cum Application Forms and any revision to the same shall be accepted **only between 10.00 a.m. and 5.00 p.m.** (IST) during the Issue Period (except for the Bid/Issue Closing Date). On the Issue Closing Date, the Applications and any revision to the same shall be accepted between **10.00 a.m. and 3.00 p.m.** (IST) or such extended time as permitted by the Stock Exchanges, in case of Applications by Retail Individual Applicants after taking into account the total number of applications received up to the closure of timings and reported by the Book Running Lead Manager to the Stock Exchanges. It is clarified that Applications not uploaded on the electronic system would be rejected. Applications will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holiday).

Due to limitation of time available for uploading Bid Cum Application Forms on the Bid/ Issue Closing Date, the Applicants are advised to submit their applications one day prior to the Issue Closing Date and, in any case, no later than 3.00 p.m. (IST) on the Issue Closing Date. All times mentioned in this Prospectus are Indian Standard Times. Applicants are cautioned that in the event a large number of Applications are received on the Issue Closing Date, as is typically experienced in public offerings, some Applications may not get uploaded due to lack of sufficient time. Such Applications that cannot be uploaded will not be

considered for allocation under the Issue. Applications will be accepted only on Working Days. Neither our Company nor the BRLM is liable for any failure in uploading the Applications due to faults in any software/hardware system or otherwise.

In accordance with the SEBI Regulations, QIBs and Non-Institutional Applicants are not allowed to withdraw or lower the size of their applications (in terms of the quantity of the Equity Shares or the Applications Amount) at any stage. Retail Individual Applicants can revise or withdraw their Applications prior to the Issue Closing Date. Except Allocation to Retail Individual Investors, Allocation in the Issue will be on a proportionate basis.

In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical or the electronic Application Form, for a particular Applicant, the details as per the file received from the Stock Exchange may be taken as the final data for the purpose of Allotment. In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical or electronic Application Form, for a particular ASBA Applicant, the Registrar to the Issue shall ask the relevant SCSB or the member of the Syndicate for rectified data.

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

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

If our company withdraw the Issue any time after the Issue Opening Date but before the 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 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 Lead Manager, through the Registrar to the Issue, shall notify the SCSBs to unblock the bank accounts of the ASBA Applicants within one day of receipt of such notification. Our Company shall also promptly inform the Stock Exchange on which the Equity Shares were proposed to be listed. Notwithstanding the foregoing, the Issue is also subject to obtaining the final listing and trading approvals of the Stock Exchange, which our Company shall apply for after Allotment.

If our Company withdraws the Issue at any stage including after the Issue Closing Date and thereafter determines that it will proceed with an IPO, our Company shall be required to file a fresh Draft Red Herring Prospectus.

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 final RoC approval of the Prospectus.

## UNDERWRITING AGREEMENT

This Issue is 100% Underwritten. The Underwriting agreement is dated January 20, 2023. Pursuant to the terms of the Underwriting Agreement, the obligations of the Underwriters are several and are subject to certain conditions specified therein. The Underwriters have indicated their intention to underwrite the following number of specified securities being offered through this Issue:

Details of the Underwriters	No. of Shares Underwritten	Amt Underwritten (₹in Lakhs)	% Of the Total Issue Size Underwritten
<b>ISK ADVISORS PRIVATE LIMITED</b> 501, A. N. Chambers, 130, Turner Road, Bandra West, Mumbai-400 050 <b>Tel No.:</b> +91 – 22 – 26431002 <b>Email:</b> ncempl@ncmpl.com <b>Website:</b> <a href="http://www.iskadvisors.com">www.iskadvisors.com</a> <b>Investor Grievance Email:</b> enquiry@ncmpl.com <b>Contact Person:</b> Mr. Ronak I. Kadri <b>SEBI Registration No.</b> INM000012625	23,73,600	5304.6	94.96%
<b>SUNFLOWER BROKING PVT. LTD.</b> Sunflower House, 5 <sup>th</sup> Floor, 80 Feet Road, Near Bhaktinagar Circle, Rajkot-36002 <b>Tel No-</b> 0281-2361935/ 079 4039 6993 <b>Email-</b> compliance@sunflowerbroking.com <b>Website-</b> <a href="http://www.sunflowerbroking.com">www.sunflowerbroking.com</a> <b>Contact Person-</b> Mr Bhavik Vora <b>SEBI Registration No-</b> INZ000195131 <b>CIN:</b> U65923GJ1998PTC011203	1,26,000	283.5	5.04%
<b>Total</b>	<b>24,99,600</b>	<b>5624.1</b>	<b>100.00%</b>

As per Regulation 260(2) of SEBI (ICDR) Regulations, 2018, the Book Running Lead Manager has agreed to underwrite to a minimum extent of 15% of the Issue out of its own account.

In the opinion of the Board of Directors (based on certificate given by the Underwriters), the resources of the above-mentioned Underwriters are sufficient to enable them to discharge their respective underwriting obligations in full. The above – mentioned Underwriters are registered with SEBI under Section 12(1) of the SEBI Act or registered as broker with the Stock Exchange.

## MARKET MAKER

### SUNFLOWER BROKING PRIVATE LIMITED

Sunflower House,  
 5<sup>th</sup> Floor, 80 Feet Road,  
 Near Bhaktinagar Circle  
 Rajkot-360002  
**Tel No-** 0281-2361935/ 079 4039 6993  
**Email-** [compliance@sunflowerbroking.com](mailto:compliance@sunflowerbroking.com)  
**Website-** [www.sunflowerbroking.com](http://www.sunflowerbroking.com)  
**Contact Person-** Mr. Bhavik Vora  
**SEBI Registration No-** INZ000195131  
**CIN:** U65923GJ1988PTC011203

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## Details of the Market Making Arrangement for this Issue

Our Company and the Book Running Lead Managers, have entered into an agreement dated January 20, 2023 with Sunflower Broking Pvt Ltd., a Market Maker registered with SME Platform of BSE in order to fulfill the obligations of Market Making

The Market Maker shall fulfil the applicable obligations and conditions as specified in the SEBI (ICDR) Regulations, and its amendments from time to time and the circulars issued by the BSE and SEBI regarding this matter from time to time.

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

1. The Market Maker 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 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 SME Platform of BSE from time to time.
4. Execution of the order at the quoted price and quantity must be guaranteed by the Market Maker, for the quotes given by him.
5. There would not be more than five Market Makers for a script at any point of time and the Market Makers may compete with other Market Makers for better quotes to the investors.
6. The shares of the Company will be traded in continuous trading session from the time and day the company gets listed on SME Platform of BSE and Market Maker will remain present as per the guidelines mentioned under BSE 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 or 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 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.
9. The Market Maker shall have the right to terminate the said arrangement by giving three months' 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 in replacement during the term of the notice period being served by the Market Maker but prior to the date of releasing the existing Market Maker from its duties in order to ensure compliance with the requirements of regulation 261 of the SEBI (ICDR) Regulations, 2018. Further the Company and the Lead Manager reserve the right to appoint other Market Makers either as a

replacement of the current Market Maker or as an additional Market Maker subject to the total number of Designated Market Makers does not exceed five or as specified by the relevant laws and regulations applicable at that particular point of time.

10. **Risk containment measures and monitoring for Market Maker:** SME Platform of BSE will have all margins which are applicable on the BSE Main Board viz., Mark-to-Market, Value-At-Risk (VAR) Margin, Extreme Loss Margin, Special Margins and Base Minimum Capital etc. BSE can impose any other margins as deemed necessary from time-to-time.
11. **Punitive Action in case of default by Market Maker:** SME Platform of BSE will monitor the obligations on a real-time basis and punitive action will be initiated for any exceptions and/or non-compliances. Penalties / fines may be imposed by the Exchange on the Market Maker, in case he is not able to provide the desired liquidity in a particular security as per the specified guidelines. These penalties / fines will be set by the Exchange from time to time. The Exchange will impose a penalty on the Market Maker in case he is not present in the market (offering two-way quotes) for at least 75% of the time. The nature of the penalty will be monetary as well as suspension in market making activities / trading membership.

The Department of Surveillance and Supervision of the Exchange would decide and publish the penalties / fines / suspension for any type of misconduct/ manipulation/ other irregularities by the Market Maker from time to time.

12. **Price Band and Spreads:** SEBI Circular bearing reference no: CIR/MRD/DP/ 02/2012 dated January 20, 2012, has laid down that for Issue size up to M 250 Crores, the applicable price bands for the first day shall be:

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

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

The following spread will be applicable on the SME Exchange Platform:

Sr. No.	Market Price Slab (in ₹)	Proposed Spread (in % to total Sale Price)
1.	Up to 50	9
2.	50 to 75	8
3.	75 to 100	7
4.	Above 100	6

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)
Up to ₹ 20 Crore	25%	24%
₹ 20 Crore to ₹ 50 Crore	20%	19%
₹ 50 Crore to ₹80 Crore	15%	14%
Above ₹ 80 Crore	12%	11%

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

## CAPITAL STRUCTURE

The share capital of the Company as on the date of this Prospectus is set forth below:

(₹ in lakhs, except share data)

Sr. No.	Particulars	Amount	
		(₹ in Lakhs except share data)	
		Aggregate Value at Nominal Value	Aggregate Value at Issue Price
<b>A</b>	<b>Authorised Share Capital</b>		
	100,00,000 Equity Shares of face value of ₹10 each	1,000.00	-
<b>B</b>	<b>Issued, Subscribed and Paid-up Share Capital before the Issue</b>		
	72,00,000 Equity Shares of face value of ₹10 each	720.00	-
<b>C</b>	<b>Present Issue in terms of this Prospectus <sup>(1)</sup></b>		
	Issue of 24,99,600 Equity Shares of ₹ 10 each fully paid- up of our company for cash at a price of ₹ 225 per equity Share (Including a Share premium of ₹ 215 per Equity Share)	249.96	5624.1
	<i>Consisting of</i>		
	Fresh Issue of 18,50,000 Equity Shares of ₹ 10 each fully paid- up of our company for cash at a price of ₹ 225 per equity Share (Including a Share premium of ₹ 215 per Equity Share)	185.00	4162.5
	Offer for Sale of 6,49,600 equity shares of ₹ 10 each fully paid- up of our company for cash at a price of ₹ 225 per equity share (including premium of ₹ 215 per Equity Share)	64.96	1461.6
	<i>Which comprises:</i>		
<b>D</b>	<b>Reservation for Market Maker portion</b>		
	1,26,000 equity Shares of ₹ 10 each at a price of ₹ 225 (including a Share premium of ₹ 215 per Equity Share) per Equity Share reserved as Market Maker Portion	12.60	283.5
	Net Issue to Public of 23,73,600 equity Shares of ₹ 10 each at a price of ₹ 225 (including a Share premium of ₹ 215 per Equity Share) per Equity Share to the Public	237.36	5340.6
<b>E</b>	<b>Net Issue to Public consists of</b>		
	<b>Allocation to Qualified Institutional Buyers:</b> Not more than 9,49,200 Equity Shares of ₹ 10/- each at an Issue Price of ₹ 225 per Equity Share will be available for allocation to Qualified Institutional Buyers	94.920	2135.7
	<b>Allocation to Non-Institutional Investors:</b> Atleast 4,27,200 Equity Shares of ₹ 10/- each at an Issue Price of ₹ 225 per Equity Share will be available for allocation to Non-Institutional Investors	52.26	961.2

	<b>Allocation to Retail Individual Investors:</b> Atleast 9,97,200 Equity Shares of ₹ 10/- each at an Issue Price of ₹ 225 per Equity Share will be available for allocation to Retail Investors	90.18	2243.7
<b>F</b>	<b>Paid-up Equity Share Capital after the Issue</b>		
	90,50,000 Equity Shares of ₹ 10 each	905.00	
<b>G</b>	<b>Securities Premium Account</b>		
	Before the Issue (as on date of this Prospectus)	NIL	
	Reserves & Surplus including Securities Premium Account (As per restated accounts for 30.09.2022)	₹ 2830.15 Lakhs	
	Securities premium after issue	3977.5	
	After the Issue including Reserves & Surplus and Securities Premium	6807.65	

<sup>1)</sup> The present Issue has been authorized pursuant to a resolution of our Board dated November 28, 2022 and by Special Resolution passed under Section 62(1)(C) of the Companies Act, 2013 at an Extra Ordinary General Meeting of our shareholders held on December 21, 2022.

<sup>(2)</sup> Allocation to all categories shall be made on a proportionate basis subject to valid Applications received at or above the Issue Price. Under subscription, if any, in any of the categories, would be allowed to be met with spill-over from any of the other categories or a combination of categories at the discretion of our Company in consultation with the Lead Manager and Designated Stock Exchange. Such inter-se spill over, if any, would be affected in accordance with applicable laws, rules, regulations and guidelines.

### **Class of Shares:**

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

Our Company does not have any partly paid-up equity shares as on the date of this Prospectus.

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

### **Notes to the Capital Structure**

#### **1) Changes in Authorized Share Capital**

Since incorporation, the capital structure of our Company has been altered in the following manner:

1. The initial authorized Share Capital of ₹ 10,00,000 divided into 100,000 shares of ₹ 10 each was increased to ₹ 20,00,000 divided into 2,00,000 Equity Shares of ₹ 10 each, pursuant to resolution of shareholders passed at the EGM held on May 14, 2011.
2. The authorised share capital of the company was further increased from ₹ 20,00,000 divided into 2,00,000 Equity Shares of ₹ 10 each to ₹ 10,00,00,000 divided into 1,00,00,000 Equity Shares of ₹ 10 each, pursuant to resolution of shareholders passed at the AGM held on September 28, 2022.

#### **2) History of Paid-Up share Capital:**

a) Equity Share Capital

Our Company has made allotments of Equity Shares from time to time. The following is the Equity Share Capital Build-up of our Company:

Date of Allotment of Equity Shares	No. of Equity Shares	Face Value (₹)	Issue Price (₹)	Nature / Reason of Allotment	Nature of Consideration	Cumulative No. of Equity Shares	Cumulative Paid-Up Share Capital (₹)	Cumulative Share Premium (₹)
On Incorporation *	10,000	10	10	Subscription to MOA <sup>(1)</sup>	Cash	10,000	100,000	NIL
December 15, 2011	90,000	10	75	Further Allotment <sup>(2)</sup>	Cash	100,000	10,00,000	58,50,000
December 15, 2011	100,000	10	46	Further Allotment <sup>(3)</sup>	Other than Cash	200,000	20,00,000	94,50,000
September 28, 2022	70,00,000	10	NIL	Bonus Issue in the ratio of 35:1 <sup>(4)</sup>	Other than Cash	72,00,000	7,20,00,000	94,50,000

\*Date of Incorporation of our company is December 02, 2009.

<sup>(1)</sup> Initial Subscription to the Memorandum of Association dated December 02, 2009 of 10,000 Equity Shares of face value of ₹ 10 each

Sr. No.	Name of Allottee	Face Value (₹)	Issue Price (₹)	Nature of Allotment	No. of Equity Shares Allotted
1.	Mr. Mohamed Hanif Chaudhari	10	10	Subscription to MOA	5000
2.	Mr. Abdul R. Maknojia	10	10	Subscription to MOA	5000
<b>Total</b>					<b>10,000</b>

- (2) Allotment of 90,000 Equity Shares of face value of ₹ 10 each were issued at a premium of ₹ 65 per Equity Share on December 15, 2011

Sr. No.	Name of Allottee	Face Value (₹)	Issue Price (₹)	Nature of Allotment	No. of Equity Shares Allotted
1	Mr. Rafiq H. Balwa	10	75	Further Allotment	33,333
2	Mr. Imran I. Balwa	10	75	Further Allotment	16,667
3	Mr. Umar A K Balwa	10	75	Further Allotment	28,333
4	Mr. Zubair I. Balwa	10	75	Further Allotment	11,667
<b>Total</b>					<b>90,000</b>

- (3) Allotment of 100,000 Equity Shares of face value of ₹ 10 each were issued at a premium of ₹ 36 per Equity Share on December 15, 2011 for consideration other than cash vide a Business Transfer Agreement (BTA)

Sr. No.	Name of Allottee	Face Value (₹)	Issue Price (₹)	Nature of Allotment	No. of Equity Shares Allotted
1	Mr. Abid A. Chaudhary	10	46	Consideration other than Cash	33,334
2	Mr. Sadik H. Chaudhary	10	46	Consideration other than Cash	33,333
3	Mrs. Sufiya I. Chaudhary	10	46	Consideration other than Cash	33,333
<b>Total</b>					<b>100,000</b>

- (4) Bonus Issue on September 28, 2022 in the ratio of 35:1 i.e., 35 (Thirty-Five) New Equity Shares for every 1 (One) Equity share held by the Shareholder

Sr. No.	Name of Allottee	Face Value (₹)	Issue Price (₹)	Nature of Allotment	No. of Equity Shares Allotted
1	Mr. Umar A K Balwa	10	-	Bonus Issue	3,96,690
2	Mr. Zubair I. Balwa	10	-	Bonus Issue	6,18,310
3	Mr. Rafiq H. Balwa	10	-	Bonus Issue	6,30,000
4	Mr. Imran I. Balwa	10	-	Bonus Issue	6,18,345
5	Mr. Abid A. Chaudhary	10	-	Bonus Issue	10,96,655
6	Mr. Sadik H. Chaudhary	10	-	Bonus Issue	10,96,655
7	Mr. Mohamed Hanif Chaudhary	10	-	Bonus Issue	10,96,655
8	Mr. Hussein A K Balwa	10	-	Bonus Issue	6,06,655
9	Mrs. Waheeda U. Balwa	10	-	Bonus Issue	2,80,000
10	Ms. Sania U. Balwa	10	-	Bonus Issue	2,80,000
11	Ms. Neha U. Balwa	10	-	Bonus Issue	2,80,000

<b>Total</b>	<b>70,00,000</b>
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b) **Preference Share Capital history of our company:**

Our company does not have any preference share capital as on the date of this Prospectus.

**3) Issue of Equity Shares for consideration other than Cash through Bonus Issue by Capitalisation of Free Reserves:**

<b>Date of Allotment</b>	<b>No. of Equity Shares allotted</b>	<b>Face Value (₹)</b>	<b>Issue Price (₹)</b>	<b>Consideration</b>	<b>Reason for allotment</b>	<b>Benefit accruing to the company</b>
December 15, 2011	100,000	10	46	Consideration other than Cash	Consideration other than cash vide a Business Transfer Agreement (BTA) <sup>(1)</sup>	Takeover of existing Business of M/s Kamran Industries
September 28, 2022	70,00,000	10	NIL	N. A	Bonus Allotment <sup>(2)</sup>	Capitalization of Free Reserves

<sup>(1)</sup> For the list of allottees see note no. 03 of paragraph titled “History of Share Capital of our Company” mentioned above.

<sup>(2)</sup> For the list of allottees see note no. 04 of paragraph titled “History of Share Capital of our Company”

- 4) No shares have been allotted in terms of any scheme approved under Sections 230-234 of the Companies Act, 2013.
- 5) Our company has not revalued its assets since inception and has not issued any Equity Shares (including Bonus shares) by Capitalizing any revaluation reserves.
- 6) No shares have been issued at a price lower than the Issue Price within the last one year from the date of this Prospectus except as mentioned below:

The details of allotment of 70,00,000 Equity Shares made on September 29, 2022 under Bonus Issue, in the ratio of 35:1 i.e., 35 (Thirty-Five) New Equity Shares for every 1 (One) Equity share held by the Shareholder are as follows:

<b>Sr. No.</b>	<b>Name of Allottee</b>	<b>Face Value (₹)</b>	<b>No. of Equity Shares Allotted</b>	<b>Issue Price (₹)</b>	<b>Reason for Allotment</b>
1	Mr. Umar A K Balwa	10	3,96,690		
2	Mr. Zubair I. Balwa	10	6,18,310		
3	Mr. Rafiq H. Balwa	10	6,30,000		
4	Mr. Imran I. Balwa	10	6,18,345		
5	Mr. Abid A. Chaudhary	10	10,96,655		
6	Mr. Sadik H. Chaudhary	10	10,96,655		

7	Mr. Mohamed Hanif Chaudhary	10	10,96,655	<b>NIL</b>	Capitalization of reserves and Surplus
8	Mr. Hussein A K Balwa	10	6,06,655		
9	Mrs. Waheeda U. Balwa	10	2,80,000		
10	Ms. Sania U. Balwa	10	2,80,000		
11	Ms. Neha U. Balwa	10	2,80,000		
<b>Total</b>		<b>-</b>	<b>70,00,000</b>		<b>-</b>

7) Our Company does not have any Employee Stock Option Scheme / Employee Stock Purchase Scheme for our employees and we do not intend to allot any shares to our employees under Employee Stock Option Scheme / Employee Stock Purchase Scheme from the proposed issue. As and when, options are granted to our employees under the Employee Stock Option Scheme, our Company shall comply with the SEBI (Share Based Employee Benefits) Regulations, 2014.

**8) Shareholding pattern of our Company**

The following is the shareholding pattern of the Company as on the date of this Prospectus.

Category (I)	Category of Share- holder (II)	No. of Share-holder (III)	No. of fully paid-up equity shares held (IV)	No. of Partly paid-up equity shares	No. of shares Underlying Depository	Total Nos. Shares held (VII) = (IV) + (V) + (VI)	Shareholding as a % of total No. of Shares (calculated as per SCRR, 1957) (VIII)As a % of (A+B+C2)	Number of Voting Rights held in each Class of securities (IX)				No of Underlying Outstanding Convertible securities (incl. Warrants)	Share Holding as a % assuming Full convertible securities (as a% of Diluted Share Capital) (XI)=(VII)+(X)	Number of Locked In shares (XII)		No. of shares Pledged Or Otherwise encumbered (XIII)		No. of Equity shares held in De-mat form (XIV)
								No of voting Right			Total As a %of(A+B+C)			No (a)	As a %of total shares held (b)	No (a)	As a % of total shares held (b)	
								Class-Equity	Class	Total								
(A)	Promoter & Promoter Group	11	72,00,000	-	-	72,00,000	100.00%	72,00,000	-	72,00,000	100.00%	-	72,00,000	-	-	-	-	72,00,000
(B)	Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C)	Non-Promoter Non-Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C1)	Shares Underlying DRs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C2)	Shares held by Employee Trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total	11	72,00,000	-	-	72,00,000	100.00%	72,00,000	-	72,00,000	100.00%	-	100.00%	-	-	-	-	72,00,000

- The list of Shareholders holding 1% or more of the paid-up Share Capital of our Company as on the date of this Prospectus are:

Sr. No.	Particulars	No. of Shares	% Of Shares to Pre – Issue Share Capital
1	Mr. Hussein A. K. Balwa	6,23,988	8.67
2	Mrs. Saleha I. Balwa	6,36,012	8.83
3	Mr. Ismail A. K. Balwa	5,21,212	7.24
4	Mr. Umar A K Balwa	4,08,024	5.67
5	Mrs. Waheeda U. Balwa	2,88,000	4.00
6	Ms. Sania U. Balwa	2,88,000	4.00
7	Ms. Neha U. Balwa	2,88,000	4.00
8	Mr. Rafiq H. Balwa	7,62,764	10.59
9	Mr. Mohamed Hanif Chaudhari	11,27,988	15.67
10	Mr. Sadik S. Chaudhari	11,27,988	15.67
11	Mr. Abid A. Chaudhari	11,28,024	15.67
<b>Total</b>		<b>72,00,000</b>	<b>100.00</b>

- The list of Shareholders holding 1% or more of the paid-up Share Capital of our Company ten days prior to date of this Prospectus are:

Sr. No.	Particulars	No. of Shares	% Of Shares to Pre – Issue Share Capital
1	Mr. Hussein A. K. Balwa	6,23,988	8.67
2	Mrs. Saleha I. Balwa	6,36,012	8.83
3	Mr. Ismail A. K. Balwa	5,21,212	7.24
4	Mr. Umar A. K. Balwa	4,08,024	5.67
5	Mrs. Waheeda U. Balwa	2,88,000	4.00
6	Ms. Sania U. Balwa	2,88,000	4.00
7	Ms. Neha U. Balwa	2,88,000	4.00
8	Mr. Rafiq H. Balwa	7,62,764	10.59
9	Mr. Mohamed Hanif Chaudhari	11,27,988	15.67
10	Mr. Sadik S. Chaudhari	11,27,988	15.67
11	Mr. Abid A. Chaudhari	11,28,024	15.67
<b>Total</b>		<b>72,00,000</b>	<b>100.00</b>

- The list of Shareholders holding 1% or more of the paid-up Share Capital of our Company one year prior to date of this Prospectus are:

Sr. No.	Particulars	No. of Shares	% Of Shares of then Paid-up Capital
1	Mr. Hussein A. K. Balwa	17,333	8.67
2	Mr. Imran I. Balwa	17,667	8.83
3	Mr. Zubair I. Balwa	17,666	8.83
4	Mr. Umar A. K. Balwa	11,333	5.67
5	Mrs. Waheeda U. Balwa	8,000	4.00
6	Ms. Sania U. Balwa	8,000	4.00
7	Ms. Neha U. Balwa	8,000	4.00

Sr. No.	Particulars	No. of Shares	% Of Shares of then Paid-up Capital
8	Mr. Rafiq H. Balwa	18,000	9.00
9	Mr. Mohamed Hanif Chaudhari	31,333	15.67
10	Mr. Sadik S. Chaudhari	31,333	15.67
11	Mr. Abid A. Chaudhari	31,334	15.67
12	M/s AKBG Investments	01	0.00
<b>Total</b>		<b>2,00,000</b>	<b>100.00</b>

- The top ten Shareholders of our Company two years prior to date of this Prospectus.

Sr. No.	Particulars	No. of Shares	% Of Shares of then Paid-up Capital
1	Mr. Hussein A. K. Balwa	17,333	8.67
2	Mr. Imran I. Balwa	17,667	8.83
3	Mr. Zubair I. Balwa	17,666	8.83
4	Mr. Umar A. K. Balwa	11,333	5.67
5	Mrs. Waheeda U. Balwa	8,000	4.00
6	Ms. Sania U. Balwa	8,000	4.00
7	Ms. Neha U. Balwa	8,000	4.00
8	Mr. Rafiq H. Balwa	18,000	9.00
9	Mr. Mohamed Hanif Chaudhari	31,333	15.67
10	Mr. Sadik S. Chaudhari	31,333	15.67
11	Mr. Abid A. Chaudhari	31,334	15.67
12	M/s AKBG Investments	01	0.00
<b>Total</b>		<b>2,00,000</b>	<b>100.00</b>

3. *Proposal or intention to alter our capital structure within a period of 6 months from the date of opening of the Issue:*

Our Company does not have any intention or proposal to alter our capital structure within a period of six months from the date of opening of the Issue, by way of split or consolidation of the denomination of Equity Shares or further issue of Equity Shares or securities convertible into Equity Shares, whether preferential or bonus, rights, further public issue or qualified institutional placement or otherwise. However, our company may further issue Equity Shares (including issue of securities convertible into Equity Shares) whether preferential or otherwise after the date of opening of the Issue to finance an acquisition, merger or joint venture or for regulatory compliance or such other scheme of arrangement or any other purpose as the Board may deem fit, if an opportunity of such nature is determined by its Board of Directors to be in the interest of our company after obtaining relevant approvals.

4. *Details of Shareholding of Promoters of our Company:*

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

1) **Mr. Umar A. K. Balwa:**

Date of Allotment / Transfer	Nature of Transaction	Consideration	No. of Shares	F.V (₹)	Issue / Transfer Price (₹)	Cumulative no. of Shares	% Of Pre-Issue Paid Up Capital	% Of Post-Issue Paid Up Capital
<b>Mr. Umar A. K. Balwa</b>								
08-04-2011	Transfer-Purchase <sup>(1)</sup>	Cash	5,000	10	10	5,000	0.07	0.00
15-12-2011	Further Allotment <sup>(2)</sup>	Cash	28,333	10	75	33,333	0.46	0.36
14-06-2018	Transfer-Purchase <sup>(3)</sup>	Cash	1,333	10	46	34,666	0.48	0.38
28-06-2019	Transfer by Gift <sup>(4)</sup>	Other than Cash	(8,000)	10	0	26,666	0.37	0.29
28-06-2019	Transfer by Gift <sup>(5)</sup>	Other than Cash	(8,000)	10	0	18,666	0.26	0.21
29-06-2019	Transfer by Gift <sup>(6)</sup>	Other than Cash	(8,000)	10	0	10,666	0.15	0.18
24-07-2019	Transfer-Purchase <sup>(7)</sup>	Cash	667	10	46	11,333	0.16	0.13
16-08-2022	Transfer-Purchase <sup>(8)</sup>	Cash	1	10	200	11,334	0.16	0.13
28-09-2022	Bonus Issue <sup>(9)</sup>	Other than Cash	3,96,690	10	NIL	4,08,024	5.67	4.51

<sup>(1)</sup> Mr. Umar A. K. Balwa purchased 5,000 shares from Mr. Abdul R. Maknojia.

<sup>(2)</sup> Further allotment of 90,000 Equity Shares of Face Value ₹ 10 each to Mr. Umar A. K. Balwa (28,333 equity shares), Mr. Rafiq H. Balwa (33,333 equity shares), Mr. Imran I. Balwa (16,667 equity shares) and Mr. Zubair I. Balwa (11,667 equity shares).

<sup>(3)</sup> Purchase of Shares from Mr. Sadik H. Chaudhary (1,333 shares).

<sup>(4)</sup> Transferred 8,000 shares to Mrs. Waheeda U. Balwa as a Gift on 28<sup>th</sup> June, 2019.

<sup>(5)</sup> Transferred 8,000 shares to Ms. Sania U. Balwa as a Gift on 28<sup>th</sup> June, 2019.

<sup>(6)</sup> Transferred 8,000 shares to Ms. Neha U. Balwa as a Gift on 28<sup>th</sup> June, 2019.

<sup>(7)</sup> Mr. Umar A. K. Balwa purchased 667 shares from Mr. Sadik H. Chaudhary

<sup>(8)</sup> Mr. Umar A. K. Balwa purchased 1 Share from M/s AKBG Investments

<sup>(9)</sup> Pursuant to the AGM held on 28<sup>th</sup> September, 2022 our company has issued Bonus Shares in the ratio of 35:1 to all the Existing shareholders of the Company.

- upto 4,08,024 Equity Shares of Mr. Umar A. K. Balwa will be locked-in for a period of three years.

2) Mr. Mohamed Hanif Chaudhari:

Date of Allotment / Transfer	Nature of Transaction	Consideration	No. of Shares	F.V (₹)	Issue / Transfer Price (₹)	Cumulative no. of Shares	% Of Pre-Issue Paid Up Capital	% Of Post-Issue Paid Up Capital
<b>Mr. Mohamed Hanif Chaudhari</b>								
December 02, 2009	Upon Incorporation <sup>(1)</sup>	Cash	5,000 <sup>(1)</sup>	10	10	5,000	0.07	0.05
April 08, 2011	Transfer – Sale <sup>(2)</sup>	Cash	(5,000) <sup>(2)</sup>	10	10	0	-	0.00
August 14, 2012	Transfer by Gift by Sufiya <sup>(3)</sup>	Other than Cash	33,333 <sup>(3)</sup>	10	10	33,333	0.46	0.37
June 14, 2018	Transfer – Sale <sup>(4)</sup>	N.A.	(667) <sup>(4)</sup>	10	10	32,666	0.45	0.36
June 16, 2018	Transfer – Sale <sup>(5)</sup>	Cash	(667) <sup>(5)</sup>	10	55	31,999	0.45	0.35
July 24, 2019	Transfer – Sale <sup>(6)</sup>	Cash	(333) <sup>(6)</sup>	10	10	31,666	0.44	0.35
July 24, 2019	Transfer – Sale <sup>(7)</sup>	Cash	(333) <sup>(7)</sup>	10	10	31,333	0.44	0.35
September 28, 2022	Bonus Issue <sup>(8)</sup>	Other than Cash	10,96,655 <sup>(8)</sup>	10	NIL	11,27,988	15.67	12.46

<sup>(1)</sup> Upon Incorporation 5,000 shares each were subscribed to the MOA by Mr. Abdul R. Maknojia and Mr. Mohamed Hanif Chaudhari.

<sup>(2)</sup> Mr. Mohamed Hanif Chaudhari transferred 5000 shares to Mr. Zubair I. Balwa on 08<sup>th</sup> April, 2011

<sup>(3)</sup> Mr. Mohamed Hanif Chaudhari received 33,333 shares as Gift from Mrs. Sufiya I. Chaudhary on August 14, 2012.

<sup>(4)</sup> Mr. Mohamed Hanif Chaudhari transferred 667 Shares to Mr. Imran I. Balwa on 14<sup>th</sup> June, 2018.

<sup>(5)</sup> Mr. Mohamed Hanif Chaudhari transferred 667 Shares to Mr. Zubair I. Balwa on 14<sup>th</sup> June, 2018.

<sup>(6)</sup> Mr. Mohamed Hanif Chaudhari transferred 333 Shares to Mr. Imran I. Balwa on 24<sup>th</sup> July, 2019.

<sup>(7)</sup> Mr. Mohamed Hanif Chaudhari transferred 333 Shares to Mr. Zubair I. Balwa on 24<sup>th</sup> July, 2019

<sup>(8)</sup> Pursuant to the AGM held on 28<sup>th</sup> September, 2022 our company has issued Bonus Shares in the ratio of 35:1 to all the Existing shareholders of the Company.

- upto 8,69,000 Equity Shares of Mr. Mohamed Hanif Chaudhari will be locked-in for a period of three years and the remaining 2,58,988 shares will be locked-in for a period of one year.

### 3) Mr. Rafiq H. Balwa:

Date of Allotment / Transfer	Nature of Transaction	Consideration	No. of Shares	F.V (₹)	Issue / Transfer Price (₹)	Cumulative no. of Shares	% Of Pre-Issue Paid Up Capital	% Of Post-Issue Paid Up Capital
<b>Mr. Rafiq H. Balwa</b>								
15-12-2011	Allotment <sup>(1)</sup>	Cash	33,333	10	75	33,333	0.46	0.37
03-04-2018	Transfer-Sale <sup>(2)</sup>	Cash	(17,333)	10	0	16,000	0.22	0.18
04-06-2018	Transfer-Purchase <sup>(3)</sup>	Cash	1,333	10	46	17,333	0.24	0.19
24-07-2019	Transfer-Purchase <sup>(4)</sup>	Cash	667	10	46	18,000	0.25	0.19
28-09-2022	Bonus Issue <sup>(5)</sup>	Other than Cash	6,30,000	10	NIL	6,48,000	9.00	7.16
23-10-2022	Transfer-Gift <sup>(6)</sup>	Cash	1,14,764	10	0	7,62,764	10.59	8.42

<sup>(1)</sup> 90,000 shares of face value ₹ 10 each were allotted for cash at a premium of Rs 65 per share. 28,333 shares were allotted to Mr. Umar A.K. Balwa, 33,333 shares were allotted to Mr. Rafiq H. Balwa, 16,667 shares were allotted to Mr. Imran I. Balwa and 11,667 shares were allotted to Mr. Zubair I. Balwa respectively.

<sup>(2)</sup> 17,333 shares of face value of ₹ 10 each were transferred from Mr. Rafiq H. Balwa to Mr Hussein A. K. Balwa.

<sup>(3)</sup> 1,333 shares of face value ₹ 10 each were transferred from Mr. Abid A. Chaudhary to Mr. Rafiq H. Balwa at an Issue Price of ₹ 46 each.

<sup>(4)</sup> 667 Shares of face value ₹ 10 each were transferred from Mr. Abid A. Chaudhary to Mr. Rafiq H. Balwa at an Issue Price of ₹ 46 each.

<sup>(5)</sup> Pursuant to the AGM held on 28<sup>th</sup> September, 2022 our company has issued Bonus Shares in the ratio of 35:1 to all the Existing shareholders of the Company.

<sup>(6)</sup> 1,14,764 Shares of face value ₹ 10 each were transferred from Mr. Ismail A.K. Balwa to Mr. Rafiq H. Balwa as Gift.

- upto 5,33,237 Equity Shares of Mr. Rafiq Hussein Balwa will be locked-in for a period of three years and the remaining 2,29,527 shares will be locked-in for a period of one year.

#### Notes:

- None of the shares belonging to our Promoter have been pledged till date.
- The entire Promoter' shares shall be subject to lock-in from the date of allotment of the equity shares issued through this Prospectus for periods as per applicable Regulations of the SEBI (ICDR) Regulations.

- Our Promoters have confirmed to the Company and the Lead Managers that the Equity Shares held by our Promoter have been financed from their personal funds and no loans or financial assistance from any bank or financial institution has been availed by them for this purpose.
  - All the shares held by our Promoter, were fully paid-up on the respective dates of acquisition of such shares.
5. Our Company has Eleven (11) shareholders, as on the date of this Prospectus.

**6. Pre-Issue and Post Issue Shareholding of our Promoter and Promoter' Group**

- i. Set forth is the shareholding of our Promoter and Promoter Group before and after the proposed Issue:

Category of Promoter	Pre-Issue		Offer for Sale (OFS) Shares	Post Issue	
	No. of Shares	% Of Pre-Issue Paid Up Capital		No. of Shares	% Of Post-Issue Paid Up Capital
<b>1. Promoter</b>					
Mr. Mohamed Hanif Chaudhari	11,27,988	15.67	1,01,769	10,26,219	11.34
Mr. Umar A. K. Balwa	4,08,024	5.67	-	4,08,024	4.51
Mr. Rafiq H. Balwa	7,62,764	10.59	2,29,527	5,33,237	5.89
<b>Total (A)</b>	<b>22,98,776</b>	<b>31.93</b>	<b>3,31,296</b>	<b>19,67,480</b>	<b>21.74</b>
<b>2. Promoter Group (as defined by SEBI (ICDR) Regulations)</b>					
Mr. Hussein A. K. Balwa	6,23,988	8.67	-	6,23,988	6.89
Mrs. Saleha I. Balwa	6,36,012	8.83	-	6,36,012	7.03
Mr. Ismail A. K. Balwa	5,21,212	7.24	-	5,21,212	5.76
Mrs. Waheeda U. Balwa	2,88,000	4.00	1,14,764	1,73,236	1.91
Ms. Sania U. Balwa	2,88,000	4.00		2,88,000	3.18
Ms. Neha U. Balwa	2,88,000	4.00		2,88,000	3.18
Mr. Sadik S. Chaudhari	11,27,988	15.67	1,01,769	10,26,219	11.34
Mr. Abid A. Chaudhari	11,28,024	15.67	1,01,771	10,26,253	11.34
<b>Total (B)</b>	<b>49,01,224</b>	<b>68.07</b>	<b>3,18,304</b>	<b>45,82,920</b>	<b>50.64</b>
<b>3. Other Persons, Firms or Companies whose shareholding is aggregated for the purpose of disclosing in the Prospectus under the heading "Shareholding of the Promoter Group".</b>	-	-		-	
<b>Total Promoter &amp; Promoter Group Holding (A+B)</b>	<b>72,00,000</b>	<b>100.00</b>	<b>6,49,600</b>	<b>65,50,400</b>	<b>72.38</b>

- ii. None of the members of the Promoter, Promoter Group, Directors and their immediate relatives have purchased or sold any Equity shares of our Company within the last six months from the date of the Prospectus.

- iii. None of the members of the Promoter Group, Directors and their immediate relatives have financed the purchase by any other person of Equity shares of our Company other than in the normal course of business of the financing entity within the period of six months immediately preceding the date of this Prospectus.

## 7. Promoter' Contribution and other Lock-In details:

### i. Details of Promoter' Contribution locked-in for 3 years

Pursuant to the Regulation 236 and 238 of the SEBI (ICDR) Regulations, an aggregate of 20% of the Post-Issue Equity Share Capital held by our Promoter shall be considered as promoter' contribution ("**Promoter' Contribution**") and locked-in for a period of three years from the date of Allotment. The lock-in of the Promoter' 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.

The details of the Promoter's Equity Shares proposed to be locked-in for a period of three years are as follows:

Name of Promoter	No. of Shares locked in <sup>(1)</sup>	As a % of Post Issue Share Capital
Mr. Mohamed Hanif Chaudhari	8,69,000	9.60
Mr. Umar A. K. Balwa	4,08,024	4.51
Mr. Rafiq H. Balwa	5,33,237	5.89
<b>Total</b>	<b>18,10,261</b>	<b>20.00%</b>

<sup>(1)</sup> For details on the date of Allotment of the above Equity Shares, the nature of Allotment, face value and the price at which they were acquired, please refer Note no. 1(h) under "Notes to Capital Structure".

We confirm that in compliance with regulation 237 of SEBI ICDR Regulations, the minimum Promoter contribution of 20% as shown above which is subject to lock-in for three years does not consist of:

- Equity Shares acquired during the preceding three years for consideration other than cash and out of revaluation of assets or capitalization of intangible assets or bonus shares out of revaluation reserves or reserves without accrual of cash resources.
- Equity Shares acquired by the Promoter during the preceding one year, at a price lower than the price at which Equity Shares are being issued to public in the Issue.
- Private placement made by solicitation of subscription from unrelated persons either directly or through any intermediary.
- The Equity Shares held by the Promoter and offered for minimum 20% Promoter's Contribution are not subject to any pledge.
- Equity Shares for which specific written consent has not been obtained from the shareholders for inclusion of their subscription in the minimum Promoter' Contribution subject to lock-in.

**We further confirm that our Promoter' Contribution of 20% of the Post Issue Equity does not include any contribution from Alternative Investment Funds.**

### ii. Details of Shares locked-in for one year

- a) Pursuant to Regulation 238(b) of the SEBI (ICDR) Regulations, in addition to the Promoter' Contribution to be locked-in for a period of 3 years, as specified above, the entire Pre-Issue Equity

Share capital will be locked in for a period of one (1) year from the date of Allotment in this Issue, other than the Equity Shares allotted and subscribed pursuant to the Offer for Sale.

- b) Pursuant to Regulation 242 of the SEBI Regulations, the Equity Shares held by our Promoter can be pledged only with banks or financial institutions as collateral security for loans granted by such banks or financial institutions for the purpose of financing one or more of the objects of the issue and the pledge of shares is one of the terms of sanction of such loan. However, as on date of this Prospectus, none of the Equity Shares held by our Promoter have been pledged to any person, including banks and financial institutions.
- c) Pursuant to Regulation 243 of the SEBI (ICDR) Regulations, Equity Shares held by our Promoter, which are locked in as per Regulation 238 of the SEBI (ICDR) Regulations, may be transferred to and amongst our Promoter/ Promoter Group or to a new promoter or persons in control of our Company subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011 as applicable.
- d) Pursuant to Regulation 243 of the SEBI (ICDR) Regulations, Equity Shares held by shareholders other than our Promoter, which are locked-in as per Regulation 239 of the SEBI (ICDR) Regulations, may be transferred to any other person holding shares, subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011 as applicable.
- 8. Neither the Company, nor its Promoter, Directors or the Lead Managers have entered into any buyback and/or standby arrangements for purchase of Equity Shares of the Company from any person.
- 9. None of our Directors or Key Managerial Personnel holds Equity Shares in the Company, except as stated in the chapter titled *"Our Management"* beginning on page no. 140 of this Prospectus.
- 10. Investors may note that in case of over-subscription, allotment will be on proportionate basis as detailed under *"Basis of Allotment"* in the chapter titled *"Issue Procedure"* beginning on page no. 255 of this Prospectus. In case of over-subscription in all categories the allocation in the Issue shall be as per the requirements of Regulation 43 (4) of SEBI (ICDR) Regulations, as amended from time to time.
- 11. An investor cannot make an application for more than the number of Equity Shares offered in this Issue, subject to the maximum limit of investment prescribed under relevant laws applicable to each category of investor.
- 12. An over-subscription to the extent of 10% of the Net Offer can be retained for the purpose of rounding off to the nearest integer during finalizing the allotment, subject to minimum allotment, which is the minimum application size in this Issue.

Consequently, the actual allotment may go up by a maximum of 10% of the Net 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 lock-in shall be suitably increased; so as to ensure that 20% of the post Issue paid-up capital is locked in.

- 13. Under subscription, if any, in any of the categories, would be allowed to be met with spill-over from any of the other categories or a combination of categories at the discretion of our Company in

consultation with the Lead Manager and Designated Stock Exchange. Such inter-se spill over, if any, would be effected in accordance with applicable laws, rules, regulations and guidelines

14. No payment, direct, indirect in the nature of discount, commission, and allowance, or otherwise shall be made either by us or by our Promoter to the persons who receive allotments, if any, in this Issue.
15. As on date of this Prospectus, there are no outstanding financial instruments or any other rights that would entitle the existing Promoter or shareholders or any other person any option to receive Equity Shares after the Issue.
16. As on date of this Prospectus, the entire issued share capital of our Company is fully paid-up. The Equity Shares issued through this Public Issue will be fully paid up.
17. There shall be only one denomination of Equity Shares of our Company unless otherwise permitted by law. Our Company shall comply with disclosure and accounting norms as may be specified by SEBI from time to time.
18. Since the entire application money is being called on application, all successful applications, shall be issued fully paid-up shares only. Also, as on the date of this Prospectus the entire pre-issue share capital of the Company has been made fully paid up.
19. We have not issued any Equity Shares out of revaluation reserves. We have not issued any Equity Shares for consideration other than cash except as stated in this Prospectus.
20. As on date of this Prospectus, there are no outstanding ESOP's, warrants, options or rights to convert debentures, loans or other instruments convertible into the Equity Shares, nor has the company ever allotted any equity shares pursuant to conversion of ESOPs till date.
21. Our Company shall ensure that transactions in the Equity Shares by our Promoter and our Promoter Group between the date of this Prospectus and the Issue Closing Date shall be reported to the Stock Exchange within 24 hours of such transaction.
22. Our Promoter and Promoter Group will not participate in the Issue.
23. The Book Running Lead Manager and its associates do not directly or indirectly hold any shares of the Company.
24. Our Company has not revalued its assets and we do not have any revaluation reserves till date.
25. Our Promoter and members of our Promoter Group will not receive any proceeds from the Offer, except to the extent of Promoter's participation as Selling Shareholders in the Offer for Sale.

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

## SECTION V

## PARTICULARS OF THE ISSUE

### OBJECTS OF THE ISSUE

The Offer comprises of a Fresh Issue by our Company and an Offer for Sale by the Promoter and Promoter Group Selling Shareholder.

#### Offer for Sale

The proceeds from the Offer for Sale shall be received by the Selling Shareholder, Mr. Mohamed Hanif Chaudhari, Mr. Rafiq H. Balwa, Mrs. Waheeda U. Balwa, Mr. Sadik H. Chaudhari. and Mr. Abid Ali Chaudhari. Our company will not receive any proceeds from the Offer for Sale. The Selling Shareholder will be entitled to its respective portion of the proceeds of the Offer for Sale, after deducting its respective portion of the Offer related expenses and relevant taxes thereon. For details of the Selling Shareholders, see “Other Regulatory and Statutory Disclosures- Authority for the Offer” on page 56 of this Prospectus.

#### Issue Proceeds & Net Issue Proceeds

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

(₹ in lakhs)		
Sr. No.	Particulars	Amount
1	Gross Proceeds of the Issue	4162.5
2	Issue related Expenses <sup>(1)</sup>	112.50
	<b>Net Proceeds of the Issue</b>	<b>4050.00</b>

<sup>(1)</sup> To be finalised upon determination of the Offer Price and updated in the Prospectus at the time of filling with the ROC.

The Objects of the Net Issue is to raise funds for:

- 1) Purchase of Plant and Machinery
- 2) Product Development
- 3) Marketing and after Sales Support
- 4) General Corporate Purpose
- 5) Provisions and Contingency
- 6) Working Capital Requirement

Further, our Company expects that the listing of the Equity Shares will enhance our visibility and our brand image among our existing and potential customers.

The Main Objects clause as set out in the Memorandum of Association enables our Company to undertake its existing activities and the activities for which funds are being raised by the Company through the Present Issue. Further, we confirm that the activities that we have been conducting until now are in accordance with the objects clause of our Memorandum of Association.

#### Proposed Schedule of Implementation and Deployment of the Net Proceeds

The Net Proceeds of the Issue ("Net Proceeds") are currently expected to be deployed in accordance with the schedule as stated below:

(₹ in lakhs)

Sr. No.	Object	Amount to be funded from Net Proceeds (F. Y. 2022-23)
1.	Purchase of Plant & Machinery	1200.00
2.	Product Development	300.00
3.	Marketing and Post-Sales Support	1100.00
4.	General Corporate Purpose <sup>(1)</sup>	334.00
5.	Provisions and Contingency	400.00
6.	Working Capital Requirement	716.00
	<b>Net Proceeds - Total</b>	<b>4050.00</b>

<sup>(1)</sup> To be finalised upon determination of Offer Price and updated in the Prospectus prior to filing with the ROC. The amount utilised for general corporate purposes shall not exceed 25% of the Gross Proceeds from the Fresh Issue.

### Requirement of Funds and Means of Finance

In the event of the estimated utilisation of the Net Proceeds in a scheduled Fiscal being not undertaken in its entirety, the remaining Net Proceeds shall be utilised in subsequent Fiscals, as may be decided by our Company, in accordance with applicable laws. Further, if the Net Proceeds are not completely utilised for the objects during the respective periods stated above due to factors such as (i) economic and business conditions; (ii) increased competition; (iii) timely completion of the Issue; (iv) market conditions outside the control of our Company; and (v) any other commercial considerations, the remaining Net Proceeds shall be utilised (in part or full) in subsequent periods as may be determined by our Company, in accordance with applicable laws.

The fund requirements mentioned above are based on the internal management estimates of our Company and have not been verified by the BRLM or appraised by any bank, financial institution or any other external agency. They are based on current circumstances of our business and our Company may have to revise its estimates from time to time on account of various factors beyond its control, such as market conditions, competitive environment, costs of commodities and interest or exchange rate fluctuations. Consequently, the fund requirements of our Company are subject to revisions in the future at the discretion of the management. In the event of any shortfall of funds for the activities proposed to be financed out of the Net Proceeds as stated above, our Company may re-allocate the Net Proceeds to the activities where such shortfall has arisen, subject to compliance with applicable laws. Further, in case of a shortfall in the Net Proceeds or cost overruns, our management may explore a range of options including utilising our internal accruals or seeking debt financing.

The entire fund requirements are to be financed from the Net Issue Proceeds, and there is no requirement to make firm arrangements of finance under Regulation 230(1)(e) of the SEBI Regulations through verifiable means towards at least 75% of the stated means of finance, excluding the amounts to be raised through the Issue.

*For further details on the risks involved in our proposed fund utilization as well as executing our business strategies, please refer the "Risk Factors" on page No. 35 of this Prospectus.*

The deployment of the Net Proceeds from the Issue are based on management estimates and have not been independently appraised by any bank or financial institution and is not subject to any monitoring by any independent agency and our Company's management will have flexibility in utilizing the Net Proceeds from the Issue.

### DETAILS OF THE FUND REQUIREMENT

### 1) To purchase and set up Plant and Machinery

The following table depicts the break-down of the estimated expenses related to the proposed set up of a plant at Mumbai: -

(₹ in lakhs)

Sr. No.	Particulars	Total Cost
1.	Plant & Machinery	1200.00
	<b>Total</b>	
	<b>Funded By:</b>	<b>1200.00</b>
	Net Issue Proceeds	1200.00

List of Plant & Machinery is as under:

Sr. No.	Description of Machinery	No. of Machines	Supplier	Cost	Total cost
1	QTE-200SG-300U	2	Yamazaki Mazak India Pvt. Ltd	₹ 47,21,900.00	₹ 94,43,800.00
2	QTP-150SG-250U	2	Yamazaki Mazak India Pvt. Ltd	₹ 41,24,200.00	₹ 82,48,400.00
3	GCU 350x500	4	Micromatic Grinding Technologies Pvt Ltd	₹ 18,38,818.00	₹ 73,55,272.00
4	SJE 10 HT	2	Ace Manufacturing Systems Pvt Ltd	₹ 22,00,000.00	₹ 44,00,000.00
5	VANTAGE 1000	1	Ace Manufacturing Systems Pvt Ltd	₹ 39,28,500.00	₹ 39,28,500.00
6	Tsugami: Mi08J-II	5	Phillip Machine Tools India Pvt Ltd	₹ 24,50,000.00	₹ 1,22,50,000.00
7	WZR-104	1	WAZER	₹ 8,63,850.00	₹ 8,63,850.00
8	WZR-103	1	WAZER	₹ 7,67,850.00	₹ 7,67,850.00
9	LL20TL 3	5	Lakshmi Machine Works Ltd	₹ 25,16,000.00	₹ 1,25,80,000.00
10	LL25TL 5	1	Lakshmi Machine Works Ltd	₹ 28,87,000.00	₹ 28,87,000.00
11	LR 30 C	1	Lakshmi Machine Works Ltd	₹ 35,50,000.00	₹ 35,50,000.00

12	Jib Crane	1	Jay Engineering Company	₹ 3,60,000.00	₹ 3,60,000.00
13	430 V	1	Ace Manufacturing Systems Pvt Ltd	₹ 19,87,000.00	₹ 19,87,000.00
14	430 V (With Rotary)	2	Ace Manufacturing Systems Pvt Ltd	₹ 25,27,000.00	₹ 50,54,000.00
15	HS-G3015C III 3KW (Raycus Laser Source)	1	Laser Technologies Pvt Ltd	₹ 50,20,500.00	₹ 50,20,500.00
16	VCR-VCR-XXX-A3-P	1	I R TECHNOLOGY SERVICES PVT. LTD	₹ 15,00,000.00	₹ 15,00,000.00
17	Kemet 36 open face 3 ring Lapping Machine	2	Kemet Far East Pte Ltd	₹ 50,00,000.00	₹ 1,00,00,000.00
18	Testing Panel for Assembly	1	Synergie Controls & Systems Pvt. Ltd	₹ 1,83,500.00	₹ 1,83,500.00
19	132KW Drive Panel with Control Post	1	Synergie Controls & Systems Pvt. Ltd	₹ 11,75,000.00	₹ 11,75,000.00
20	Bellows Fatigue Testing Machine	1	TMG Automation Systems	₹ 7,35,000.00	₹ 7,35,000.00
21	DYNO (Spring Testing Machine)	1	EASYDUR SRL	₹ 13,49,160.00	₹ 13,49,160.00
22	Godrej 2.0 Ton Electric Forklift - GX 200 E (UNO)	1	MAZ AUTO LIFT SERVICES	₹ 10,23,000.00	₹ 10,23,000.00
23	PRESSURE VESSEL SYSTEM	1	SF ENGINEERING PROJECTS & EQUIPMENTS PVT LTD	₹ 11,35,000.00	₹ 11,35,000.00
24	Helium Leak Detector	1	Leybold India Private Limited	₹ 15,50,000.00	₹ 15,50,000.00
25	CAP0.SK-B - CAP-0 Angle head with L=75mm	1	Mecanica De Precision Jose Madaula, S.A.	₹ 8,20,400.00	₹ 8,20,400.00

26	Compressor - G 15 – 7.5 FF ( 68.7 CFM @ 7.5 KG/CM2)	1	Aditi Engineering Corporation	₹ 7,70,000.00	₹ 7,70,000.00
27	Pressure Blasting Machine	1	Blast clean Systems Pvt Ltd	₹ 4,80,000.00	₹ 4,80,000.00
28	Metal Bellow Machine	1	MIG-O-MAT Mikrofügetechnik GmbH	₹ 15,58,800.00	₹ 15,58,800.00
29	Laser Marking Machine	1	LASIT S.P.A	₹ 86,14,495.00	₹ 86,14,495.00
30	Civil work of Kaman plant	1	ABC Fabrication	₹ 1,35,55,484.00	₹ 1,35,55,484.00
				Total	₹ 12,31,46,011.00

Note: 1) Post negotiation cost is estimated at Rs.1200 Lakhs

2) The proposed project is estimated to be completed/ operational in F.Y. 2023-24.

Proposed plant and machinery is to be installed at Empire Estate-I Industrial gala 1 to 7 ground floor unit no. 2 Khindipada Village Vasai East, Thane 401208. The said unit is admeasuring 10,563 sq.ft. The said unit is taken on lease by Sealmatic India Limited and has entered into a leave and license agreement dated 15<sup>th</sup> October 2022.

## 2) Product Development Cost

Cost to be incurred for developing Dry Gas Seals for high-speed compressors. The breakup of cost to be incurred is as below:

(₹ in lakhs)

Sr. No.	Particulars	Amount
1.	Designing cost on FEA and CFD software, calculation assistance from external agencies in Europe/ USA.	55.00
2.	Testing on high-speed test rig to be developed inhouse, with high-speed motors etc	175.00
3.	Quality testing on high profile 5 axis CMM	45.00
4.	Samples at no cost basis	15.00
5.	Travelling & out of pocket expenses	5.00
Other Cost for approving the product with various customers such as Refinery, Oil & Gas petrochemical etc.		5.00
<b>Total</b>		<b>300.00</b>
<b><u>Funded By:</u></b>		
Net Issue Proceeds		300.00

## 3) Marketing and after Sales support

The marketing and after sales support of the product is as below:

(₹ in lakhs)

Sr. No.	Particulars	Amount
1.	Lease Rent deposit for initial 18 months at the below locations:	
	a) Delhi	18.00
	b) Chennai	14.00
	c) Kolkata	12.00
	d) Hyderabad	16.00
2.	Cost of setting up office which includes furniture, fixtures, electrical fittings, computer systems etc in Delhi, Chennai, Kolkata and Hyderabad	100.00
3.	Initial expenses to be capitalised which includes Salaries, Travelling and other miscellaneous cost in Delhi, Chennai, Kolkata and Hyderabad	360.00
4.	Cost of setting up sales and service centre in USA & Europe which includes lease rent, office set up, employee cost etc.	580.00
<b>Total</b>		<b>1100.00</b>
<b><u>Funded By:</u></b>		
Net Issue Proceeds		1100.00

Sealmatic India Limited propose to start new marketing and after sales service centre/ offices in India to serve existing customers and to tap new buyers.

#### 4) General Corporate Purpose

Our management will have flexibility to deploy ₹ 334.00 lakhs, aggregating to 8.02 % of the Net Proceeds of the Issue towards general corporate purposes, including but not restricted to strategic initiatives, partnerships, joint ventures and acquisitions, meeting exigencies which our Company may face in the ordinary course of business, to renovate and refurbish certain of our existing Company owned/ leased and operated facilities or premises, towards brand promotion activities or any other purposes as may be approved by our Board, subject to compliance with the necessary provisions of the Companies Act.

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

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

#### 5) Provisions and Contingencies:

Provision for Contingencies is made @ 10% i.e at approx ₹ 400 Lakhs of proposed cost of expansion to meet the Normal Cost Overrun. The said is to be funded by net proceeds of the IPO.

#### 6) Working Capital Requirements

(₹ in lakhs)

Particulars	Fiscal 2021 (Restated)	Fiscal 2022 (Restated)	Fiscal 2023 (Projected)	Fiscal 2024 (Projected)
<b>Current Assets</b>				
Inventories	858.53	1,457.75	2,090.80	2,966.54
Debtors	642.72	895.79	1,524.54	2,125.01
Other Current Assets	169.56	185.96	378.94	397.89
Cash and Cash Equivalent	295.49	252.55	378.82	397.76
Short Term Loans and Advances	30.18	55.19	82.79	86.93
<b>Total Current Assets (A)</b>	<b>1,996.49</b>	<b>2,847.24</b>	<b>4,455.89</b>	<b>5,974.13</b>
<b>Less: Current Liabilities</b>				
Trade Payables	367.16	699.91	715.56	386.52
Other Current Liabilities	199.99	169.94	16.46	16.46
<b>Total Current Liabilities (B)</b>	<b>567.15</b>	<b>869.85</b>	<b>732.02</b>	<b>402.98</b>
<b>Working Capital Gap (A-B)</b>	<b>1,429.34</b>	<b>1,977.39</b>	<b>3,723.87</b>	<b>5,571.16</b>
<b>Funded By:</b>				
Internal Accrual	1,429.34	1,977.39	3,007.37	4,854.66
Proceeds from IPO Funding	-	-	716.50	716.50

## Holding Periods

Particulars		Fiscal 2022 (Restated)	Fiscal 2021 (Restated)	Fiscal 2023 (Projected)	Fiscal 2024 (Projected)
<b>Current Assets</b>					
Inventories					
-Raw Material & Other Consumables	Months	-	-	-	-
-Finished Goods	Months	4.09	2.90	4.80	4.90
Debtors	Months	2.51	2.17	3.50	3.51
<b>Current Liabilities</b>					
Trade Payables	Months	4.01	2.99	3.26	3.20

Justification for holding period levels

Particulars	Details
<b>Current Assets</b>	
Inventories	Inventory levels are maintained by our Company depending upon the demand and delivery schedules. Generally, we supply the goods to our clients directly from the premises of our suppliers so the required inventory level is not so high. In Fiscal 2020, 2021 and 2022 our average Inventory holding period was 2.62 months, 2.9 month and 4.09 month respectively. We are estimating to maintain the Inventory holding period at levels of 4.8 month for Fiscal 2023 as per our market condition.
Sundry Debtors/ Trade Receivables	Debtor Holding period are maintained by our Company depending upon the demand and prevailing market condition. In Fiscal 2020, 2021 and 2022 our average Debtor holding period was 2.19 months, 2.17 month and 2.51 month respectively. We are estimating to maintain the Debtor holding period at levels of 3.50 months for Fiscal 2023 as per the prevailing market condition.
<b>Current Liabilities</b>	
Sundry Creditors/ Trade Payables	Creditor holding periods are again depends upon the demand and prevailing market condition. In Fiscal 2020, 2021 and 2022 our average Creditor holding period was 4.03 month, 2.99 months and 4.01 month respectively. However, going forward we are estimating to maintain the Creditor holding period at levels of 3.20 months for Fiscal 2023 to avail better pricing and reducing the cost of purchase.

## ISSUE RELATED EXPENSES

The total estimated Issue Expenses are ₹ 112.50 Lakhs, which is 2.00 % of the total Issue Size.

The details of the Issue Expenses are tabulated below:

Sr. No.	Particulars	Amount (₹ in lakhs)	% Of Total Expenses	% Of Total Issue size
1	Issue Management fees including fees and payment to other intermediaries such as Legal Advisors, Registrars etc.	45.00	40%	0.80%
2	Brokerage and selling commission <sup>(2)(3)(4)</sup>	60.00	53.33%	1.06%
3	Printing & Stationery, Distribution, Postage, etc.			
4	Advertisement and other Expenses	4.50	4%	0.08%
5	Stock Exchange Fees, Regulatory and other Expenses	3.00	2.66%	0.05%
<b>Total</b>		<b>112.50</b>	<b>100%</b>	<b>1.99%</b>

<sup>(2)</sup> The SCSBs and other intermediaries will be entitled to a commission of ₹ 10/- per every valid Application Form submitted to them and uploaded on the electronic system of the Stock Exchange by them.

<sup>(3)</sup> The SCSBs would be entitled to processing fees of ₹ 10/- per Application Form, for processing the Application Forms procured by other intermediaries and submitted to the SCSBs.

<sup>(4)</sup> Further the SCSBs and other intermediaries will be entitled to selling commission of 0.01% of the Amount Allotted (product of the number of Equity Shares Allotted and the Issue Price) for the forms directly procured by them and uploaded on the electronic system of the Stock Exchange by them.

The Issue expenses are estimated expenses and subject to change. The Issue expenses shall be payable within 30 working days post the date of receipt of the final invoice from the respective Intermediaries by our Company.

### Appraisal and Bridge Loans

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

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

As on the date of this Prospectus, no funds have been deployed on these objects. The entire Issue size is proposed to be deployed in the Financial Year 2022 – 23.

### Monitoring of Utilization of Funds

Since the proceeds from the Issue do not exceed ₹ 10,000 lakhs, in terms of Regulation 262 of the SEBI ICDR Regulations, our Company is not required to appoint a monitoring agency for the purposes of this Issue. Our Board and Audit Committee will monitor the utilisation of the proceeds of the Issue. Our Company will disclose the utilization of the Net Proceeds under a separate head in our balance sheet along with the relevant details, for all such amounts that have not been utilized. Our Company will indicate investments, if any, of unutilised Net Proceeds in the balance sheet of our Company for the relevant fiscals subsequent to receipt of listing and trading approvals from the Stock Exchange.

Pursuant to the SEBI Listing Regulations, our Company shall disclose to the Audit Committee of the Board of Directors the uses and applications of the Net Proceeds. Our Company shall prepare a statement of funds utilised for purposes other than those stated in this Prospectus and place it before the Audit Committee of the Board of Directors, as required under applicable law. Such disclosure shall be made only until such time that all the Net Proceeds have been utilised in full. The statement shall be certified by the statutory auditor of our Company. Furthermore, in accordance with the Regulation 32(1) of the SEBI Listing Regulations, our Company shall furnish to the Stock Exchange on a half yearly basis, a statement indicating (i) deviations, if any, in the utilisation of the proceeds of the Issue from the objects of the Issue as stated above; and (ii) details of category wise variations in the utilisation of the proceeds from the Issue from the objects of the Issue as stated above. This information will also be published in newspapers simultaneously with the interim or annual financial results, after placing the same before the Audit Committee of the Board of Directors.

### **Working Capital Requirement**

We fund the majority of our working capital requirements in the ordinary course of our business from our internal accruals, financing from various banks and financial institutions.

### **Interim Use of Funds**

Pending utilization of the Net Proceeds for the purposes described above, our Company will deposit the Net Proceeds with scheduled commercial banks included in schedule II of the RBI Act. Our Company confirms that it shall not use the Net Proceeds for buying, trading or otherwise dealing in shares of any listed company or for any investment in the equity markets.

### **Variation in Objects**

In accordance with Section 27 of the Companies Act, 2013, our Company shall not vary the objects of the Issue without our Company being authorised to do so by the Shareholders by way of a special resolution. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution shall specify the prescribed details as required under the Companies Act. The notice in respect of such resolution to Shareholders shall simultaneously be published in the newspapers, one in English and one in regional language of the jurisdiction where our Registered Office is situated. The Shareholders who do not agree to the above stated proposal, our Promoters or controlling Shareholders will be required to provide an exit opportunity to such dissenting Shareholders, at a price as may be prescribed by SEBI, in this regard.

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

Except as mentioned under the section 'Details of Funds Requirement' in this Chapter above, no part of the Net Proceeds will be paid by our Company as consideration to our Promoter, our board of Directors, our Key Management Personnel or Group Companies except in the normal course of business in compliance with applicable law.

## BASIS FOR ISSUE PRICE

The Issue Price has been determined by our Company in consultation with the Book Running Lead Manager on the basis of the key business strengths. Investors should read the following basis with the sections titled “Risk Factors” and “Restated Financial Information” and the chapter titled “Our Business” beginning on page no’s 34, 164 and 111 respectively, of this Prospectus to get a more informed view before making any investment decisions.

### Qualitative Factors

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

- Existing Customer base of domestic and overseas clients
- One of few Indian companies approved/registered as vendor with national and international buyers
- Experienced Board of Directors and senior management team supported by skilled and qualified workforce.
- Consistent financial performance with about 30 % growth in profit after taxes.
- Optimum utilisation of existing installed capacity and firm plan for expansion.

For more details on qualitative factors, refer to chapter “Our Business” on page no. 118 of this Prospectus.

### Quantitative Factors

The information presented in this section is derived from our Restated Financial Statements. For more details on financial information, investors please refer the chapter titled “Restated Financial Information” beginning on page no. 171 of this Prospectus.

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

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

Particulars	Basic & Diluted	
	EPS (in ₹) <sup>(2)</sup>	Weights
Year ended on March 31, 2022	11.69	3
Year ended on March 31, 2021	9.03	2
Year ended on March 31, 2020	6.87	1
<b>Weighted Average</b>	<b>Rs. 10</b>	
Half yearly ended on Sept 30, 2022	Basic and Diluted: <b>Rs. 7.55</b>	
Estimated Annualised EPS for year to be ended March 31, 2023	<b>Rs. 15.10</b>	

<sup>(1)</sup> For the period of Half year ended and not annualised

<sup>(2)</sup> Based on Standalone Restated Financials of our Company with post bonus issue capital

#### Notes:

- a. Basic EPS has been calculated as per the following formula:

$$\text{Basic EPS (₹)} = \frac{\text{Net profit/ (loss) as restated, attributable to Equity Shareholders}}{\text{Weighted average number of Equity Shares outstanding during the year/period}}$$

- b. Diluted EPS has been calculated as per the following formula:

$$\text{Diluted EPS (₹)} = \frac{\text{Net profit/ (loss) as restated, attributable to Equity Shareholders}}{\text{Diluted Weighted average number of Equity Shares outstanding during the year/period}}$$

- c. Basic and Diluted EPS calculations are in accordance with Accounting Standard 20 "Earnings per Share", notified under section 133 of Companies Act, 2013 read together along with paragraph 7 of Companies (Accounting) Rules, 2014
- d. The above statement should be read in conjunction with Significant Accounting Policies and Notes to Restated Financial Statements as appearing in "Annexure IV- Financial Information" beginning on page no. 193 Prospectus.

- 2) **Price Earnings Ratio ("P/E") in relation to the Price Band of ₹ 220 to ₹ 225 per Equity Share of face value of ₹ 10/- each fully paid up:**

Particulars	P/E Ratio at the lower end of the Price Band (number of times)	P/E Ratio at the higher end of the Price Band (number of times)	P/E ratio at the Offer Price (number of times)
P/E ratio based on Basic and Diluted EPS as at March 31, 2022	18.81	19.25	19.25
P/E ratio based on Weighted Average EPS	22.00	22.50	22.50
Estimated Annualised P/E ratio based on Basic and Diluted EPS based on Sept 30, 2022	14.57	14.90	14.90

- 3) **Return on Net worth (RoNW):**

	RoNW (%)	Weight
Year ended on March 31, 2022	27.90	3
Year ended on March 31, 2021	29.88	2
Year ended on March 31, 2020	32.41	1
<b>Weighted Average</b>	<b>29.31</b>	
Half year ended on September 30, 2022	<b>15.31%</b>	
Annualised for FY 2022-2023	<b>30.62%</b>	

\* For the period Half year ended and not annualised

**Note:** Return on Net worth has been calculated as per the following formula:

$$\text{RoNW} = \frac{\text{Net profit/loss after tax, as restated}}{\text{Net worth excluding preference share capital and revaluation reserve}}$$

#### 4) Net Asset Value (NAV) per share

Financial Year	Standalone NAV (₹)
NAV as at March 31, 2022	1507.94
NAV as on Sep 30, 2022*	49.31
NAV after Issue	85.22
Issue Price (₹)	225

\* After giving effect of Bonus share issued in September 28, 2022

**Note:** Net Asset Value has been calculated as per the following formula:

$$\text{NAV} = \frac{\text{Net worth excluding preference share capital and revaluation reserve}}{\text{Outstanding number of Equity shares at the end of the year}}$$

- 5) The Company in consultation with the Book Running Lead Manager believes that the Issue price of ₹ 225 (including a Share premium of ₹ 215 per Equity Share) per share for the Public Issue is justified in view of the above parameters. The investors may also want to peruse the Risk Factors and Financials of the company including important profitability and return ratios, as set out in the Financial Statements included in this Prospectus to have more informed view about the investment proposition.

The Price Band is ₹ 220 to ₹ 225. The Face Value of the Equity Shares is ₹ 10 per share and the Issue Price is 22 to 22.5 times of the face value at the lower price band and upper price band respectively.

## STATEMENT OF SPECIAL TAX BENEFITS

### R. R. SHAH & ASSOCIATES

CHARTERED ACCOUNTANTS

207 Kshamalaya, 37 Marg, New Marine Lines, Mumbai 400020  
Tel No. 022-22033160 Email: info@rrshahassociates.com

### STATEMENT OF POSSIBLE TAX BENEFITS

To,  
**The Board of Directors**  
**Sealmatic India Limited**  
(formerly known as Sealmatic India Private Limited)  
4th Floor, Techniplex – I, Techniplex Complex,  
Off Veer Savarkar Flyover, Goregaon (west),  
Mumbai, Maharashtra 400062.

Dear Sirs,

**Sub: Statement of possible Special tax benefit ('the Statement') available to Sealmatic India Limited (Formerly known as Sealmatic India Private Limited) and its shareholders prepared in accordance with the requirements under Schedule VI-Clause 9L of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended (the 'Regulations')**

We, R. R. Shah & Associates, Chartered Accountants appointed by the Sealmatic India Limited ('The Company') in terms of our engagement letter dated December 2, 2022 in relation to the offer hereby confirmed that the enclosed annexure, prepared by the Company states the possible special tax benefits available to the Company and the shareholders of the Company under the Income – tax Act, 1961 ('Act') as amended time to time, presently in force in India. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Act. Hence, the ability of the Company or its shareholders to derive the tax benefits is dependent upon fulfilling such conditions, which based on the business imperatives, the company may or may not choose to fulfil.

The benefits discussed in the enclosed Annexure cover only special tax benefits available to the Company and its Shareholders and do not cover any general tax benefits. Further, these benefits are neither exhaustive nor conclusive and the preparation of the contents stated is the responsibility of the Company's management. We are informed that this statement is only intended to provide general information to the investors and hence is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences, the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the issue. We are neither suggesting nor are we advising the investor to invest money or not to invest money based on this statement.

Our views are based on the existing provisions of the Act and its interpretations, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions. Any such change, which could also be retroactive, could have an effect on the validity of our views stated herein. We assume no obligation to update this statement on any events subsequent to its issue, which may have a material effect on the discussions herein.



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

- the Company or its Shareholders will continue to obtain these benefits in future; or
- the conditions prescribed for availing the benefits, where applicable have been / would be met.

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

No assurance is given that the revenue authorities / courts will concur with the views expressed herein. The views are based on the existing provisions of law and its interpretation, which are subject to change from time to time. We would not assume responsibility to update the view, consequence to such change.

We shall not be liable to Company for 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.

The enclosed Annexure is intended solely for your information and for inclusion in the Draft Red Herring Prospectus or any other issue related material in connection with the proposed issue of equity shares and is not to be used, referred to or distributed for any other purpose without our prior written consent.

Signed in terms of our separate report of even date.

For, R. R. Shah & Associates  
Chartered Accountants  
Firm Reg. No: 112007W

(Rajesh S. Shah)  
Partner

Membership No: 017844

Place: Mumbai

Date: - 2 JAN 2023

UDIN No: 230117844B4Q8Q00160





## SECTION VI

### ABOUT THE COMPANY

#### INDUSTRY OVERVIEW

*The information in this chapter includes extracts from publicly available information, data, statistics and has been derived from various government publications and industry sources. The data may have been re-classified by us for the purposes of presentation. 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.*

*Before deciding to invest in the Equity Shares, prospective investors should read this entire Prospectus, including the information in the sections "Risk Factors" and "Restated Financial Statements" on pages 34 and 164, respectively of the Prospectus. An investment in the Equity Shares involves a high degree of risk. For a discussion of certain risks in connection with an investment in the Equity Shares, please see the section 'Risk Factors' on page 34 of the Prospectus. Accordingly, investment decisions should not be based on such information.*

#### GLOBAL ECONOMIC OVERVIEW

A tentative recovery in 2021 has been followed by increasingly gloomy developments in 2022 as risks began to materialize. Global output contracted in the second quarter of this year, owing to downturns in China and Russia, while US consumer spending undershot expectations. Several shocks have hit a world economy already weakened by the pandemic: higher-than-expected inflation worldwide—especially in the United States and major European economies—triggering tighter financial conditions; a worse-than-anticipated slowdown in China, reflecting COVID- 19 outbreaks and lockdowns; and further negative spill overs from the war in Ukraine.

The baseline forecast is for growth to slow from 6.1 percent last year to 3.2 percent in 2022, 0.4 percentage point lower than in the April 2022 World Economic Outlook. Lower growth earlier this year, reduced household purchasing power, and tighter monetary policy drove a downward revision of 1.4 percentage points in the United States. In China, further lockdowns and the deepening real estate crisis have led growth to be revised down by 1.1 percentage points, with major global spillovers. And in Europe, significant downgrades reflect spillovers from the war in Ukraine and tighter monetary policy. Global inflation has been revised up due to food and energy prices as well as lingering supply-demand imbalances, and is anticipated to reach 6.6 percent in advanced economies and 9.5 percent in emerging market and developing economies this year—upward revisions of 0.9 and 0.8 percentage point, respectively. In 2023, disinflationary monetary policy is expected to bite, with global output growing by just 2.9 percent.

The risks to the outlook are overwhelmingly tilted to the downside. The war in Ukraine could lead to a sudden stop of European gas imports from Russia; inflation could be harder to bring down than anticipated either if labor markets are tighter than expected or inflation expectations unanchored; tighter global financial conditions could induce debt distress in emerging market and developing economies; renewed COVID-19 outbreaks and lockdowns as well as a further escalation of the property sector crisis might further suppress Chinese growth; and geopolitical fragmentation could impede global trade and cooperation. A plausible alternative scenario in which risks materialize, inflation rises further, and global growth declines to about 2.6 percent and 2.0 percent in 2022 and 2023, respectively, would put growth in the bottom 10 percent of outcomes since 1970.

With increasing prices continuing to squeeze living standards worldwide, taming inflation should be the first priority for policymakers. Tighter monetary policy will inevitably have real economic costs, but delay will only exacerbate them. Targeted fiscal support can help cushion the impact on the most vulnerable, but with government budgets stretched by the pandemic and the need for a disinflationary overall macroeconomic policy stance, such policies will need to be offset by increased taxes or lower government spending. Tighter monetary conditions will also affect financial stability, requiring judicious use of macroprudential tools and making reforms to debt resolution frameworks all the more necessary. Policies to address specific impacts on energy and food prices should focus on those most affected without distorting prices. And as the pandemic continues, vaccination rates must rise to guard against future variants. Finally, mitigating climate change continues to require urgent multilateral action to limit emissions and raise investments to hasten the green transition.

## Latest World Economic Outlook Growth Projections

(real GDP, annual percent change)	PROJECTIONS		
	2021	2022	2023
<b>World Output</b>	<b>6.1</b>	<b>-3.2</b>	<b>2.9</b>
<b>Advanced Economies</b>	<b>5.2</b>	<b>2.5</b>	<b>1.4</b>
United States	5.7	2.3	1.0
Euro Area	5.4	2.6	1.2
Germany	2.9	1.2	0.8
France	6.8	2.3	1.0
Italy	6.6	3.0	0.7
Spain	5.1	4.0	2.0
Japan	1.7	1.7	1.7
United Kingdom	7.4	3.2	0.5
Canada	4.5	3.4	1.8
Other Advanced Economies	5.1	2.9	2.7
<b>Emerging Market and Developing Economies</b>	<b>6.8</b>	<b>3.6</b>	<b>3.9</b>
<b>Emerging and Developing Asia</b>	<b>7.3</b>	<b>4.6</b>	<b>5.0</b>
China	8.1	3.3	4.6
India	8.7	7.4	6.1
ASEAN-5	3.4	5.3	5.1
<b>Emerging and Developing Europe</b>	<b>6.7</b>	<b>-1.4</b>	<b>0.9</b>
Russia	4.7	-6.0	-3.5
<b>Latin America and the Caribbean</b>	<b>6.9</b>	<b>3.0</b>	<b>2.0</b>
Brazil	4.6	1.7	1.1
Mexico	4.8	2.4	1.2
<b>Middle East and Central Asia</b>	<b>5.8</b>	<b>4.8</b>	<b>3.5</b>
Saudi Arabia	3.2	7.6	3.7
<b>Sub-Saharan Africa</b>	<b>4.6</b>	<b>3.8</b>	<b>4.0</b>
Nigeria	3.6	3.4	3.2
South Africa	4.9	2.3	1.4
<b>Memorandum</b>			
<b>Emerging Market and Middle-Income Economies</b>	<b>7.0</b>	<b>3.5</b>	<b>3.8</b>
<b>Low-Income Developing Countries</b>	<b>4.5</b>	<b>5.0</b>	<b>5.2</b>

Source: IMF, World Economic Outlook Update, July 2022

Note: For India, data and forecasts are presented on a fiscal year basis, with FY 2021/2022 starting in April 2021. For the July 2022 WEO Update, India's growth projections are 7.4 percent in 2022 and 5.3 percent in 2023 based on calendar year.

## INDIAN ECONOMY OVERVIEW

The Indian economy has fully recovered to the pre-pandemic real GDP level of 2019-20, according to the provisional estimates of GDP released on May 31, 2022. Real GDP growth in FY 2021-22 stands at 8.7%, which is 1.5% higher than the real GDP in FY 2019-20. These figures are associated with stronger growth momentum, indicating increased economic demand. The investment rate in the fourth quarter increased to its highest level in the previous nine quarters. Moreover, capacity utilization in the manufacturing sector rose in the fourth quarter, as against the third quarter, implying a build-up in demand, which is consistent with the growth objectives of the Indian economy.

Future capital spending of the government in the Indian economy is expected to be supported by factors such as tax buoyancy, streamlined tax system, thorough assessment and rationalization of the tariff structure and digitization of tax filing. In the medium term, an increase in capital spending on infrastructure and asset-building projects is set to increase growth multipliers. Furthermore, revival in monsoon and Kharif sowing helped the agriculture sector gain momentum. As of July 11, 2022, the South-West monsoon has covered the entire country, resulting in 7% higher rainfall than the normal level.

India has emerged as the fastest-growing major economy in the world, and is expected to be one of the top three economic powers globally over the next 10-15 years, backed by its robust democracy and strong partnerships. (Source: <https://www.ibef.org/economy/indian-economy-overview>)

## GOVERNMENT INITIATIVES

Over the years, the Indian government has introduced many initiatives to strengthen the nation's economy. The 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 the recent decade, India's rapid economic growth has led to a substantial increase in demand for exports. Moreover, many 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, are aimed at creating immense opportunities in India. In this regard, some of the initiatives taken by the government to improve the economic condition of the country are mentioned below:

- In July 2022, the Reserve Bank of India (RBI) approved international trade settlements in Indian rupees (INR) in order to promote the growth of global trade with emphasis on exports from India and to support the increasing interest of the global trading community.
- In June 2022:
  - Prime Minister Mr. Narendra Modi laid the foundation stone of 1,406 projects worth more than ₹ 80,000 crore (US\$ 10.01 billion) at the ground-breaking ceremony of the UP Investors Summit in Lucknow.
  - The projects encompass diverse sectors such as Agriculture and Allied industries, IT and Electronics, MSME, Manufacturing, Renewable Energy, Pharma, Tourism, Defense & Aerospace and Handloom & Textiles.
- As of April 2022, India signed 13 Free Trade Agreements (FTAs) with its trading partners, including major trade agreements such as the India-UAE Comprehensive Partnership Agreement (CEPA) and the India-Australia Economic Cooperation and Trade Agreement (IndAus ECTA).
- The Union Budget of 2022-23 was presented on February 1, 2022, by the Minister for Finance & Corporate Affairs, Ms. Nirmala Sitharaman. The budget had four priorities PM Gati Shakti, Inclusive

Development, Productivity Enhancement and Investment, and Financing of Investments. In the Union Budget 2022-23, effective capital expenditure is expected to increase by 27% at ₹ 10.68 lakh crore (US\$ 142.93 billion) to boost the economy. This will be 4.1% of the total Gross Domestic Production (GDP).

- In February 2022, Minister for Finance and Corporate Affairs Ms. Nirmala Sitharaman said that productivity linked incentive (PLI) schemes would be extended to 14 sectors to achieve the mission of Atma Nirbhar Bharat and create 60 lakh jobs with an additional production capacity of ₹ 30 lakh crore (US\$ 401.49 billion) in the next five years.
- In the Union Budget of 2022-23, the government announced funding for the production linked incentive (PLI) scheme for domestic solar cells and module manufacturing of ₹ 24,000 crore (US\$ 3.21 billion).
- Minister for Finance & Corporate Affairs Ms. Nirmala Sitharaman announced in the Union Budget of 2022-23 that the Reserve Bank of India (RBI) would issue Digital Rupee using blockchain and other technologies.
- To boost competitiveness, Budget 2022-23 has announced reforming the 16-year-old Special Economic Zone (SEZ) act.
- In June 2021, the RBI (Reserve Bank of India) announced that the investment limit for FPI (foreign portfolio investors) in the State Development Loans (SDLs) and government securities (G-secs) would persist unaffected 2% and 6%, respectively, in FY22.
- Numerous foreign companies are setting up their facilities in India on account of various Government initiatives like Make in India and Digital India. Prime Minister of India Mr. Narendra Modi launched the Make in India initiative with an aim to boost the country's manufacturing sector and increase the purchasing power of an average Indian consumer, which would further drive demand and spur development, thus benefiting investors. The Government of India, under its Make in India initiative, is trying to boost the contribution made by the manufacturing sector with an aim to take it to 25% of the GDP from the current 17%. Besides, the government has also come up with the Digital India initiative, which focuses on three core components: the creation of digital infrastructure, delivering services digitally, and increasing digital literacy.
- On January 29, 2022, the National Asset Reconstruction Company Ltd (NARCL) will acquire bad loans worth up to ₹ 50,000 crore (US\$ 6.69 billion) about 15 accounts by March 31, 2022. India Debt Resolution Co. Ltd (IDRCL) will control the resolution process. This will clean up India's financial system and help fuel liquidity and boost the Indian economy.
- By November 1, 2021, India and the United Kingdom hope to begin negotiations on a free trade agreement. The proposed FTA between these two countries is likely to unlock business opportunities and generate jobs. Both sides have renewed their commitment to boost trade in a manner that benefits all.
- In August 2021, Prime Minister Mr. Narendra Modi announced an initiative to start a national mission to reach the US\$ 400 billion merchandise export target by FY22.
- India is expected to attract investment of around US\$ 100 billion in developing the oil and gas infrastructure during 2019-23. (Source: <https://www.ibef.org/economy/indian-economy-overview>)

## GLOBAL MECHANICAL SEALS MARKET:

Mechanical Seals is part of Global industrial seals market which is valued at USD 11.78 billion in year 2021. The market is projected grow from USD 12.11 billion in 2022 to USD 17.86 billion by 2029, exhibiting a CAGR of 5.7% Mechanical seals is one of the major component of global industrial seals market (*Source: <https://www.fortunebusinessinsights.com/industry-reports/industrial-seals-market-101546>*)

### 1. Global Market Size: Mechanical Seals.

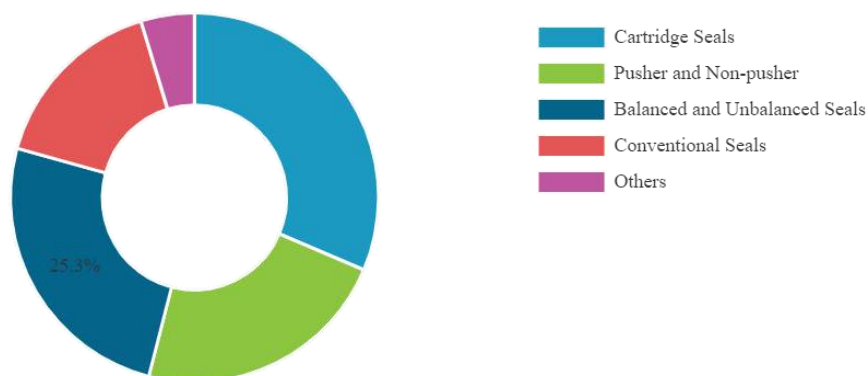
The global mechanical seals market size stood at USD 3.20 billion in 2018 and is projected to reach at USD 4.77 billion by year 2026, exhibiting a CAGR of 5.2%. Mechanical seals market has depicted significant growth in the recent years and is likely to grow in the years to come due to rising industrial development in emerging economies. Government incentives by developing countries boot the manufacturing and engineering sector is also considered as driving factor for the growth in the engineering industry.

Growth in mechanical tools industry is impelling the overall market share, owing to the use of power machines in centrifugal pumps and compressors for sealing and separating the fluid in the rotating shafts. Hence, the increasing market demand for mechanical seals in various industries is anticipated to drive the market growth in the near future.

(*Source: <https://www.fortunebusinessinsights.com/industry-reports/mechanical-seals-market-101430>*)

### 2. Market Segmentation

The Global Mechanical Seals market is segmented by type, which is further segmented into pusher and non-pusher, conventional seals, balanced and unbalanced seals and cartridge seals. Continuous adoption of advanced sealing material in several industries is expected to grow the cartridge seals segment in the years to come. Cartridge seals segment is estimated to have exponential market opportunities as they are designed as universal shaft seals in the seal chamber of pumps, containers or pipelines.



### 3. Regional Market growth

Asia-Pacific is anticipated to lead the mechanical seals market share and is projected to depict exponential growth over the coming years due to the increasing industrial applications in the emerging countries including India and China. Along with that, strong economic growth in the manufacturing sector is expected to fuel the development of the market in the region. Furthermore, favorable regulatory framework and regulations by governments for increasing investment in the manufacturing industry is expected to have a substantial impact in the growth of the market. Additionally, rapid industrialization and increasing demand of mechanical seals from industries such as construction, marine, energy and power, and oil and gas is expected to boost the growth of the market. Moreover, the region has several small and medium mechanical seals manufacturers which will increase the market share of the Asia-Pacific region in the next 5 years.

China targets to slash its growing dependence on gas imports by boosting domestic projects like shale fields as the security of its energy supply. The government is expected to fund new efforts to boost domestic production, particularly from so-called unconventional sources like shale gas. It is also estimated that China's shale gas production to reach around 280 billion cubic meters by 2035. Thus, the Chinese government's effort and plan to boost its shale gas production are expected to create an opportunity for mechanical seals in the coming years.

(Source: <https://www.mordorintelligence.com/industry-reports/mechanical-seals-market>)

India is expected to witness robust growth in its chemical industry, fueled by the growing demand for polymers, specialty chemicals, and agrochemicals. In March 2021, the government informed that an INR 8 lakh crore investment is anticipated in the sector by 2025, with opportunities offered by the increase in demand by about 9% per annum over the next five years, with about 168 investment prospects and about 29 projects under development.

North America is predicted to show a dynamic growth rate over the projected timeline due to the rising number of infrastructure and other development projects in the region, the mechanical seals market analysis points out. This growth in the region is attributed to the presence of key players in the market along with increasing demand for mechanical seals in several industries such as manufacturing, oil & gas, and other mining industries. The growth is owed to deep involvement of workers with technology research and development (R&D) and STEM (science, technology, engineering, and mathematics) in the industries such as energy & power, oil & gas, and aerospace. Furthermore, the demand for the sealing products is accounted for increasing presence of manufacturing industries such as automotive and aerospace to energy industries such as oil and gas extraction to high-tech services such as computer software and computer system design, including health applications.

Europe is witnessing rapid growth owing to rising presence of chemical manufacturing industries along with growing use of sealing products in aerospace, rail, and marine industries. Additionally, demand for sealing products is comparatively stable as the large range of industries in the market offers a relatively balanced market growth over the years. The stability in demand can be seen in the period 2020-2024. Countries such as Italy and Spain are expected to show substantial growth compared to other countries in the region owing to the demand from major industries such as oil & gas and food & beverage.

The Mechanical sealing market in the Middle east and Africa is growing due to presence of more than 65% of the global oil refineries in this region. Increasing investment in the oil industry will result in increasing demand for mechanical seals. Moreover, countries in Middle East are shifting their focus from Oil and Gas production to other industries such as tourism and other manufacturing industries which will result in decreasing market value of the mechanical seal.

The manufacturing sector has declined in Latin America over the past few years owing to the decline in the production of cars and equipment. Moreover in 2015 the manufacturing production index of Latin America had declined by 0.9% according to MAPI Foundation. The construction and oil & energy sub-segments are expected to grow at higher rate, owing to the increasing population and demand for the adoption of natural resources. Government of Brazil, Mexico and Argentina are working continuously on investing in green energy projects, which in turn will boost the adoption of mechanical seals in several different industries.

#### **4. Industrial segmentation of Demand for Mechanical seals**

Demand for seals is bifurcated into metals and mining, food and beverage, Oil & Gas, Energy & Power, aerospace, marine, construction & manufacturing, and other sector like chemicals etc. Oil and gas industry is anticipated to grow exponentially at a higher growth rate owing to increasing demand of petroleum from developed and emerging countries.

Energy utilization is growing worldwide which influencing the demand for electricity generation. About 70% of the electricity is generated from renewable sources such as wind and solar. Thus, the growth in demand for energy generation bodes well for the mechanical seals market demand.

The construction and aerospace sectors are projected to depict significant market opportunities owing to the rising infrastructural developments as a result of increasing population and technological advancements in the aerospace operating and navigation systems.

Mechanical seals demand is increasing in the food and beverage and mining sectors due to increasing implementation of pumps, food tanks, and many other centrifugal machines to manage the intensity of fluid.

Marine sector is expected to depict substantial market growth as the need for the mechanical seals at naval ships and ports will remain steady in the forecast period. The others segment consists of chemical industry and is likely to showcase steady growth, owing to minimum demand in the mechanical sealing market.

(Source: <https://www.mordorintelligence.com/industry-reports/mechanical-seals-market>)

## 5. Key Players of Industry

SKF (SKF AB), John Crane (Smiths Group Plc.), and Flowserve Corporation are the leading market players. SKF holds the largest market share, as per the mechanical seals market report. This is a result of SKF's market understanding, along with demand forecasting, which is growing with customer-specific value propositions, giving the company an uptime for designing and production of mechanical seals. This fits with company's existing engineering skills and asset management approach, with strategic focus on new technology providing value for money and digitalizing of the entire value chain.

Flowserve shares five unconsolidated joint ventures located in Latin America, Middle East, and Asia-Pacific regions, mainly in Saudi Arabia, India, The United Arab Emirates, South Korea, and two in China. The company has a portion of the products manufactured, assembled, or serviced in the territories. The joint venture has provided different strategic opportunities, including increased access to the potential markets, along with access to added manufacturing capacity and development of an efficient platform.

Some of the other leading players include Trelleborg AB, EnPro Industries Inc. (Garlock GmbH), Dover Corporation (Waukesha Bearings), SHV (ERIKS Group), Freudenberg SE, Tenneco Inc, Fenner Group Holdings Limited (Hallite Seals)

## 6. Recent Developments in the Industry

In May 2022, Gallagher Fluid Seals, Inc. acquired IEQ Industries (distributor of new, used, and remanufactured pumps, pump parts, and pump packages for various commercial and industrial applications). This acquisition helped the company to diversify its product mix; having crossover in market segments allows benefit from historical customer relationships.

In November 2021, with the expansion of the product portfolio, John Crane launched a new 5610 Liquid Quench (5610L), an extension of the 5600-seal range. The extension offers the same benefits as the 5600-seal design with a lip seal secondary containment device for liquid quench applications. The new design also promotes the reliability and interchangeability of the 5600-seal design for liquid quench applications.

(Source: <https://www.mordorintelligence.com/industry-reports/mechanical-seals-market>)

## INDIAN MECHANICAL SEALS MARKET

India is one of the major markets for mechanical seals. Few of the major factors that have led to high demand for mechanical seals in India include, rapid industrialization which has led to high demand for Power and infrastructure sector, one of the other factors is that seals help in reducing leaks and help in efficiency further reduces cost of maintenance. Thus Indian Oil and Gas, Power sector and other capital-intensive industry has started using mechanical seals to bring efficiency in the process and reduce overall operational cost. Seals help in reducing leaks which leads to significant savings that comes from less waste, reduces pump failure and eases maintenance. One major factor of using mechanical seals by Indian companies in recent years is that it reduces hazards to pump operators and brings associated health, safety, and environment benefits.

The seal system's role in a pump is to minimize leakage of the pumped liquid from the area in the pump where the drive shaft enters or exits the casing. Depending on the type of pumped liquid, leaking fluid can be extremely dangerous, so seal systems help keep pumping equipment operating safely.

Adoption of mechanical seals in pumps and compressors reduces the maintenance and operation cost of the system and ensures leakage safety and mitigation of airborne pollution. Increase in acceptability of mechanical seals by processing industries is anticipated to drive the Indian mechanical seals' market.

Mechanical seals are employed in harsh conditions such as well drilling, fresh water distribution, lift stations, and wastewater treatment in the water & wastewater industry. Introduction of mechanical seals in cooling towers, hot & cold water, circulation pumps, booster pumps, boiler feed, and fire pumps in the HVAC industry is also expected to drive the Indian mechanical seals' market.

(Source: [https://issuu.com/goldstein\\_insights/docs/5bpdf\\_5d\\_20india\\_20mechanical\\_20seals\\_20market](https://issuu.com/goldstein_insights/docs/5bpdf_5d_20india_20mechanical_20seals_20market))

### **Indian Industrial Seals market size**

The Industrial seals market in India has shown significant growth in the past two decades and is expected to grow moderately in the coming future as well. Industrial Seals market was valued at USD 12.3 billion in 2020 and is projected to reach USD 16.5 billion by 2028, growing at a CAGR of 3.6 per cent from 2021 to 2028.

(Source: <https://www.theindustryoutlook.com/machinery-and-equipment/panorama/why-industrial-seals-market-is-witnessing-unprecedented-growth-nwid-2580.html>)

### **Future Growth Prospects of Industrial seals market in India**

Industrial Seals market in India is expected to dominate in the coming years. India is projected to be the leading market in the Asia Pacific region as it is one of the foremost regions in chemical, pharmaceutical and oil & gas sectors. Expansion of these segments will generate demand for various seals during the forecast period. The manufacturing of seals in the shortest possible time from few millimetres to several metres and from single batch to series production has attracted multiple consumers to opt for industrial seals. The customization facility provided by manufacturers is likely to open up a pool of opportunity in the coming future.

(Source: <https://www.theindustryoutlook.com/machinery-and-equipment/panorama/why-industrial-seals-market-is-witnessing-unprecedented-growth-nwid-2580.html>)

## OUR BUSINESS

*Some of the Information in the Following chapter including information with respect to our plans and strategies, contain forward-looking statements that involve risks and uncertainties. You should read “forward-looking Statements” on page 17 for a discussion of the risks and uncertainties related to those statements. Our actual results may differ materially from those expressed in our implied by these forward-looking statements. Also read “Risk Factors” being in page no 34 for a discussion of certain factors that may affect our business, financial condition or results of operations. Our fiscal end on March 31 of each year and references to a particular fiscal year are to the twelve months ended March 31 of 2019-20, 2020-21, 2021-22 and half year ended on 30<sup>th</sup> September 2022.*

*This chapter should be read in conjunction with, and is qualified in its entirety by, the more detailed information about our Company and its financial statements, including the notes thereto, in the sections titled ‘Risk Factors’ and ‘Financial Statements’ and the chapter titled ‘Management’s Discussion and Analysis of Financial Condition and Results of Operations’ beginning on page nos.35, 171 and 210 respectively, of this Prospectus. Unless the context otherwise requires, in relation to business operations, in this chapter of this Prospectus, all references to “we”, “us”, “our” and “our Company” are to Sealmatic India Limited.*

### OVERVIEW

Our company was originally incorporated as Seal Matic India Private Limited on December 02, 2009 at Mumbai, Maharashtra as a private limited company under the Companies Act, 1956 with the Registrar of Companies (ROC), Mumbai, Maharashtra. Subsequently, the name of the company was changed to "Sealmatic India Private Limited" pursuant to a special resolution passed by the shareholders of the company at the Extra Ordinary General Meeting held on March 12, 2021. A fresh certificate of incorporation consequent upon change of name was issued on March 30, 2021 by the ROC, Mumbai, Maharashtra. Subsequently, the name of the company was changed to "Sealmatic India Limited" pursuant to a special resolution passed by the shareholders of the company at the Extra Ordinary General Meeting held on October 13, 2022. A fresh certificate of incorporation consequent upon change of name was issued on November 03, 2022 by the ROC, Mumbai, Maharashtra.

The company is engaged in the business of designing and manufacturing of mechanical seals and associated products. Mechanical seals are mainly used in Oil & Gas, refinery, petrochemical, chemical, pharmaceutical, fertiliser, power, mining, pulp & paper, aerospace, marine and other industrial. Company manufactures customised seals to meet the requirement of the client. Company has a complete range of engineered mechanical seals and sealing support systems to cater the needs of customers located all across the globe. Sealmatic products are globally recognized as a trusted brand in process industry in over 45 countries, to name a few: USA, UK, Germany, Netherlands, Italy, Sweden, Norway, Switzerland, Denmark, Australia, France, Japan and many more countries.

The company has manufacturing facility at Bldg A, Indiplex IV, Survey No-12, Hissa No-9A, Village Ghodbunder, Shanti Vidya Nagri Road, Mira Road (E), Thane - 401104. India. The said manufacturing unit is setup on a lease land in Survey No. 12, Hissa 9A, collectively admeasuring 3,855.86 Sq. Mtrs. The said unit is on rent. The company has also entered into lease agreement for setting up its second manufacturing unit. The said second unit is located at Industrial gala 1 to 7 ground floor Empire Estate-1 unit no. 2 Khindipada Village Vasai East, Thane 401208, which is about 14 Kms away from the existing unit. The said unit when fully functional will increase manufacturing capacity by 60% of the current capacity. More details about the unit 2 and expansion plan is mentioned in chapter Object of the Issue.

The company has been in the business since more than 12 years and the management has more than two decades of experience in the industry. Over the years Sealmatic has been successful in establishing its name in the industry and company has a strong customer base of domestic as well as foreign clients. Company has about 77% of its total sales from export of its product and 23% from domestic sales.

## Our Strengths

### 1. One of few Indian Company Approved/ Registered as vendor with National & International customers

We have customers from India as well as overseas. Our products are supplied to industry leaders of Oil & Gas, Refinery, petrochemical, chemical, pharmaceutical, fertiliser, power sector, mining. Pulp & paper industry, aerospace. Our company is Approved and Registered vendor for companies like Engineers India Limited and Projects & Development India Limited. Summary list of our Certification & Registrations is as follows:

- i. **API Q1 Specification:** American Petroleum Institute certifies the Quality Management system, of SIL and issued Certificate of Registration, API Q1 Specification dated April 2020, Sealmatic is the only mechanical seal company in the world to have the distinction of a API Q1 certification
- ii. **Enlistment:** Engineers India Ltd. (EIL) Issued by Product Development department of EIL dated 6<sup>th</sup> April 2022
- iii. **Vendor Registration:** From Project & Development India Ltd. Dated 13<sup>th</sup> October 2021
- iv. **Statement of Confirmation:** By TUV Nord group. Dated 13<sup>th</sup> April 2018
- v. **Attestation of Conformity in accordance with European frame-work regulations:**  
Products Mechanical seals for Beverage production line Food and Beverage Production line, Industry: Sealmatic range of Mechanical seals & seal supply systems (Gas lubricated & Liquid lubricated)
- vi. **ISO 9001:2015:** Certificate of Registration: from intertek, this to certify the management system of the company. ISO 9001:2015, Management system is applicable to Design, Manufacture, supply and service of Mechanical seals and supply system Date of Issue 26<sup>th</sup> March 2021
- vii. **ISO 14001:2015:** Certificate of Registration from intertek, this to certify the management system of the company. ISO 14001:2015, Management system is applicable to Design, Manufacture, supply and service of Mechanical seals and supply system, Date of Issue 04<sup>th</sup> February 2021
- viii. **ISO 45001:2018:** Certificate of Registration from intertek, this to certify the management system of the company. ISO 45001:2018, Management system is applicable to Design, Manufacture, supply and service of Mechanical seals and supply system, Date of Issue 04<sup>th</sup> February 2021
- ix. **Certificate of good management practices:** as per Codex Alimentarius commission. certifying that the mechanical seals manufactured by Sealmatic are compliant for equipment employed in the Food & Beverages sector as well as in the Pharmaceutical Sector.
- x. **SVHC Summary Report:** Research SVHC summary report of TUV India Pvt. Ltd. Based on the test carried out in accordance with the requirements of EU Regulations, Date of Samples Received 21<sup>st</sup> May 2021 Dated report issued 14<sup>th</sup> June 2021
- xi. **RoHS Summary Report:** TUV India Pvt. Ltd., RoHS Summary report Based on the test carried out in accordance with the requirements of EC No. 197/2006 (REACH Candidate list), Dated 14<sup>th</sup> June 2021.
- xii. **Registration as R&D unit:** Registration for In-house R&D unit Ministry of Science & Technology, Dated 27<sup>th</sup> January 2022
- xiii. **A Star Export House:** Certification from Directorate General of Foreign Trade part of Ministry of Commerce and Industry, Accorded the status of A Star Export house by DGFT, Dated February 20, 2022.

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**2. Experienced Board of Directors & Senior Management team supported by Skilled & Qualified Workforce.**

We are led by a highly experienced board of directors and a professional and experienced Management team with extensive experience in the industry. Our Promoters Mr. Umar A. K. Balwa and Mr. Mohamed Hanif S. Chaudhary have more than three decades of experience in the mechanical seals industry. Mr. Umar Balwa is actively looking after overall business strategy and Business development. Mr. Balwa has developed a strong business network in Europe & USA, including India and has a plan to expand it in other geographies. Mr. Hanif S Chaudhary looks after the manufacturing and operations. With his experience Sealmatic has been able to develop a wide range mechanical seals and provide tailor made sealing solutions for the customers. It would be pertinent to mention that Mr Umar Balwa was the founding promoter of Burgmann India Pvt Ltd which was a subsidiary of Feodor Burgmann Dichtungswerke GmbH & Co KG in the years 1993. Burgmann India Pvt Ltd was a joint venture between Feodor Burgmann Dichtungswerke GmbH & Co KG and the Balwa family with 51:49% equity participation. Mr Umar Balwa successfully lead the company in India with a sizeable market share until 2007, when the parent company Feodor Burgmann Dichtungswerke GmbH & Co KG was taken over by the Freudenberg Group and under a friendly agreement the Balwa family sold their 49% shares in the company to the parent organisation.

We are further supported by an experienced management team with diversified expertise, which actively contribute in business strategy. A number of our senior management and operations staff have worked with us for a significant period of time, resulting in effective operational coordination and implement our business strategy. Board of Directors along with its Qualified and experienced management team has a clear plan to explore business opportunities in coming years and grow the business in India & globally.

**3. Consistent financial performance with about 30% growth in Profit After Tax.**

Our focus on continuous efficiency improvements and Improved productivity has enabled us to deliver consistent financial and operational performance. Our business model is supported by stable and recurring revenues, with a consistent track record of revenue growth and profitability. We have established a track record of growth in financial performance with steady cash flows from our operations. We have regularly made investments in our R&D.

**4. Optimum utilisation of existing installed capacity & firm plan for Expansion**

Our company has seen a consistent growth in the business over the past years, we have been employing our production capacity and infrastructure at an optimum level. Looking at the current market prospects in the industry we expect to grow in coming years and the management has a firm plan for expansion. The company is looking to setup a second manufacturing unit to increase production capacity by about 60% of existing installed capacity. The company has taken space on lease at for second unit at Industrial Gala No. 1 to 7, situated on the Ground Floor of the Empire Estate-1, Khindipada, Kaman Village Vasai East, Thane- 401208, tenure of lease agreement starts from 15th October 2022. This unit will be ready during financial year 2022-23 and will be partly operational, it will be fully operational in financial year 2023-24, Refer to chapter 'Object of the issue' on page no. 94 of this Prospectus.







## Major Customers

We supply our products to Industry leaders of oil and gas industry, Power sector, Pharma sector. Our customers include fortune 500 companies. Our customers are spread across all the continents and we are very proud to state that we have 100% retention rate, we have a satisfied base of over 1000 customers across the globe. We export our products to UK, Europe, America and other countries.

 <b>Reliance</b> Reliance Industries Limited	 Indian Oil Corporation Limited	 Bharat Petroleum Corporation Ltd.	 Bharat Heavy Electricals Ltd
 <b>KSB</b> KSB SE & Co. KGaA	 <b>SULZER</b> Sulzer Ltd.	 <b>ANDRITZ</b> Andritz AG	 <b>HP</b> Hindustan Petroleum Corporation Ltd.
 <b>GAIL</b> GAIL India Ltd.	 <b>एनटीपीसी NTPC</b> National Thermal Power Corporation Ltd.	 Enriching Lives KIRLOSKAR	 <b>RUHRPUMPEN</b> Ruhrpumpen
 <b>wilo</b> WILLO PUMPS	 <b>SPX</b> TRANSFORMER SOLUTIONS SPX	 <b>SEEPEX.</b> SEEPEX	 <b>DÜCHTING PUMPEN</b> DUCHTING PUMPEN
 <b>ITT</b> ITT Inc. (USA)	 <b>CIRCOR</b> CIRCOR	 <b>IDEX</b> IDEX	 <b>E EGGER</b> EGGER
 <b>xylem</b> Let's Solve Water XYLEM	 <b>EIL</b> ENGINEERS INDIA LIMITED EIL	 <b>पी डी आई एल PDIL</b> PDIL	 <b>TOYO</b> SANITARY WARES TOYO
 <b>thyssenkrupp</b> THYSSEN KRUPP	 <b>TechnipFMC</b> TECHNIP FMC	 <b>TATA</b> TATA	 <b>एनटीपीसी NTPC</b> NTPC

## Major Suppliers

In order to meet the quality and maintain the efficiency of the seals, Sealmatic uses best of the best quality raw material. Our Company imports raw materials from USA, Germany and UK which are approved vendors for various international sealing companies: Seal Faces such as Carbon & Silicon Carbide are imported from USA & Germany. Elastomers are imported from Germany. Springs and other Hardware are imported from Germany.

		
Schunk Carbon Technology	CeramTec Group	Baumer Technologies
		
Endress+Hauser	Emerson Electric	Schweizer
		
Morgan Advanced Materials	Alwin Höfert	Smalley Steel Ring Company

## Our Approvals and Registration

Our company and its products are certificated and registered by global institute. These certifications help us in procuring orders from our customers. Following are the certification and registration of our company:

		
Certificate of Registration from API Q1 Specification	Enhancement of Enlistment with Engineers India Ltd. (EIL)	Vendor registration from Project & Development India Ltd.



Statement of Confirmation by TUV Nord group.



Attestation of Conformity in accordance with European framework regulations.



Certificate of Registration from Intertek, this to certify the management system of the company.



Certificate of Quality Assurance System by TUV Rheinland



Certificate of good management practices as per Codex Alimentarius Commission.



Research SVHC summary report of TUV



TUV India, RoHS Summary report



Registration for In-house R&D unit



Status of One Star Export house by Ministry of Commerce and Industry.

## Our Manufacturing Facility

Our existing manufacturing unit is located at Building A, Indiplex IV, Survey No-12, Hissa No-9A, Village Ghodbunder, Shanti Vidya Nagri Road, Mira Road (E), Thane - 401104. India. The Company has also planned to set up its second manufacturing unit at Industrial gala 1 to 7 ground floor Empire Estate-1 unit no. 2 Khindipada Village Vasai East, Thane 401208. Both the above units are on leasehold property as mentioned in topic titled 'Properties' on page 123 in this Chapter.

### Manufacturing Infrastructure:

Manufacturing facility is equipped with automated machines to ensure precision and quality. Manufacturing infrastructure is equipped with complete automation right from designing to finished product.

Sealmatic mechanical seal pass through numerous steps involving extensive engineering, which results in precise product, thus meeting the customers requirement. Our engineers at Sealmatic work with discipline and passion to maintain high standards in their respective fields. In our designing department we use 3D modelling technology & FEA coupled with CFD to ensure optimum performance.



Factory Building



Testing



Testing



Manufacturing



**Quality Control**



**Design Department**



**Proposed Unit 2: at Kaman.**

### **Our Products**

The Company manufactures and designs a wide range of mechanical seals and other associated products which are tailor made to meet the specific need of the customer. Our products meet all global industry specifications and standards. Company manufactures complete range of mechanical seals and sealing system with help of fully automated CNC machines and other manufacturing infrastructure at its manufacturing unit. Detailed Product Catalogue is available at the following link: <https://www.Sealmaticindia.com/assets/pdf/Sealmatic-Design-Manual2.3.pdf>

List of some of our products are as under:

<b>Product Name</b>	<b>Product Description</b>	<b>Technical Features</b>	<b>Typical industrial Applications</b>
API 682 4th Edition Category 1 Seal Type A (Rotating)	<ol style="list-style-type: none"> <li>1. API 682 Category 1, Type A, Arrangement 1</li> <li>2. Single seal configuration</li> <li>3. Balanced design</li> <li>4. Independent of direction of rotation</li> <li>5. Cartridge construction</li> <li>6. Robust construction with shrink-fitted seal face</li> <li>7. Heavy duty solid seat design</li> </ol>	<ul style="list-style-type: none"> <li>▪ Designed to accommodate shaft deflections and process fluctuations</li> <li>▪ Efficient construction for heat dissipation</li> <li>▪ Compact installation design</li> <li>▪ Factory assembled cartridge unit for easy installation</li> <li>▪ Springs are product protected to avoid contamination</li> <li>▪ Can accommodate reverse pressure</li> </ul>	<ul style="list-style-type: none"> <li>• Chemical industry</li> <li>• Petrochemical industry</li> <li>• Oil and gas industry</li> <li>• Highly volatile hydrocarbons</li> <li>• Toxic and hazardous media</li> <li>• Media with poor lubrication properties</li> <li>• Low solids content and low abrasive media</li> <li>• Vertical and horizontal ANSI chemical standard pumps</li> </ul>

		<ul style="list-style-type: none"> <li>▪ Can handle extensive applications in various temperatures and pressures</li> <li>▪ Versatile in design to fit various seal chambers</li> </ul>	
CTX ANSI Single Seals	<ol style="list-style-type: none"> <li>1. Single seal configuration</li> <li>2. Balanced design</li> <li>3. Independent of direction of rotation</li> <li>4. Cartridge construction</li> <li>5. Available for standard (CTX-ASP) and big bore (CTX-ABP) seal chambers</li> <li>6. Single seals with flush (-ASP, -ABP) and with quench combined with lip seal (-ASQ, -ABQ) or throttle ring (-AST, -ABT)</li> </ol>	<ul style="list-style-type: none"> <li>• Ideal for use in ANSI process pumps</li> <li>• O-ring is dynamically loaded to prevent shaft damage.</li> <li>• Dimensional modification of the stuffing box chamber is not required due to short radial installation height</li> <li>• Ideal to convert and retrofit pumps with packings and large volume OEM production</li> <li>• Cartridge unit factory assembled for easy installation, which reduces downtime</li> <li>• Rugged design for long operating life</li> </ul>	<ul style="list-style-type: none"> <li>• ANSI process pumps</li> <li>• Chemical industry</li> <li>• Food and beverage industry</li> <li>• Petrochemical industry</li> <li>• Pharmaceutical industry</li> <li>• Universally applicable Water and waste water technology</li> </ul>
Split Seals (SPX Single Seals)	<ol style="list-style-type: none"> <li>1. Single seal in split configuration</li> <li>2. Balanced design</li> <li>3. Independent of direction of rotation</li> <li>4. For plain shafts</li> <li>5. Semi-cartridge construction</li> <li>6. Built-in flushing connections</li> <li>7. Designed with external pressurization</li> <li>8. Factory assembled fully split single seal, 2 x 2 segments</li> <li>9. Stationary design with multiple springs</li> </ol>	<ul style="list-style-type: none"> <li>• Single seal in split configuration</li> <li>• Balanced design</li> <li>• Independent of direction of rotation</li> <li>• For plain shafts</li> <li>• Semi-cartridge construction</li> <li>• Built-in flushing connections</li> <li>• Designed with external pressurization</li> <li>• Factory assembled fully split single seal, 2 segments</li> <li>• Stationary design with multiple springs</li> </ul>	<ul style="list-style-type: none"> <li>• Agitators</li> <li>• Chemical Industry</li> <li>• Centrifugal pumps</li> <li>• Conveying pulp with stock pumps</li> <li>• Cooling water pumps for energy generation</li> <li>• Conveying timber to refiners with pumping screws</li> <li>• Circulation of pulp-and-water mixtures in storage vessels</li> <li>• Displacement pumps</li> <li>• Process industry</li> <li>• Petrochemical Industry</li> <li>• Power Plant Technology</li> <li>• Pulp and paper industry</li> <li>• Pump stations for waste water treatment</li> </ul>

Above are just a product description of our range of products.

Product photos are as under:



### Product Quality

Manufacturing high-quality sealing systems is all down to exceptional precision, which in turn calls for exact, consistent compliance with the strictest of production standards. Sealmatic has consistently invested in upgrading its machinery for delivering best products to its customers. Company does not compromise on product quality and standard quality control mechanism is adopted by the management to maintain high quality of the product and with efficient quality management system offers the product at most competitive price to its customers.

### Sales & Marketing

Our Sales and marketing department is responsible for strategizing and implementing a business development plan well suited for our markets, and forging local and global partnerships. Our customers are spread across all the continents and we are very proud to state that we have 100% retention rate, we have a satisfied base of over 1000 customers across the globe. Our Company believes delivering best quality product and services as that is the major reason for being awarded with the orders. To retain our customers, our team, regularly interacts with them and focuses on gaining an insight into the additional needs of customers.

### Our Management

Mr. Umar A. K. Balwa & Mr. Mohamed Hanif S. Chaudhary have dedicated themselves to the field of fluid sealing technology since 1989 and have introduced fresh ideas and innovative designs for heavy duty engineered mechanical seals. With over three decades of experience, they have helped customers to find the best solutions to solve critical sealing challenges. Customers, globally, rely on their expertise, for they provide an unmatched combination of products, engineering and aftermarket services. For details about the promoter family track record of this business please see "History and Certain Corporate Matters" on page no. 137 of this Prospectus.

### Human Resource

We believe that a motivated and empowered employee base is the key to our operations and business strategy. Currently, our company has at its disposal a dynamic team of our manpower. These professionals are assisted by office & administration staff and finance professionals who work in unison in order to meet requirements of the Company and attain organizational goals and targets within the set time frame.

We employ 235 employees as on November 30, 2022. The details of manpower employed as on November 30, 2022 are as under:

Sr. No	Category	Number of employees
1.	Executive Director & Key Managerial Personnel	04
2.	Other Employees	231
	<b>Total</b>	<b>235</b>

## Corporate Social Responsibility

We have a corporate social responsibility policy in place in the company in pursuance with the requirements of The Companies Act 2013 and the companies (Corporate Social Responsibility) Rules 2014. Our CSR programs are committed to the overall welfare and development of society, including environmental sustainability, supporting innovation, education and health care. Our CSR activities focus on following:

- **Education**

We are committed to providing basic education to underprivileged children. We believe that there is no better place to start than in the corridors of education. Education is both the means as well as the end to a better life.

- **Healthcare**

He who has health has hope, and he who has hope has everything. In India access to healthcare still remains a challenge. Healthcare for the underprivileged is a desperate need. In our endeavour to support free healthcare services to the underprivileged strata of the society, we have undertaken many initiatives such as supporting the 'Blind Organisation of India', various Dialysis centres in Mumbai and many more such initiatives both in the urban and rural parts of India.

## Insurance

Details of major insurances taken by us are given below:

Sr. No.	Name of Insurance Company	Type of Policy	Policy No.	Validity Period	Sum Insured	Premium p.a.
1.	IFFCO TOKIO General Insurance Company Limited	Comprehensive General Liability Policy (Insurance for Bodily Injury and Property damage, Personal and advertising injury liability and medical payments)	41066420	15/01/2022 to 14/01/2023	₹2.00 cr.	₹1,62,250.00
2.	IFFCO-TOKIO General Insurance Company Limited	IFFCO TOKIO Bharat Laghu Udyam Suraksha Policy (Hypothecated against Loan from SIDBI of ₹5.00 cr)	12501344	05/09/2022 to 04/09/2023	₹41.40 cr.	₹ 2,59,648.00
3.	IFFCO-TOKIO General Insurance Company Limited	Group Personal Accident policy (Insurance for 184 Employees)	54B72575	15/01/2022 to 14/01/2023	₹12.88 cr.	₹ 79,480.16
4.	IFFCO-TOKIO General Insurance Company Limited	Marine Open policy (Insurance for Pig Iron, Iron Ingot, All Metal Ingots, Bloom, Billet, Slab, Ferroalloys, Bar, Plate, Sheet, Iron, Steel, Aluminium Products, Galvanized Iron Or Steel Sheets, Pipes, Tubes, Electric Cables, Metallic Items)	22B21054	15/05/2022 to 14/05/2023	₹4.00 cr.	₹ 14,397.00

5.	IFFCO-TOKIO General Insurance Company Limited	Workmen Compensation policy (Insurance for 10 Workers and 5 Supervisors)	43249581	23/01/2022 to 22/01/2023	₹0.40 cr.	₹ 25,934.12
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### Intellectual Property Rights in India and Overseas:

As on the date of the Prospectus, our Company is using the following registered Trademarks in the name of the Company.

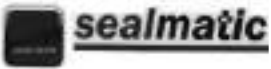

#### Indian Copyright Registration:

Sr. No.	Title Work	Issuing Authority	Date of Issuance	Registration No.	Class	Status
1	Catalogue 2.0 for Mechanical Seals	Copyright Office, Govt of India	05/02/2019	L-80631/2019	Literary/ Dramatic work	Registered

#### Indian Trademark Registration:

Sr. No.	Logo	Issuing Authority	Date of Issuance	Trade Mark No.	Class	Status
1.		Trade Marks Registry, Government of India	13/04/2011 and renewed on 20/03/2021	2129449	07	Registered in the name of Microtact Hydraulic (India Pvt Ltd) (Assignor) and assigned in favor of Sealmatic India Limited (Assignee)

#### Foreign Trademark Registrations:

Sr. No.	Logo	Issuing Authority	Date of Issuance	Trade Mark No.	Class	Status
1.		European Union Intellectual Property Office	06/06/2018	017811571	07	Registered
2.		United States Patent and Trademark Office	01/10/2013	4409360	07	Registered

## Properties

The details of leasehold properties, which we occupy for our business operations, are as under:

Sr. No.	Details of Premises	Name of Lessor & Lessee	Amount & Tenure of Rent	Purpose
1.	Unit No. B, Indiplex 4, Survey No.12, Hissa No. 9A, Village Ghodbunder, Near Reliance Receiving Station, Shanti Vidya Nagri Road, Mira Road East, Thane - 401101	<b>Licensor:</b> Mr. Ismail Abdul Karim Balwa  <b>Licensee:</b> M/s Sealmatic India Limited	<b>Tenure</b> from 01 <sup>st</sup> October, 2020 to 30 <sup>th</sup> September, 2025  <b>Rent:</b> ₹1,20,000 per month from 01 <sup>st</sup> October, 2020 to 30 <sup>th</sup> September, 2023  ₹1,38,000 per month from 1 <sup>st</sup> October, 2023 to 30 <sup>th</sup> September, 2025	To undertake its business activity of manufacturing engineering products such as mechanical seals, spares, etc.
2.	Industrial Gala No. 1, Industrial Gala No. 2, Industrial Gala No. 3, Industrial Gala No. 4, Industrial Gala No. 5, Industrial Gala No. 6 and Industrial Gala No. 7, situated on the Ground Floor of the Empire Estate-1, Unit No. 2, Khindipada, Kaman Village Vasai East, Thane- 401208	<b>Licensor-</b> 1) Mr. Isa Ayyub Badu 2) Mr. Sohel Ayyub Badu 3) Mr. Mohammed Salim Jamal Patel  <b>Licensee-</b> M/s Sealmatic India Limited	<b>Tenure</b> from 15 <sup>th</sup> October, 2022 to 14 <sup>th</sup> October, 2027  <b>Rent:</b> As per the Leave and License Agreement	To undertake its business activity of manufacturing engineering products such as mechanical seals, spares, etc.
3.	Unit No. A, Indiplex 4, Survey No. 12 Hissa No. 9A, Village Ghodbunder Near Reliance Receiving Station, Shanti Vidya Nagri Road, Mira Road East, Thane- 401101	<b>Licensor-</b> Morrill & Greenwood Developers Private Limited  <b>Licensee-</b> Sealmatic India Private Limited	<b>Tenure:</b> From 1 <sup>st</sup> January, 2022 to 31 <sup>st</sup> December, 2026  <b>Rent:</b> ₹3,45,000/- per month from 1 <sup>st</sup> January, 2022 to 31 <sup>st</sup> December, 2024  ₹3,96,750/- per month from 1 <sup>st</sup> January, 2025 to 31 <sup>st</sup> December, 2026	To undertake its business activity of manufacturing engineering products such as mechanical seals, spares, etc.

## **Social Media Presence of Sealmatic India Limited**

<b>Social Media</b>	<b>Links</b>
<b>YouTube</b>	<a href="https://www.youtube.com/@Sealmatic1309/videos">https://www.youtube.com/@Sealmatic1309/videos</a>
<b>Facebook</b>	<a href="https://www.facebook.com/SealmaticIndiaPvtLtd/photos/?paipv=0&amp;eav=AfbYXnbdY7LqbsxcjNdi6ebNIMK8EaOCyT30X5hKSubUkvl533i93dl11-KzBikmOyY&amp;_rdr">https://www.facebook.com/SealmaticIndiaPvtLtd/photos/?paipv=0&amp;eav=AfbYXnbdY7LqbsxcjNdi6ebNIMK8EaOCyT30X5hKSubUkvl533i93dl11-KzBikmOyY&amp;_rdr</a>
<b>LinkedIn Profile</b>	<a href="https://www.linkedin.com/company/Sealmatic-india/?originalSubdomain=in">https://www.linkedin.com/company/Sealmatic-india/?originalSubdomain=in</a>
<b>Media Coverage</b>	<b>Links</b>
<b>Article in Business Standard</b>	<b>Business Standard article dated 09<sup>th</sup> February, 2022:</b> Sealmatic got recognition from Ministry of Science And Technology for its R & D unit <a href="https://www.business-standard.com/content/press-releases-ani/Sealmatic-gets-recognition-from-ministry-of-science-and-technology-for-r-d-unit-122020900992_1.html">https://www.business-standard.com/content/press-releases-ani/Sealmatic-gets-recognition-from-ministry-of-science-and-technology-for-r-d-unit-122020900992_1.html</a>
<b>Article in Zee5</b>	<b>Zee5 article dated October 21, 2021:</b> Sealmatic Certified for Good Manufacturing Practices – GMP Certification <a href="https://www.zee5.com/articles/Sealmatic-certified-for-good-manufacturing-practices-gmp-certification">https://www.zee5.com/articles/Sealmatic-certified-for-good-manufacturing-practices-gmp-certification</a>
<b>Article in Prime Insights</b>	Once a SealMan always a SealMan <a href="https://primeinsights.in/Sealmatic/">https://primeinsights.in/Sealmatic/</a>

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## KEY INDUSTRY REGULATIONS AND POLICIES

*The following description is a summary of certain sector specific laws and regulations in India, which are applicable to us. The information detailed in this chapter has been obtained from publications available in the public domain. The regulations set out below may not be exhaustive, and are only intended to provide general information to the investors and are neither designed nor intended to substitute for professional legal advice.*

The company designs and manufactures seals and associated products mainly for the oil & gas, refinery, petrochemical, chemical, pharmaceutical, fertiliser, power, mining, pulp & paper, aerospace, marine and many more industrial applications. With a wide range of products and services, Sealmatic has solutions for every sealing requirement – such as Pusher Seals, Standard Cartridge Seals, Elastomer Bellows Seals, Metal Bellows Seals, Engineered Seals, Split Seals, Gas-Lubricated Seals. The company operates its business under the name of “**Sealmatic**”. Sealmatic has a longstanding tradition of providing seals and sealing services that are trusted by the industry. Sealmatic mechanical seals represent a collection of trusted products that are supported by strong aftermarket services, providing users with both safety and environmental benefits.

Our company’s seals are used on a variety of rotating equipment, including pumps, compressors, mixers, steam turbines and other speciality equipment, primarily in the oil and gas, pharmaceutical, chemical processing, mineral and ore processing and general industries. Sealmatic products guarantee highest quality standards & application know-how with full service to its customers

Our business is governed by various central and state legislations that regulate the substantive and procedural aspects of the business. We are required to obtain and regularly renew certain licenses/ registrations and / or permissions required statutorily under the provisions of various Central and State Government regulations, rules, bye laws, acts and policies.

For details of Government Approvals obtained by us in compliance with these regulations, please see the chapter titled “*Government and Other Key Approvals*” beginning on page 230 of this Prospectus.

### **A. LABOUR RELATED LEGISLATIONS:**

#### **The Code on Wages, 2019 (the “Code”)**

The Code received the assent of the President of India on August 8, 2019 and is published in the official gazette. The Code replaces the four existing ancient laws namely (i) the Payment of Wages Act, 1936, (ii) the Minimum Wages Act, 1948, (iii) the Payment of Bonus Act, 1965, and (iv) the Equal Remuneration Act, 1976. The Code will apply to all employees and allows the Central Government to set a minimum statutory wage.

#### **The Code on Social Security, 2020 (the “Code”)**

The Code received the assent of the President of India on September 28, 2020 and is published in the official gazette. The code will replace the nine existing laws namely (i) The Employees’ Compensation Act, 1923 (ii) The Employees’ State Insurance Act, 1948 (iii) The Employees’ Provident Funds and Miscellaneous Provisions Act, 1952 (iv) The Employment Exchanges (Compulsory Notification of Vacancies) Act, 1959 (v) The Maternity Benefit Act, 1961 (vi) The Payment of Gratuity Act, 1972 (vii) The Cine Workers Welfare Fund Act, 1981 (viii) The Building and Other Construction Workers Welfare Cess Act, 1996 (ix) Unorganised Workers’ Social Security Act, 2008. The Code extends to the whole of India and covers all employees and workers whether in the organised, unorganised or any other sector and other connected and incidental matters

#### **Child and Adolescent Labour (Prohibition and Regulation) Act, 1986 (the “Child Labour Act”)**

The Child Labour Act prohibits employment of children below 14 years of age in certain occupations and processes and provides for regulation of employment of children in all other occupations and processes. Employment of Child Labour in our industry is prohibited as per Part B (Processes) of the Schedule.

#### **The Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013 (the “Act”)**

In order to curb the rise in sexual harassment of women at workplace, this Act was enacted for prevention and redressal of complaints and for matters connected therewith or incidental thereto. The terms sexual harassment and workplace are both defined in the Act. Every employer should also constitute an “Internal Complaints Committee” and every officer and member of the company shall hold office for a period of not exceeding three years from the date of nomination. Any aggrieved woman can make a complaint in writing to the Internal Committee in relation to sexual harassment of female at workplace. Every employer has a duty to provide a safe working environment at workplace which shall include safety from the persons coming into contact at the workplace, organising awareness programs and workshops, display of rules relating to the sexual harassment at any conspicuous part of the workplace, provide necessary facilities to the internal or local committee for dealing with the complaint, such other procedural requirements to assess the complaints.

### **B. TAX RELATED LEGISLATIONS:**

#### **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 the IT Act or Rules made there under depending upon its “Residential Status” and “Type of Income” involved. The IT Act provides for the taxation of persons resident in India on global income and persons not resident in India on income received, accruing or arising in India or deemed to have been received, accrued or arising in India. Every Company 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, etc.

#### **Central Goods and Services Act, 2017**

The Central Goods and Services Act, 2017 (“CGST Act”) regulates the levy and collection of tax on the intra-State supply of goods and services by the Central Government or State Governments. The CGST Act amalgamates a large number of Central and State taxes into a single tax. The CGST Act mandates every supplier providing the goods or services to be registered within the State or Union Territory it falls under, within 30 days from the day on which he becomes liable for such registration. Such registrations can be amended, as well as cancelled by the proper office on receipt of application by the registered person or his legal heirs. There would be four tax rates namely 5%, 12%, 18% and 28%. The rates of GST applied are subject to variations based on the goods or services.

### **C. OTHER LEGISLATIONS:**

#### **Factories Act, 1948**

Factories Act, 1948 (“Factories Act”) came into force on April 01, 1949 as amended by the Factories (Amendment) Act, 1987 and extends to the whole of India. The Factories Act seeks to regulate labour employed in factories and makes provisions for the safety, health and welfare of the workers. The Act, defines a ‘factory’ to cover any premises which employs 10 or more workers and in which manufacturing process is carried on with the aid of power and any premises where there are at least twenty workers even though there is or no electrically aided manufacturing process being carried on.

#### **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:

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 recognises 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.

### **Registration Act, 1908**

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.

### **Indian Stamp Act, 1899**

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 ("Stamp Act") which is enacted by the Central Government. All others 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 states in India have enacted their own legislation in relation to stamp duty while the other states 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.

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

The Indian Contract Act, 1872 ("Contract Act") codifies the way in which a contract may be entered into, executed, implementation of the provisions of a contract and effects of breach of a contract. A person is free to contract on any terms he chooses. The Contract Act consists of limiting factors subject to which contract may be entered into, executed and the breach enforced. It provides a framework of rules and regulations that govern formation and performance of contract. The contracting parties themselves decide the rights and duties of parties and terms of agreement.

### **Specific Relief Act, 1963**

The Specific Relief Act, 1963 ("Specific Relief Act") is complimentary to the provisions of the Contract Act and the Transfer of Property Act, as the Specific Relief Act applies both to movable property and immovable property. The Specific Relief 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.

### **Consumer Protection Act, 1986**

The Consumer Protection Act, 1986 seeks to provide better protection of interests of the consumers and for that purpose to make provision for establishment of consumer councils and other authorities for the settlement of consumer's disputes and for matters connected therewith. It seeks to promote and protect the rights of consumers.

To provide steady and simple redressal to consumers' disputes, a quasi-judicial machinery is sought to be set up at the district, state and central levels. The quasi-judicial bodies will observe the principles of natural justices and have been empowered to give relieves of a specific nature and to award wherever appropriate compensation to consumers. Penalties for non-compliance of the orders given by the quasi-judicial bodies have also been provided.

### **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 anti-competitive 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.

Companies Act, 1956 and Companies Act, 2013:

The Companies Act, 2013 ("Companies Act"), has been introduced to replace the existing Companies Act, 1956 in a phased manner. The 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.

### **The Trademarks Act, 1999**

Under the Trademarks Act, 1999 ("Trademarks Act"), a trademark is a mark capable of being represented graphically and which is capable of distinguishing the goods or services of one person from those of others used in relation to goods and services to indicate a connection in the course of trade between the goods and some person having the right as proprietor to use the mark. A 'mark' may consist of a device, brand, heading, label, ticket, name signature, word, letter, numeral, shape of goods, packaging or combination of colours or any combination thereof. Section 18 of the Trademarks Act requires that any person claiming to be the proprietor of a trade mark used or proposed to be used by him, must apply for registration in writing to the registrar of trademarks. The trademark, once applied for and which is accepted by the Registrar of Trademarks ("the Registrar"), is to be advertised in the trademarks journal by the Registrar. Oppositions, if any, are invited and, after satisfactory adjudications of the same, a certificate of registration is issued by the Registrar. The right to use the mark can be exercised either by the registered proprietor or a registered user. The present term of registration of a trademark is 10 (ten) years, which may be renewed for similar periods on payment of a prescribed renewal fee.

## **D. REGULATIONS REGARDING FOREIGN INVESTMENT**

### **Foreign Exchange Management Act, 1999 and Consolidated Foreign Direct Investment Policy Circular of 2017 (as amended from time to time)**

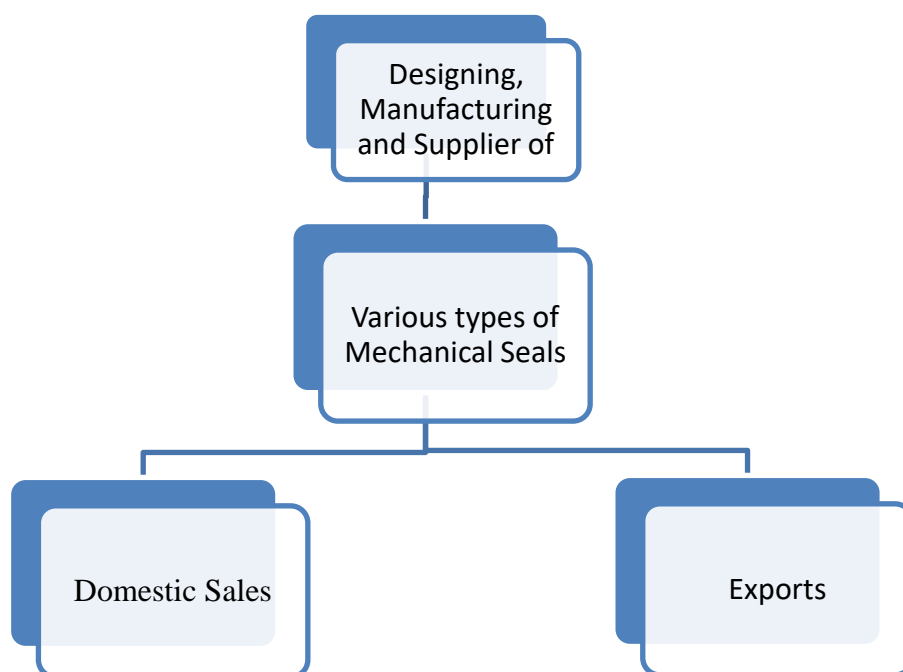
Foreign investment in companies in the manufacturing sector is governed by the provisions of the Foreign Exchange Management Act, 1999 ("FEMA") read with the applicable regulations. The Department of Industrial Policy and Promotion ("DIPP"), Ministry of Commerce and Industry has issued the Consolidated FDI Policy which consolidates the policy framework on Foreign Direct Investment ("FDI Policy"), with effect from August 28, 2017. The FDI Policy consolidates and subsumes all the press notes, press releases, and clarifications on FDI issued by DIPP till August 27, 2017. All the press notes, press releases, clarifications on FDI issued by DIPP till August 27, 2017 stand rescinded as on August 28, 2017. In terms of the FDI Policy, foreign investment is permitted (except in the prohibited sectors) in Indian companies either through the automatic route or the Government route, depending upon the sector in which foreign investment is sought to be made. In terms of the FDI Policy, the work of granting government approval for foreign investment under the FDI Policy and FEMA Regulations has now been entrusted to the concerned Administrative Ministries/Departments. FDI for the items or activities that cannot be brought in under the automatic route may be brought in through the approval route. Where FDI is allowed on an automatic basis without the approval of the Government, the RBI would continue to be the primary agency for the purposes of monitoring and regulating foreign investment. In cases where Government approval is obtained, no approval of the RBI is required except with respect to fixing the issuance price, although a declaration in the prescribed form, detailing the foreign investment, must be filed with the RBI once the foreign investment is made in the Indian company. The RBI, in exercise of its power under the FEMA, has also notified the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017 to prohibit, restrict or regulate, transfer by or issue of security to a person resident outside India. The Company is engaged in the activity of wholesale trading and multi-brand retail trading. The FDI Policy issued by the DIPP permits foreign investment upto 100% in the Cash and Carry Wholesale Trading/ Wholesale Trading ("WT") sector under the automatic route. Further, the FDI Policy permits foreign investment upto 51% in the multi-brand retail sector under the government route subject to certain conditions which are mentioned below.

## HISTORY AND CERTAIN CORPORATE MATTERS

Our company was incorporated as Seal Matic India Private Limited on December 02, 2009 at 61-62, Ashiyana Apartment, 6<sup>th</sup> Floor, Wasil Khan Marg, Mumbai Central, Mumbai-400008 India, as a private limited company under the Companies Act, 1956 with the Registrar of Companies, Mumbai. The Registered Office of the company was changed from 61-62, Ashiyana Apartment, 6<sup>th</sup> Floor, Wasil Khan Marg, Mumbai Central, Mumbai-400008 India to 4<sup>th</sup> Floor, Techniplex- I, Techniplex Complex, off. Veer Savarkar Flyover, Goregaon (W), Mumbai, Maharashtra- 400062. The Name of the company was changed to "Sealmatic India Limited" pursuant to a special resolution passed by the shareholders of the company at the Extra Ordinary General Meeting held on October 13, 2022. A fresh certificate of incorporation consequent upon change of name was issued on November 03, 2022 by the Registrar of Companies, Mumbai.

Our company designs and manufactures mechanical seals and associated products, sealing support systems mainly for the oil & gas, refinery, petrochemical, chemical, pharmaceutical, fertilizer, power, mining, pulp & paper, aerospace, marine and many more industrial applications. With a wide range of products and services, Sealmatic has solutions for every sealing requirement – such as Pusher Seals, Standard Cartridge Seals, Elastomer Bellows Seals, Metal Bellows Seals, Engineered Seals, Split Seals, Gas-Lubricated Seals and many more.

Our revenue model is summarized as below:



Our Managing Director Mr. Umar A. K. Balwa Balwa and Whole Time Director Mr. Mohamed Hanif Chaudhari are actively involved in manufacturing and supplying activities of the Company. They actively participate in timely execution of the customer's orders and are the guiding force behind the growth and business strategy of our Company. Our promoters together have industry experience of many years and possess rich business intellect in the business circle of Gujarat. For details about the promoter family track record of this business please see "History and Certain Corporate Matters" on page no. 137 of this Prospectus.

We operate through our registered office located at 4th Floor, Techniplex - I, Techniplex Complex Off. Veer Savarkar Flyover, Goregaon (West) Mumbai Maharashtra 400062 India

Our Company has 11 (Eleven) shareholders as on the date of filing of this Prospectus.

## MAIN OBJECTS AS PER MEMORANDUM OF ASSOCIATION

Our Company's main objects as per the Memorandum of Association are as follows:

To carry on in India and Abroad the business to manufacture, produce, prepare, repair, process, trade, deal, buy, sell, purchase, import, export, retail, wholesale, marketing, supply, distribution, assembling, job working, packing, re-packing, improvement, stockiest, agents, brokers, commission agents for mechanical seals, seal supply systems, pumps, valves, motors and high precision mechanical engineering spares and assemblies for various machineries.

## AMENDMENTS TO THE MEMORANDUM OF ASSOCIATION

Dates on which some of the main clauses of the Memorandum of Association of our Company have been changed citing the details of amendment as under:

DATE OF AGM/ EGM	NATURE OF AMENDMENT
EGM held on October 13, 2022	Change in the name clause from "Sealmatic India Private Limited" to "Sealmatic India Limited" pursuant to conversion from private limited company to public limited company.
AGM held on Sept, 28 2022	The authorised share capital of the company was further increased from ₹ 20,00,000 divided into 2,00,000 Equity Shares of ₹10 each to ₹ 10,00,00,000 divided into 1,00,00,000 Equity Shares of ₹10 each.
EGM held on May 14, 2011	The initial authorized Share Capital of ₹ 10,00,000 divided into 100,000 shares was increased to ₹ 20,00,000 divided into 2,00,000 Equity Shares of ₹10 each.

## SUBSIDIARIES

As on the date of this Prospectus, there are no subsidiaries of our Company.

## THE AMOUNT OF ACCUMULATED PROFIT/ (LOSSES) NOT ACCOUNTED FOR BY OUR COMPANY

There is no accumulated profit/ (losses) not accounted for by our Company.

## HOLDING COMPANY

As on the date of this Prospectus, there is no Holding Company of our Company.

## JOINT VENTURES

As on the date of this Prospectus, there is no any Joint Venture.

## REVALUATION OF ASSETS IN THE LAST TEN YEARS

There has been no revaluation of assets of our company in last 10 years from the date of this Prospectus.

## SHAREHOLDERS' AGREEMENT

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There are no Shareholders' Agreements existing as on the date of this Prospectus.

#### **ACQUISITION OF BUSINESS / UNDERTAKINGS**

We have not acquired any business / undertakings since incorporation.

#### **DIVESTMENT OF BUSINESS / UNDERTAKING BY COMPANY IN THE LAST TEN YEARS**

Our company has not divested any of its business / undertaking in last 10 years from the date of this Prospectus

#### **FINANCIAL PARTNERS**

As on the date of this Prospectus, apart from the various arrangements with bankers and financial institutions which our Company undertakes in the ordinary course of business, our Company does not have any other financial partners.

#### **DEFAULTS OR RESCHEDULING OF BORROWINGS WITH FINANCIAL INSTITUTIONS / BANKS**

There have been no defaults or rescheduling of borrowings with any financial institutions / banks as on the date of this Prospectus.

#### **STRATEGIC PARTNERS**

We do not have any strategic partners as on the date of this Prospectus.

#### **OTHER AGREEMENTS**

Except the contracts / agreements entered in the ordinary course of the business carried on or intended to be carried on by our Company, we have not entered into any other agreement / contract as on the date of this Prospectus.

#### **INJUNCTIONS OR RESTRAINING ORDERS**

There are no injunctions / restraining orders that have been passed against the company.

## OUR MANAGEMENT

### Board of Directors:

Our Company has five (5) Directors consisting of two (2) Executive Directors, three (3) Non-Executive Directors out of which two (2) are Independent Directors.

a. The following table sets forth the details of our Board of Directors as on the date of this Prospectus:

Name, Current Designation, Address, Occupation, Term and DIN	Nationality	Age	Other Directorships
<b>Mr. Umar A. K. Balwa</b> <i>Managing Director &amp; Promoter</i>  <b>Date of Birth:</b> 12/01/1967  <b>Address:</b> Flat No. 1203, Resiplex C.H.S Ltd. Off S. V Road, Near Techniplex Complex, Goregaon West, Mumbai, Maharashtra- 400104  <b>Date of Appointment as Director:</b> 28/11/2022  <b>Term:</b> Appointed as Managing Director for a period of five years and subject to retire by rotation.  <b>Occupation:</b> Business  <b>DIN:</b> 00142258	Indian	55	1. Pastonji Foods Private Limited 2. Automann India Private Limited 3. Morrill And Greenwood India Private Limited 4. Associated Hospitality and Developers Private Limited 5. Auto Land India Private Limited 6. Radius Engineers Private Limited 7. Morrill and Greenwood Developers Private Limited 8. Balwas Realty and Infrastructure Private Limited 9. Smit Microtact Hydraulics India Private Limited 10. Techniplex Complex Private Limited 11. Panetteria Foods Private Limited 12. Associated Hospitality Private Limited 13. Techniplex II Complex Management Private Limited 14. Resiplex Hospitality & Developers Private Limited 15. Microtact India Private Limited 16. Micropneumatic Engineering & Construction Private Limited 17. Isomag Sealmatic India Private Limited
<b>Mr. Mohamed Hanif Sharifbhai Chaudhari</b> <i>Whole Time Director &amp; Promoter</i>  <b>Date of Birth:</b> 05/06/1965  <b>Address:</b> 1604, Fatemid Avenue, Behram Baug Road, Jogeshwari West, Near Sultanabad Colony, Mumbai, Maharashtra- 400102	Indian	57	1. Isomag Sealmatic India Private Limited

Name, Current Designation, Address, Occupation, Term and DIN	Nationality	Age	Other Directorships
<b>Date of Appoitment as Director:</b> 28/11/2022  <b>Term:</b> Appointed as Whole Time Director for a period of 5 years and subject to retire by rotation.  <b>Occupation:</b> Business  <b>DIN:</b> 02817594			
<b>Ms. Sania Umar Balwa</b> <i>Non-Executive Director</i>  <b>Date of Birth:</b> 17/02/1992  <b>Address:</b> Flat No. 1203, Resiplex C.H.S Ltd. Off S. V Road, Near Techniplex Complex, Goregaon West, Mumbai, Maharashtra- 400104  <b>Date of Appointment:</b> 13/10/2022  <b>Term:</b> Liable to retire by rotation  <b>Occupation:</b> Business  <b>DIN:</b> 08239375	Indian	30	1. Associated Hospitality and Developers Private Limited  2. Resiplex Hospitality & Developers Private Limited
<b>Mr. Deepak Anant Ghangurde</b> <i>Independent Director</i>  <b>Date of Birth:</b> 01/05/1957  <b>Address:</b> B- 701, Aspen Garden Co-op. Hsg. Scty. Ltd., Walbhatt Road, Behind Nirlon, Goregaon (East) Mumbai 400 063  <b>Date of Appointment:</b> 26/12/2022  <b>Current Term:</b> 5 Years  <b>Occupation:</b> Professional  <b>DIN:</b> 09799885	Indian	65	NIL

Name, Current Designation, Address, Occupation, Term and DIN	Nationality	Age	Other Directorships
<b>Mr. Ajoy Balkrishna</b> <i>Independent Director</i>  <b>Date of Birth:</b> 31/08/1967  <b>Address:</b> A/104, Shiv Gauri Apt CHS Ltd, Chincholi Bunder Road, Nr Shiv Parvati Bldg Behind Previlege Li, Malad (W), Mumbai 400064  <b>Date of Appointment:</b> 26/12/2022  <b>Current Term:</b> 5 Years  <b>Occupation:</b> Business  <b>DIN:</b> 09801722	Indian	55	NIL

For further details on their qualification, experience etc., please see their respective biographies under the heading “*Brief Biographies*” below:

**Notes:**

- Except as mentioned below, none of the Directors of our company are related to each other as per Section 2(77) of the companies Act, 2013

Name	Relationship
Mr. Umar A. K. Balwa and Ms. Sania U. Balwa	Father and Daughter

- There are no arrangements or understanding with major shareholders, customers, suppliers or others, pursuant to which any of the Directors or Key Management Personnel were selected as a director or member of the senior management.
- There are no service contracts entered into by the Directors with our Company which provides for benefit upon termination of employment.
- None of our Directors have been or are presently directors on the boards of listed companies whose shares have been / were suspended from being traded on the Stock Exchanges during the last five years preceding the date of filing of this Prospectus.
- None of our Directors have been or are presently directors on the boards of listed companies whose shares have been delisted from the Stock Exchange(s).
- No proceedings/investigations have been initiated by SEBI against any company, the board of directors of which also comprise any of the Directors of our Company. No consideration in cash or shares or otherwise has been paid or agreed to be paid to any of our directors or to the firms or companies in which they are interested as a member by any person either to induce him to become, or to help him qualify as a director, or otherwise for services rendered by him or by the firm or company in which he is interested, in connection with the promotion or formation of our Company.

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## **BRIEF BIOGRAPHIES OF OUR DIRECTORS**

### **Mr. Umar A. K. Balwa**

Mr. Umar A. K. Balwa, 55 years old is one of the founding members of Sealmatic. He has a Bachelor's degree from the Mumbai University. He has extensive experience of over 33 years managing various key functions at Burgmann, Balwa Group and Sealmatic. He was the Executive Director Sales of Burgmann India (German conglomerate) from 1993 until 2001 and from 2001 until August 2007 as the Managing Director. During this period and under his leadership, Burgmann was second to none in the business of mechanical seals in India. The parent company Feodor Burgmann GmbH was a global leader in sealing technology. With a strong techno-commercial background he has handled diverse portfolios like rotary equipment assessment, acquisitions, product design, prototyping, comprehensive supply management, project execution and lifecycle management through operations and maintenance services. Umar Balwa brings to Sealmatic, his vast and comprehensive knowledge of sealing technology coupled with his drive for innovation and his strong business acumen. He has established an over encompassing sales network through 45 countries across the globe and has been instrumental in Sealmatic's rise as one of the leading sealing technology companies worldwide.

From year 2011, he is appointed as director in Sealmatic India Limited.

### **Mr. Mohamed Hanif Chaudhari**

Mr. Mohamed Hanif Chaudhari, aged 56 years, is also a founding member of Sealmatic. He brings to Sealmatic an extensive experience of over 33 years in designing, manufacturing and servicing of mechanical seals. He has been trained in Germany and Japan covering various intricate aspects of sealing technology. He holds a unique blend of understanding the dynamics of sealing technology and provides robust solutions to the market place. Over the years he has played many roles including being the Asst Vice President at Burgmann India from 1993 until 2011. Throughout this time, he has not only believed in completely devoting himself to the vision of harnessing sealing technology but championed the cause of providing high performance sealing solutions. This has created greener, safer and more reliable rotary equipment processes in various industrial applications. He has been instrumental in setting up the global supply chain and product development activities for Sealmatic from Europe & USA to India.

Since 2012 he is Director in Sealmatic India Limited.

### **Ms Sania Umar Balwa**

Ms. Sania Umar Balwa, aged 30 years, has served as a Director at Balwa Group for over seven years. She holds a Master's degree from the University of Warwick in marketing and strategy. She has a rich experience in international business, sales and marketing that involves conventional and digital media. During her diverse global experience, she has worked for the Family Group with renowned brands such as Radisson, Marriott etc. She has successfully unlocked growth for Sealmatic through the extensive digital marketing campaigns conducted over the past two years. These have resulted in the company's deep reach across the continents and has made Sealmatic an international brand and preferred choice for customers in 45 countries.

Since October, 2022 she is a Director in Sealmatic India Limited

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**Mr. Deepak Anant Ghangurde**

Mr. Deepak A. Ghangurde passed B.Com.; LL.B. from Bombay University and passed Intermediate Examination held by the Institute of Company Secretaries of India, New Delhi. He is also a Certified Associate of Indian Institute of Bankers, Mumbai

- He has worked with Bank of India and Syndicate Bank (now Canara Bank) in various capacities for a period of about 30 years. Major part of the service was in Loans and Advances Department during which I had the opportunity of handling the following assignments apart from the other assignments in other departments of the Bank;
- appraisal of proposals of term lending, working capital finance, non-fund facilities, etc. at the branch level and documentation for disbursement of credit facilities at the branch level;
- appraisal of proposals of term lending, working capital finance, non-fund-based facilities, etc.;
- review of the sanctions given by various sanctioning authorities upto Dy. General Manager level;
- recovery of Non-performing Assets which involved filing of Civil Suits, suits under the Recovery of Debts Due to Banks and Financial Institutions Act, 1993 and The Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002;
- Preparation of the Balance Sheets and other Quarterly Statements/Reports at the branch level;
- Compiling of the of the Balance Sheets and other Quarterly Statements/Reports at the Regional Level;
- Co-ordinating with the Statutory Auditors and the Internal Auditors of the Bank, Reserve Bank Officials at the Branch and Regional Level;
- Also was a Guest Faculty of the Staff Training College of Syndicate Bank, Mumbai for imparting training in term lending, working capital finance, non-fund facilities, preparation of Balance Sheets and other reporting statements, etc.

He took voluntary retirement in June 2007 and was appointed as an Independent Director in Sealmatic India Limited since December, 2022.

**Mr. Ajoy Balkrishna**

Mr. Ajoy Balkrishna, aged 54 years, is a commerce graduate from Mumbai University and a thorough hotelier with 32 + years of extensive hospitality experience. He also is a Diploma holder in Hotel Management and has also been through the Regent Executive Development Program.

- He had started his career at Oberoi Mumbai a 337 room hotel which is still considered one of the finest hotels in the city.
- He has also worked at as Food & Beverage Manager with 7 Food & Beverage Outlet and one of the biggest banqueting spaces in the city of Mumbai, with more than 100 Food & Beverage Service staff.
- Worked as Restaurant Manager in the 500 plus room hotel with one of the biggest shopping malls in the complex and a 150room residential apartment within the hotel.
- Worked as Regional Director at Sarovar Hotels & Resorts till October, 2021 managing around 30 properties of the group.
- Worked with The Regent, Mumbai a 500 room hotel part of the Calson Hospitality Group. He joined as Asst. Manager and was promoted to Restaurant Manager.

He was appointed as an Independent Director since December, 2022.

## Confirmation

None of the above-mentioned Directors are on the RBI List of wilful defaulters as on date of filing the Prospectus.

Further, our Company, our Promoters, persons forming part of our Promoter Group, Directors and persons in control of our Company, have not been/are not debarred from accessing the capital market by SEBI.

## Borrowing Powers of our Board of Directors

The Articles, subject to the provisions of Companies Act authorize the Board to raise, borrow or secure the payment of any sum or sums of money for the purposes of our Company within the prescribed limit under Act.

## REMUNERATION / SITTING FEES PAID TO DIRECTORS FOR THE FY 2021-22

Sr. No.	Name of the Director	Designation	Remuneration Paid (₹ in Lakhs)	Sitting Fees Paid (₹ in Lakhs)	Total (₹ in Lakhs)
1.	Mr. Umar A. K. Balwa	Managing Director	NIL	-	NIL
2.	Mr. Mohamed Hanif Chaudhary	Whole Time Director	23.10	-	23.10

## Shareholding of Directors

The following table sets forth the shareholding of our directors as on the date of this Prospectus:

Name of Directors	No. of Equity Shares held	% Of Pre-Issue Paid Up Capital
Mr. Umar A. K. Balwa	4,08,024	5.67
Mr. Mohamed Hanif Chaudhary	11,27,988	15.67
Ms. Sania U. Balwa	2,88,000	4.00
<b>Total</b>	<b>18,24,012</b>	<b>25.34</b>

## Interest of the Directors

Our directors may be deemed to be interested in the promotion of the Company to the extent of the Equity Shares held by them and also to the extent of any dividend payable to them on their holding of such shares and other distributions in respect of the aforesaid Equity Shares. For further details, refer to *Annexure IX – Related Party Transactions* under chapter titled “Financial Information” and “Our Promoter and Promoter Group” beginning on page nos. 205 and 155 of this Prospectus.

All of our Directors may be deemed to be interested to the extent of fees payable to them for attending meetings of the Board or a committee thereof as well as to the extent of other remuneration and reimbursement of expenses payable to them under our Articles of Association, and to the extent of remuneration paid to them for services rendered as an officer or employee of our Company.

Our directors may also be regarded as interested in the Equity Shares, if any, held by them or allotted to the companies in which they are interested as Directors, Members, and Promoter, pursuant to this issue. All of our Directors may also be deemed to be interested to the extent of any dividend payable to them and other distributions in respect of the said Equity Shares.

Except as stated in this chapter titled “Our Management” and refer to para titled as *Annexure IX – Related Party Transactions* in chapter titled “Financial Information” beginning on page nos. 205 and 171 of this Prospectus respectively, our directors do not have any other interest in our business.

Except as disclosed in “Properties” under the section “Our Business” starting on page no. 130 of this Prospectus, our Directors have no interest in any property acquired or proposed to be acquired by our Company as on the date of this Prospectus.

## Changes in the Board of Directors in the last three years

Following are the changes in our Board of Directors in the last three years:

Sr. No.	Name of Director	Date of Change	Reason for change
1.	Mr. Umar A. K. Balwa	28/11/2022	Re-appointment as Managing Director
2.	Mr. Mohamed Hanif Chaudhari	28/11/2022	Re-appointment as Whole Time Director
3.	Mr. Ratan B. Kandare	28/11/2022	Appointed as Chief Financial Officer (CFO)
4.	Ms. Sania U. Balwa	13/10/2022	Appointed as Additional Director
5.	Mr. Deepak A. Ghangurde	26/12/2022	Appointed as Additional Director
6.	Mr. Ajoy Balkrishna	26/12/2022	Appointed as Additional Director
7.	Mr. Deepak A. Ghangurde	02/01/2023	Re-appointment as Independent Director
8.	Mr. Ajoy Balkrishna	02/01/2023	Re-appointment as Independent Director

## Corporate Governance

The provisions of the SEBI (LODR) Regulations, 2015 with respect to corporate governance will be applicable to us immediately upon the listing of our Equity Shares with the Stock Exchanges. We are in compliance with the requirements of the applicable regulations, including the SEBI (LODR) Regulations, 2015, the SEBI Regulations and the Companies Act, in respect of corporate governance including constitution of the Board and committees thereof. The corporate governance framework is based on an effective independent Board, separation of the Board’s supervisory role from the executive management team and constitution of the Board Committees, as required under law.

Our Board has been constituted in compliance with the Companies Act and the SEBI Listing Regulations. The Board functions either as a full board, or through various committees constituted to oversee specific operational areas.

Currently, our Board has Five (5) Directors. In compliance with the requirements of the Companies Act, 2013 we have Five (5) Directors consisting of two (2) Executive Directors, two (2) Non-Executive Independent Directors and one (1) Non-Executive Woman Director on our Board.

### Committees of our Board

We have constituted the following committees of our Board of Directors for compliance with Corporate Governance requirements:

1. Audit Committee
2. Stakeholder's Relationship Committee
3. Nomination and Remuneration Committee

#### 1. Audit Committee

The Audit Committee of our Board was constituted by our Directors by a board resolution dated January 03, 2023 pursuant to section 177 of the Companies Act, 2013. The Audit Committee comprises of:

Name of the Member	Nature of Directorship	Designation in Committee
Mr. Deepak Anant Ghangurde	Non-executive Independent Director	Chairman
Ms. Sania U. Balwa	Non-executive Director	Member
Mr. Ajoy Balkrishna	Non-executive Independent Director	Member

The scope of Audit Committee shall include but shall not be restricted to the following:

- a) Oversight of the Issuer's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- b) Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
- c) Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
- d) Reviewing, with the management, the annual financial statements 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
  - Qualifications in the draft audit report.

- 
- e) Reviewing, with the management, the half yearly financial statements before submission to the board for approval
  - f) 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 DRHP/RHP/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.
  - g) Review and monitor the auditor's independence and performance, and effectiveness of audit process;
  - h) Approval or any subsequent modification of transactions of the company with related parties;
  - i) Scrutiny of inter-corporate loans and investments;
  - j) Valuation of undertakings or assets of the company, wherever it is necessary;
  - k) Evaluation of internal financial controls and risk management systems;
  - l) Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems.
  - m) 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.
  - n) Discussion with internal auditors any significant findings and follow up there on.
  - o) 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.
  - p) Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
  - q) 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.
  - r) To review the functioning of the Whistle Blower mechanism.
  - s) Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate.
  - t) Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

Explanation (i): The term "related party transactions" shall have the same meaning as contained in the Accounting Standard 18, Related Party Transactions, issued by The Institute of Chartered Accountants of India.

Explanation (ii): If the Issuer has set up an audit committee pursuant to provision of the Companies Act, the said audit committee shall have such additional functions / features as is contained in this clause.

*The Audit Committee enjoys following powers:*

- a) To investigate any activity within its terms of reference
- b) To seek information from any employee
- c) To obtain outside legal or other professional advice
- d) To secure attendance of outsiders with relevant expertise if it considers necessary
- e) The audit committee may invite such of the executives, as it considers appropriate (and particularly the head of the finance function) to be present at the meetings of the committee, but on occasions it may also meet without the presence of any executives of the Issuer. The finance director, head of internal audit and a representative of the statutory auditor may be present as invitees for the meetings of the audit committee.

*The Audit Committee shall mandatorily review the following information:*

- 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 shall be subject to review by the Audit Committee.

The recommendations of the Audit Committee on any matter relating to financial management, including the audit report, are binding on the Board. If the Board is not in agreement with the recommendations of the Committee, reasons for disagreement shall have to be incorporated in the minutes of the Board Meeting and the same has to be communicated to the shareholders. The Chairman of the committee has to attend the Annual General Meetings of the Company to provide clarifications on matters relating to the audit.

The Company Secretary of the Company acts as the Secretary to the Committee.

*Meeting of Audit Committee*

The audit committee shall meet at least four times in a year and not more than one hundred and twenty days shall elapse between two meetings. The quorum shall be either two members or one third of the members of the audit committee whichever is greater, but there shall be a minimum of two independent members present.

## 2. Stakeholder's Relationship Committee

The Shareholder and Investor Grievance Committee of our Board were constituted by our Directors pursuant to section 178 (5) of the Companies Act, 2013 by a board resolution dated January 03, 2023. The Shareholder and Investor Grievance Committee comprises of:

Name of the Member	Nature of Directorship	Designation in Committee
Ms. Sania U. Balwa	Non-executive Director	Chairman
Mr. Deepak Anant Ghangurde	Non-executive Independent Director	Member
Mr. Ajoy Balkrishna	Non-executive Independent Director	Member

This committee will address all grievances of Shareholders/Investors and its terms of reference include the following:

- Allotment and listing of our shares in future
- Redressing of shareholders and investor complaints such as non-receipt of declared dividend, annual report, transfer of Equity Shares and issue of duplicate/split/consolidated share certificates;
- Monitoring transfers, transmissions, dematerialization, re-materialization, splitting and consolidation of Equity Shares and other securities issued by our Company, including review of cases for refusal of transfer/ transmission of shares and debentures;
- Reference to statutory and regulatory authorities regarding investor grievances;
- To otherwise ensure proper and timely attendance and redressal of investor queries and grievances;
- And to do all such acts, things or deeds as may be necessary or incidental to the exercise of the above powers.

The Company Secretary of our Company acts as the Secretary to the Committee.

### *Quorum and Meetings*

The quorum necessary for a meeting of the Stakeholders Relationship Committee shall be two members or one third of the members, whichever is greater.

## 3. Nomination and Remuneration Committee

The Nomination and Remuneration Committee of our Board was constituted by our Directors pursuant to section 178 of the Companies Act, 2013 by a board resolution dated January 03, 2023

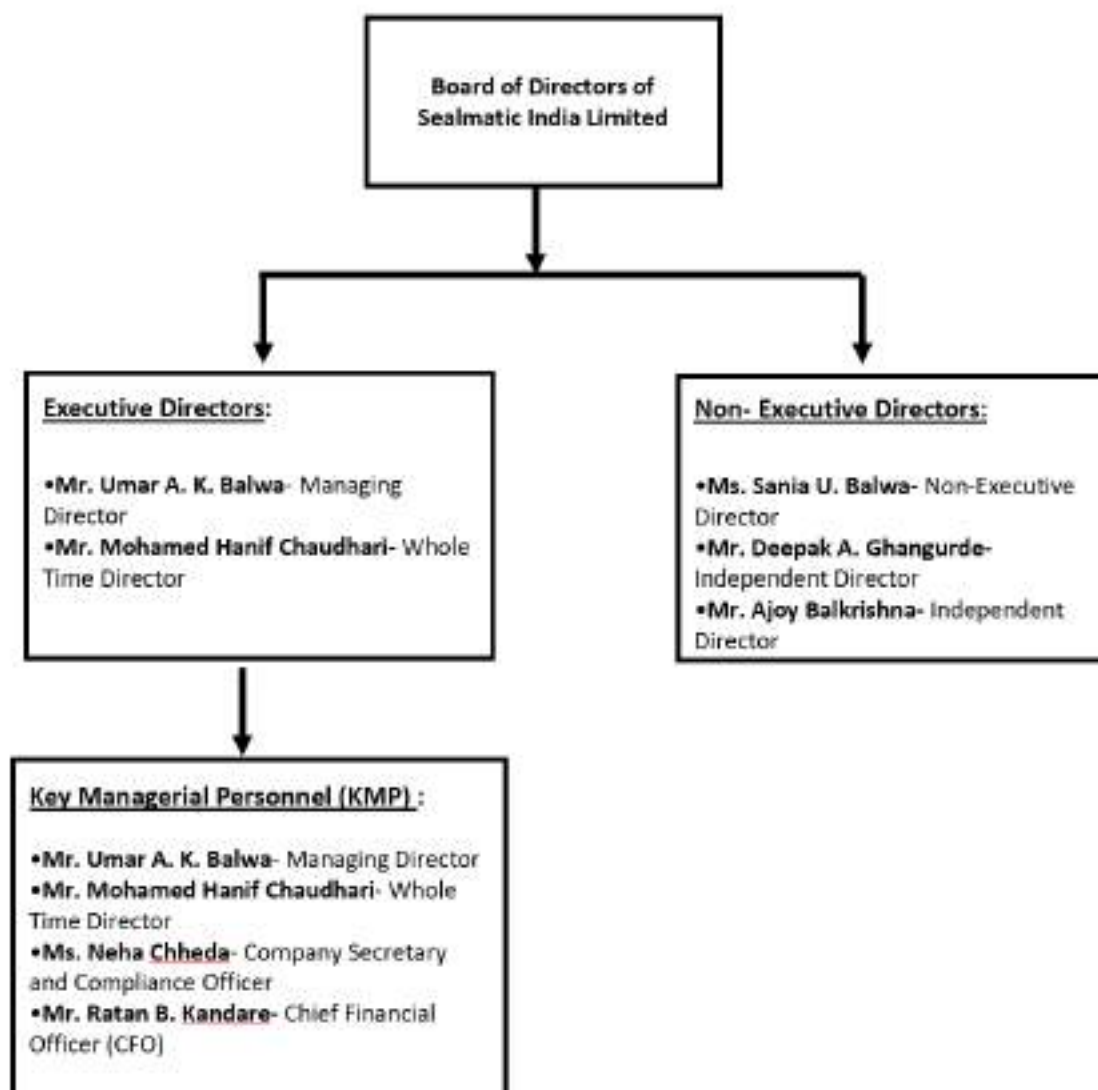
The Nomination and Remuneration Committee currently comprises of:

Name of the Member	Nature of Directorship	Designation in Committee
Mr. Deepak A. Ghangurde	Non-executive Independent Director	Chairman
Ms. Sania U. Balwa	Non-executive Director	Member
Mr. Ajoy Balkrishna	Non-executive Independent Director	Member

The scope of Nomination and Remuneration Committee shall include but shall not be restricted to the following:

- 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;
- Formulation of criteria for evaluation of Independent Directors and the Board;
- Devising a policy on Board diversity
- 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. The company shall disclose the remuneration policy and the evaluation criteria in its Annual Report.

#### Management Organization Structure:



## Terms & Abbreviations

CFO	:	Chief Financial Officer
CS & CO	:	Company Secretary and Compliance Officer
MD	:	Managing Director
WTD	:	Whole Time Director

## Key Managerial Personnel

The details of our key managerial personnel are as below –

Name of Employee	Designation & Functional Area	Date of Appointment	Compensation for Last Fiscal (₹ in lakhs)	Qualification	Name of Previous Employer(s)	Experience
Mr. Umar A. K. Balwa	Managing Director	28/11/2022	NIL	B.E (Mechanical)	N. A	35 Years
Mr. Hanif Chaudhari	Whole Time Director	28/11/2022	23.10	Under Graduate	N.A	35 Years
Mr Ratan B. Kandare	Chief Financial Officer	28/11/2022	9.38	Chartered Accountant	1) SS Joshi & Associates, Chartered Accountants 2) Allied Safety Equipments Pvt Ltd.	18 Years
Ms. Neha Pinak Chedda	Company Secretary & Compliance Officer	16/12/2022	1.32	Company Secretary	Chemo Pharma Laboratories Limited	7 Years

## Other Notes –

1. All the key managerial personnel mentioned above are permanent employees of our Company
2. There is no understanding with major shareholders, customers, suppliers or any others pursuant to which any of the above-mentioned personnel have been recruited.
3. As on the date of filing of this Prospectus, our Company does not have a bonus or a profit-sharing plan with the key management personnel.
4. Except Rent payment, no non-salary-related payments or benefits have been made to our key management personnel.
5. There is no contingent or deferred compensation payable to any of our key management personnel.

### Relationship amongst the Key Managerial Personnel

None of the above-mentioned key managerial personnel are related to each other and neither are they related to our Promoter or Directors.

### Arrangement / Understanding with Major Shareholders / Customers / Suppliers

None of the KMPs have been selected pursuant to any arrangement / understanding with major shareholders / customers / suppliers.

### Shareholding of Key Managerial Personnel

Sr. No.	Particulars	No. of Shares	% Of Shares to Pre – Issue Share Capital
1	Mr. Umar A. K. Balwa	4,08,024	5.67
2	Mr. Mohamed Hanif Chaudhari	11,27,988	15.67
3	Mr Ratan B. Kandare	NIL	0
4	Ms. Neha Pinak Chedda	NIL	0
<b>Total</b>		<b>15,36,012</b>	<b>21.34</b>

### Contingent and deferred compensation payable to our Director and Key Managerial Personnel

There is no contingent or deferred compensation payable to our Directors and Key Managerial Personnel, which does not form a part of their remuneration.

### Interest of Key Managerial Personnel

The Key Managerial Personnel of our Company do not have any interest in our Company, other than to the extent of, rent on the property owned by them, remuneration of benefits to which they are entitled as per their terms of appointment and reimbursement of expenses incurred by them during the ordinary course of business. Further, if any Equity Shares are allotted to our Key Managerial Personnel prior to/ in terms of this Issue, they will be deemed to be interested to the extent of their shareholding and / or dividends paid or payable on the same.

### Bonus or Profit-Sharing Plan for the Key Managerial Personnel during the last three years

Our Company does not have fixed bonus/profit sharing plan for any of the employees, key managerial personnel.

### Employee Share Purchase and Employee Stock Option Scheme

Presently, we do not have ESOP/ ESP'S scheme for employees.

### Payment or Benefit to our Key Managerial Personnel

Except for the payment of salaries and yearly bonus, we do not provide any other benefits to our employees

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**Changes in the Key Managerial Personnel in the three years preceding the date of filing this Prospectus**

Except as disclosed below, there has been no change in KMPs in past three years from the date of this Prospectus:

<b>Name</b>	<b>Designation</b>	<b>Date of Joining/ Change in Designation</b>
Ms. Neha Pinak Chheda	Company Secretary & Compliance Officer	16/12/2022
Mr. Umar A. K. Balwa	Managing Director	28/11/2022
Mr Ratan Bhabutlal Kandare	Chief Financial Officer (CFO)	28/11/2022
Mr. Mohamed Hanif Chaudhari	Whole Time Director	28/11/2022

## OUR PROMOTERS AND PROMOTER GROUP

### 1. THE PROMOTERS OF OUR COMPANY ARE:

1. Mr. Umar A. K. Balwa
2. Mr. Mohamed Hanif Chaudhari
3. Mr. Rafiq H. Balwa


As on the date of this Prospectus, our Promoters is having Pre-IPO holding of 22,98,776 Equity Shares in aggregate, representing 31.93% of the issued, subscribed and paid-up Equity Share capital of our Company and Post IPO holding of 19,67,480 shares constituting of 21.74%.

#### i. The details of individual Promoters of our company are provided below:

	<b>Mr. Umar A. K Balwa</b>
	<b>Mr. Umar A. K. Balwa</b> , 55 years old is one of the founding members of Sealmatic. He has a Bachelor's degree from the Mumbai University. He has extensive experience of over 33 years managing various key functions at Burgmann, Balwa Group and Sealmatic. With a strong techno-commercial background he has handled diverse portfolios like rotary equipment assessment, acquisitions, product design, prototyping, comprehensive supply management, project execution and lifecycle management through operations and maintenance services. From year 2011, he is appointed as director in Sealmatic India Limited.
	<b>Date of Birth:</b> 12/01/1967
	<b>Address:</b> Flat No. 1203, Resiplex C.H.S Ltd. Off S. V Road, Near Techniplex Complex, Goregaon West, Mumbai, Maharashtra- 400104
	<b>PAN:</b> AABPB7573J
	<b>Aadhaar Card No.:</b> xxxx xxxx 0750
<b>Other Directorship and interest in other entities:</b>  <b>Private Companies:</b> <ol style="list-style-type: none"> <li>1. Pastonji Foods Private Limited</li> <li>2. Automann India Private Limited</li> <li>3. Morrill And Greenwood India Private Limited</li> <li>4. Associated Hospitality and Developers Private Limited</li> <li>5. Auto Land India Private Limited</li> <li>6. Radius Engineers Private Limited</li> <li>7. Morrill and Greenwood Developers Private Limited</li> <li>8. Balwas Realty and Infrastructure Private Limited</li> <li>9. Smit Microtact Hydraulics India Private Limited</li> <li>10. Techniplex Complex Private Limited</li> <li>11. Panetteria Foods Private Limited</li> <li>12. Associated Hospitality Private Limited</li> <li>13. Techniplex II Complex Management Private Limited</li> <li>14. Resiplex Hospitality &amp; Developers Private Limited</li> <li>15. Microtact India Private Limited</li> <li>16. Micropneumatic Engineering &amp; Construction Private Limited</li> <li>17. Isomag Sealmatic India Private Limited</li> </ol>	

**Limited Liability Partnership (LLP):**

1. Misthaan Culture LLP

	<b>Mr. Mohamed Hanif Sharifbhai Chaudhari</b>
	<b>Mr. Mohamed Hanif Chaudhari</b> , aged 57 years, is also a founding member of Sealmatic. He brings to Sealmatic an extensive experience of over 33 years in designing, manufacturing and servicing of mechanical seals. He has been trained in Germany and Japan covering various intricate aspects of sealing technology. He holds a unique blend of understanding the dynamics of sealing technology and provides robust solutions to the market place. He has been instrumental in setting up the global supply chain and product development activities for Sealmatic from Europe & USA to India. Since 2012 he is Director in Sealmatic India Limited.
	<b>Date of Birth:</b> 05/06/1965
	<b>Address:</b> 1604, Fatemid Avenue, Behram Baug Road, Jogeshwari West, Near Sultanabad Colony, Mumbai, Maharashtra- 400102
	<b>PAN:</b> ABOPC5627L <b>Aadhaar Card No.:</b> xxxx xxxx 3001
<b>Other Directorship and interest in other entities:</b>	
<ol style="list-style-type: none"> <li>1. Isomag Sealmatic India Private Limited</li> </ol>	

	<b>Mr. Rafiq H. Balwa</b>
	<b>Mr. Rafiq H. Balwa</b> , aged 37 years, the Promoter Director of our Company has over 10 years of experience in the hospitality and construction industry. He has formal education in Business Management. He was intensively engaged in the project management, from the ground- breaking stage to its inauguration of the group's Radisson Hotel at Goregaon (West) Mumbai and Hotel under the brand Fairfield by Marriott at Andheri (East) Mumbai. His meticulous planning and operational skills have led the Radisson hotel to win the prestigious Pacific Asia Travel Writers Association Award for Best Business Hotel. Furthermore, his experience spearheaded the opening of Grand Blossom, a mini convention centre and another 4 Star hotel under the name of Residency Sarovar Portico. His youthful outlook contributes to the group's future development in the field of hospitality.
	<b>Date of Birth:</b> 05/09/1985
	<b>Address:</b> Flat No. 1201, Resiplex CHS Ltd. Society Opp. Grand Sarovar Hotel, Goregaon (West) Mumbai, Maharashtra, 400104
	<b>PAN:</b> AICPB6636K <b>Aadhaar Card No.:</b> xxxx xxxx 7768
<b>Other Directorship:</b>	
<ol style="list-style-type: none"> <li>1. Pastonji Foods Private Limited</li> <li>2. Panetteria Foods Private Limited</li> <li>3. Morrill and Greenwood India Private Limited</li> <li>4. Microtact India Private Limited</li> <li>5. Micropneumatic Engineering &amp; Construction Private Limited</li> </ol>	

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|---|
| <ol style="list-style-type: none"><li>6. Automann India Private Limited</li><li>7. Auto Land India Private Limited</li><li>8. Morrill and Greenwood Developers India Private Limited</li><li>9. Techniplex Complex Private Limited</li><li>10. Balwas Realty and Infrastructure Private Limited</li><li>11. Associated Hospitality and Developers Private Limited</li><li>12. Associated Hospitality Private Limited</li><li>13. Techniplex II Complex Management Private Limited</li><li>14. Resiplex Hospitality &amp; Developers Private Limited</li></ol> |
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**ii. Details of Body Corporate Promoters of our company:**

We don't have any Body Corporate Promoters

**Other Information related to Our Company**

For additional details on the age, background, personal address, educational qualifications, experience, positions / posts, other ventures and directorships held in the past for our Individual Promoter, *please see the chapter titled "Our Management" beginning on page no. 140 of this Prospectus.*

*For details of the build-up of our Promoter's shareholding in our Company, please see "Capital Structure –Shareholding of our Promoter" beginning on page no 74 of this Prospectus.*

**Other Undertakings and Confirmations**

We confirm that the Permanent Account Number, Bank Account Number(s), Aadhaar Card Number and Passport number of our Promoters will be submitted to the Stock Exchange at the time of filing of this Prospectus with the Stock Exchange.

Our Promoters and the members of our Promoter Group have confirmed that they have not been identified as wilful defaulters by the RBI or any other governmental authority.

No violations of securities laws have been committed by our Promoter or members of our Promoter Group or any Group Companies in the past or are currently pending against them. None of (i) our Promoter and members of our Promoter Group or persons in control of or on the boards of bodies corporate forming part of our Group Companies (ii) the Companies with which any of our Promoter are or were associated as a promoter, director or person in control, are debarred or prohibited from accessing the capital markets or restrained from buying, selling, or dealing in securities under any order or directions passed for any reasons by the SEBI or any other authority or refused listing of any of the securities issued by any such entity by any stock exchange in India or abroad.

**Change in control of our Company**

There has been no change in the control of our Company in the five years immediately preceding the date of this Prospectus.

**Interests of Promoter**

None of our Promoter / Directors have any interest in our Company except to the extent of compensation payable / paid, rent on the property owned by them and reimbursement of expenses (if applicable) and to the

extent of any equity shares held by them or their relatives and associates or held by the companies, firms and trusts in which they are interested as director, member, partner, and / or trustee, and to the extent of benefits arising out of such shareholding. For further details on the interest of our promoter in our Company, please see the chapters titled “*Capital Structure*”, “*Restated Financial Information*” and “*Our Management*” beginning on page nos. 78, 171 and 140 of this Prospectus.

Except as stated otherwise in this Prospectus, we have not entered into any contract, agreements or arrangements in which our Promoter is directly or indirectly interested and no payments have been made to them in respect of the contracts, agreements or arrangements which are proposed to be made with them including the properties purchased by our Company other than in the normal course of business.

For Further details on the related party transaction, to the extent of which our Company is involved, please see “*Annexure IX – Restated Statement of Related Party Transaction*” under the chapter “*Restated Financial Information*” on page no. 205 of this Prospectus.

### **Common Pursuits of our Promoters**

Our Group Company has been authorized by its Memorandum of Association to undertake activities which are similar to ours and are currently engaged in same business.

Our Company has not adopted any measures for mitigating such conflict situations.

### **Companies with which the Promoter has disassociated in the last three years.**

Our Promoters have not disassociated themselves from any companies, firms or entities during the last three years preceding the date of this Prospectus.

### **Payment of Amounts or Benefits to the Promoter or Promoter Group during the last two years**

Except as stated in “*Annexure IX – Restated Statement of Related Party Transactions*” under the chapter “*Financial Statements*” on page no. 205 of this Prospectus, there has been no other payment of benefits to our Promoter during the two years preceding the date of this Prospectus.

### **Experience of our Promoter in the business of our Company**

For details in relation to experience of our Promoter in the business of our Company, see Chapter “*Our Management*” beginning on page no. 140 of this Prospectus.

### **Interest of Promoter in the Promotion of our Company**

Our Company is currently promoted by the promoters in order to carry on its present business. Our Promoters are interested in our Company to the extent of their shareholding and directorship in our Company and the dividend declared, if any, by our Company.

### **Interest of Promoter in the Property of our Company**

Our Promoters have confirmed that they do not have any interest in any property acquired by our Company within three years preceding the date of this Prospectus or proposed to be acquired by our Company as on the date of this Prospectus For details, please the chapter “*Our Business*” on page no. 118 of this Prospectus.

Further, other than as mentioned in the chapter titled “Our Business”, our Promoters do not have any interest in any transactions in the acquisition of land, construction of any building or supply of any machinery.

Our promoters may be interested in rent being paid by our company to them who own these premises being occupied by the company. For further details please see “Our Business” and “Restated Financial Information” beginning on page no. 118 and 171 of this Prospectus.

### **Interest of Promoter in our Company other than as Promoter**

Other than as Promoter, our Promoter is interested in our Company to the extent of their shareholding in our Company and the dividend declared, if any, by our Company. For details, please see chapters titled “Our Management” and “Capital Structure” beginning on page nos.140 and 78 respectively of this Prospectus.

Except as mentioned in this section and the chapters titled “Capital Structure”, “Our Business”, “History and Certain Corporate matters” and “Annexure IX – Restated Statement of Related Party Transactions” on page nos. 78, 118, 137 and 205 of this Prospectus, respectively, our Promoter do not have any interest in our Company other than as promoter.

### **Related Party Transactions**

Except as stated in the “Annexure IX – Restated Statement of Related Party Transactions” under Restated Financial Information on page no. 205 of this Prospectus, our Company has not entered into related party transactions with our Promoter.

### **Material Guarantees**

Except as stated in the “Financial Indebtedness” and “Restated Financial Information” beginning on page nos. 221 and 171 of this Prospectus respectively, our Promoters have not given any material guarantee to any third party with respect to the Equity Shares as on the date of this Prospectus.

### **Shareholding of the Promoter Group in our Company**

For details of shareholding of members of our Promoter Group as on the date of this Prospectus, please see the chapter titled “Capital Structure – Notes to Capital Structure” beginning on page no. 78 of this Prospectus.

### **Other Confirmations**

Our Company has neither made any payments in cash or otherwise to our Promoter or to firms or companies in which our Promoter is interested as members, directors or promoter nor have our Promoter been offered any inducements to become directors or otherwise to become interested in any firm or company, in connection with the promotion or formation of our Company otherwise than as stated in the “Annexure IXI – Restated Statement of Related Party Transactions” under Restated Financial Statement on page no. 205 of this Prospectus.

### **Outstanding Litigation**

There is no outstanding litigation against our Promoter except as disclosed in the section titled “Risk Factors” and chapter titled “Outstanding Litigations and Material Developments” beginning on page nos. 35 and 222 of this Prospectus.

## 2. OUR PROMOTER GROUP

In addition to the Promoters, the following individuals, companies, partnerships and HUFs, etc. form part of our Promoter Group in terms of regulation 2(1) (pp) of the SEBI (ICDR) Regulation, 2018:

### A. Natural Persons who are part of Promoter Group i.e., an immediate relative of the promoter (i.e., any spouse of that person, or any parent, brother, sister or child of the person or of the spouse);

Name of the Promoter	Name of the Relative	Relationship with the Promoter
<b>Mr. Umar A. K. Balwa</b>	Mr. Abdulkarim E. Balwa	Father
	Mrs. Sakina A.K. Balwa	Mother
	Mrs. Waheeda U. Balwa	Spouse
	Mr. Hussein A. K. Balwa and Mr. Ismail A. K. Balwa	Brothers (s)
	Mrs. Safika Sayed Patel	Sister (s)
	Ms Neha U. Balwa and Ms Sania U. Balwa	Daughter (s)
	Mr. Abdul Razzak Dawood Maknojia	Spouse's Father
	Mrs. Khatun Abdul Razzak Maknojia	Spouse 's Mother
	Mr. Farhan Abdul Razzak Maknojia Mr. Noman Abdul Razzak Maknojia Mr. Sufyan Abdul Razzak Maknojia	Spouse's Brother
	Mrs. Shahida Patel Mrs. Hamida Patel	Spouse 's Sister(s)

Name of the Promoter	Name of the Relative	Relationship with the Promoter
<b>Mr. Mohamed Hanif Chaudhari</b>	Mr. Sharifbhai M. Chaudhari	Father
	Mrs. Mariyamben Chaudhari	Mother
	Mrs. Sakinabai Mohamed Hanif Chaudhary	Spouse
	Mr. Abidali S. Chaudhari, Mr. Sadik H. Chaudhari and Mr. Haider A. Chaudhari	Brother (s)
	Ms. Sakina Bai and Mrs. Sufiyan Bai	Sister (s)
	Mr. Zakir H. Chaudhary and Mr. Firoz H. Chaudhary	Son (s)
	Ms. Sadeka B. Chaudhary, Ms. Fatema Chaudhary and Ms. Jasmine Chaudhary	Daughter (s)

Name of the Promoter	Name of the Relative	Relationship with the Promoter
	Mr. Vazir Alauddin Agharia	Spouse 's Father
	Ms. Mariyam Ben Vazir Agharia	Spouse 's Mother
	Mr. Akbar V. Agharia, Mr. Habib V. Agharia Mr. Sabbir V. Agharia	Spouse's Brother
	Ms. Fatma Bai Agharia Ms. Jebun Kadiwala Ms. Shirin Chaudhary	Spouse 's Sister (s)

Name of the Promoter	Name of the Relative	Relationship with the Promoter
<b>Mr. Rafiq Hussain Balwa</b>	Mr. Hussein A. K. Balwa	Father
	Mrs. Salma H. Balwa	Mother
	Mrs. Rubia R. Balwa	Spouse
	Ms Shabnam S. Hafizi	Sister (s)
	Master Zidan R. Balwa	Son
	Ms. Zaara Rafiq Balwa and Ms. Ziya Rafiq Balwa	Daughter (s)
	Mr. Aladatkhan Abdul Hamid Khan Malik	Spouse 's Father
	Mrs. Afrojbibi Aladatkhan Malik	Spouse 's Mother
	Mr. Sarfraj A. Malik	Spouse's Brother
	Ms. Jahirabanu Pathan	Spouse 's Sister(s)

**B. In case promoter is a body corporate: - Not Applicable**

Nature of Relationship	Entity
Subsidiary or holding company of Promoter Company.	N. A
Any Body corporate in which promoter (Body Corporate) holds 20% or more of the equity share capital or which holds 20% or more of the equity share capital of the promoter (Body Corporate).	N. A

**C. In case promoter is an individual:**

<b>Nature of Relationship</b>	<b>Entity and Relation</b>
Any Body Corporate in which 20% or more of the equity share capital is held by promoter or an immediate relative of the promoter or a firm or HUF in which promoter or any one or more of his immediate relatives is a member.	<ol style="list-style-type: none"> <li>1. Isomag Sealmatic India Pvt. Ltd.</li> <li>2. Microtact India Pvt. Ltd.</li> <li>3. Techniplex Complex Pvt.Ltd.</li> </ol>
Any Body corporate in which Body Corporate as provided above holds 20% or more of the equity share capital.	NIL
Any Hindu Undivided Family or firm in which the aggregate share of the promoter and his immediate relatives is equal to or more than twenty percent of the total capital.	<ol style="list-style-type: none"> <li>1. Techniplex –Association of Persons</li> <li>2. Resiplex – Association of Persons</li> <li>3. AKBG Investments - Partnership</li> <li>4. Associated Hospitality Company - Partnership</li> </ol>

## GROUP ENTITIES OF OUR COMPANY

In compliance with SEBI Guideline, “Group Companies/Entities” pursuant to the regulation 2(1)(t) of SEBI (ICDR) Regulations, 2018, shall include companies (other than promoter(s) and subsidiary/subsidiaries) with which there were related party transactions, during the period for which financial information is disclosed, as covered under the applicable accounting standards and also other companies as are considered material by the Board.

Based on the above, the following are our Group Entities (Companies which are no longer associated with our Company have not been disclosed as Group Companies):

### 1. AKBG Investments (Partnership Firm)

Name of the Firm	AKBG Investments		
Category	Partnership Firm		
Name of the Partners	1. Associated Hospitality & Developers Pvt. Ltd. 2. Autoland India Pvt. Ltd. 3. Automann India Pvt. Ltd. 4. Balwas Realty & Infrastructure Pvt. Ltd. 5. Mr. Hussein A. K. Balwa 6. Mr. Ismail A. K. Balwa 7. Mr. Umar A. K. Balwa 8. Mrs. Waheeda U. Balwa 9. Mr. Rafiq H. Balwa 10. Mr. Imran I. Balwa 11. Mr. Zubar I. Balwa		
Brief Description and nature of activity or Business	Dealing in financial instruments for investments purposes.		
Year of Establishment	2012		
PAN	AAWFA2321E		
GST	Not registered under GST		
Partnership Registration No.	BA 108213		
Registered Office Address	4th floor, Techniplex - I, Techniplex Complex, Veer Savarkar Flyover, Goregaon (West) Mumbai 400104		
Audited Financial Information (₹ in Lakhs)			
Particulars	FY 2021-22	FY 2020-21	FY 2019-20
Total Revenue	0.00	0.00	0.00
Profit/(Loss) after tax	(0.21)	(0.24)	0.00

### 2. Associated Hospitality Company (Partnership Firm)

<b>Name of the Firm</b>	<b>Associated Hospitality Company</b>		
<b>Category</b>	Partnership Firm		
<b>Name of the Partners</b>	1. Mr. Hussein A. K. Balwa 2. Mr. Ismail A. K. Balwa 3. Mr. Umar A. K. Balwa 4. Mrs. Waheeda Umar Balwa 5. Mr. Rafiq H. Balwa 6. Mr. Imran I. Balwa 7. Mr. Zubar I. Balwa		

Brief Description and nature of activity or Business	Development of property and construction of commercial complexes, etc. and giving the premises on leave and license/lease basis.		
Year of Establishment	2011		
PAN	AAVFA8415G		
GST	27AAVFA8415G1Z4		
Partnership Registration No.	BA 103085		
Registered Office Address	4th floor, Techniplex - I, Techniplex Complex, Veer Savarkar Flyover, Goregaon (West) Mumbai 400104		
Audited Financial Information (₹ in Lakhs)			
Particulars	FY 2021-22	FY 2020-21	FY 2019-20
Total Revenue	440.34	400.27	467.42
Profit/(Loss) after tax	118.15	127.23	119.95

### 3. M/s Techniplex (AOP)

Name of the AOP	Techniplex		
Category	Associate Of Persons (AOP)		
Name of the Members	1. Mr. Hussein A. K. Balwa 2. Mr. Ismail A. K. Balwa 3. Mr. Umar A. K. Balwa 4. Mrs. Sakina A. K. Balwa 5. Mrs. Shamim S. Hafizi 6. Mrs. Mariam A. Selia 7. Mrs. Safika S. Patel		
Brief Description and nature of activity or Business	Development of property and construction of commercial complexes, etc. and giving the premises on leave and license/lease basis.		
Year of Establishment	2007		
PAN	AABAT3650R		
GST	27AABAT3650R1ZX		
Registered Office Address	4th floor, Techniplex - I, Techniplex Complex, Veer Savarkar Flyover, Goregaon (West) Mumbai 400104		
Audited Financial Information (₹ in Lakhs)			
Particulars	FY 2021-22	FY 2020-21	FY 2019-20
Total Revenue	1584.13	1625.85	1973.60
Profit/(Loss) after tax	307.58	310.38	319.71

#### 4. M/s. Resiplex (AOP)

Name of the AOP	M/s Resiplex		
Category	Associate Of Persons (AOP)		
Name of the Members	1. Mr. Hussein A. K. Balwa 2. Mr. Ismail A. K. Balwa 3. Mr. Umar A. K. Balwa		
Brief Description and nature of activity or Business	Selling of flats in the building named Resiplex		
Date of Establishment	2008		
PAN	AABAR4265L		
GST	Not registered under GST		
Registered Office Address	4th floor, Techniplex - I, Techniplex Complex, Veer Savarkar Flyover, Goregaon (West) Mumbai 400104		
Audited Financial Information (₹ in Lakhs)			
Particulars	FY 2021-22	FY 2020-21	FY 2019-20
Total Revenue	0.00	0.00	0.00
Profit/(Loss) after tax	(0.09)	0.01	0.01

#### 5. Techniplex Complex Private Limited

Name of the Company	Techniplex Complex Private Limited		
Category	Private Company		
Name of the Directors	1. Mr. Hussein A. K. Balwa (DIN 0000317135) 2. Mr. Ismail A. K. Balwa (DIN 0000142209) 3. Mr. Umar A. K. Balwa (DIN 0000142258) 4. Mr. Rafiq H. Balwa (DIN 0002010853)		
Brief Description and nature of activity or Business	Company was formed by the owners of the office units in the Information Technology Park for maintaing the Information Technology Park.		
Date of Incorporation	19-11-2010		
CIN	U45400MH2010PTC210197		
Company Registration No.	210197		
PAN	AADCT6517F		
GST	27AADCT6517F1ZC		
Registered Office Address	4 <sup>th</sup> Floor, Techniplex - I, Techniplex Complex, off. Veer Savarkar Flyover, Goregaon (West), Mumbai, Maharashtra 400062 India		
Audited Financial Information (₹ in Lakhs)			
Particulars	FY 2021-22	FY 2020-21	FY 2019-20
Total Revenue	167.59	153.41	207.67
Profit/(Loss) after tax	0.33	(0.08)	3.96

## 6. Microtact India Pvt. Ltd.

Name of the Company	Microtact India Private Limited		
Category	Private Company		
Name of the Directors – DIN	1. Mr. Hussein A. K. Balwa (DIN 0000317135) 2. Mr. Ismail A. K. Balwa (DIN 0000142209) 3. Mr. Umar A. K. Balwa (DIN 0000142258) 4. Mr. Rafiq H. Balwa (DIN 0002010853)		
Brief Description and nature of activity or Business	Manufacturing of hydraulic valves, etc.		
Date of Incorporation	14-07-2007		
CIN	U29120MH2007PTC172364		
Company Registration No.	172364		
PAN	AAFCM1426J		
GST	27AAFCM1426J1ZI		
Registered Office Address	4th floor, Techniplex - I, Techniplex Complex, Veer Savarkar Flyover, Goregaon (West) Mumbai 400062 India		
Audited Financial Information (₹ in Lakhs)			
Particulars	FY 2021-22	FY 2020-21	FY 2019-20
Total Revenue	4.96	26.19	50.92
Profit/(Loss) after tax	(1.98)	9.98	47.90

## 7. Isomag Sealmatic India Private Limited

Name of the Company	Isomag Sealmatic India Private Limited		
Category	Private Company		
Name of the Directors – DIN	1. Mr. Mohamed Hanif Chaudhari (DIN 02817594) 2. Mr. Umar A. K. Balwa (DIN 00142258) 3. Mr. Stepehen M. Dawson (DIN 084565295) 4. Mr. Jared E. Green (DIN 08456317)		
Brief Description and nature of activity or Business	Designing, manufacturing and trading of bearing isolators for motors, gear boxes, etc.		
Date of Incorporation	15-03-2019		
CIN	U29309MH2019PTC322635		
Company Registration No.	322635		
PAN	AAFCI2134R		
GST	27AAFCI2134R1Z7		
Registered Office Address	4th floor, Techniplex - I, Techniplex Complex, Veer Savarkar Flyover, Goregaon (West) Mumbai 400062 IN		
Audited Financial Information (₹ in Lakhs)			
Particulars	FY 2021-22	FY 2020-21	FY 2019-20
Total Revenue	70.60	36.07	1.93
Profit/(Loss) after tax	12.41	9.17	-6.98

## 8. Associated Hospitality & Developers Private Limited

Name of the Company	Associated Hospitality and Developers Pvt. Ltd.		
Category	Private Company		
Name of the Directors – DIN	Mr. Ismail A. Balwa (DIN 0000142209) Mr. Umar A. K Balwa (DIN 0000142258) Mrs. Sakina A. Balwa (DIN 0000142337) Mr. Hussein A. Balwa (DIN 0000317135) Mr. Rafiq H. Balwa (DIN 0002010853) Mr. Imran I. Balwa (DIN 0002025027) Mr. Zubair I. Balwa (DIN 0002288020) Miss Sania U. Balwa (DIN 0008239375)		
Brief Description and nature of activity or Business	Constructed a star category hotel and running the said hotel and giving the premises of leave and license basis.		
Date of Incorporation	15-06-2006		
CIN	U55101MH2006PTC162648		
Company Registration No.	162648		
PAN	AAFCA7847P		
GST	27AAFCA7847P1ZX		
Registered Office Address	4th floor, Techniplex - I, Techniplex Complex, Veer Savarkar Flyover, Goregaon (West) Mumbai 400062 IN		
Audited Financial Information (₹ in Lakhs)			
Particulars	FY 2021-22	FY 2020-21	FY 2019-20
Total Revenue	1,940.15	1,062.47	3,162.23
Profit/(Loss) after tax	-635.20	-622.53	359.66

## 9. Associated Hospitality Private Limited

<b>Name of the Company</b>	Associated Hospitality Pvt. Ltd.		
<b>Category</b>	Private Company		
<b>Name of the Directors – DIN</b>	Mr. Ismail A. Balwa (DIN 0000142209) Mr. Umar A. Balwa (DIN 0000142258) Mr. Hussein A. Balwa (DIN 0000317135) Mr. Rafiq Hussein Balwa (DIN 0002010853) Vipinchandra M. Chokhawala (DIN 0002579725)		
<b>Brief Description and nature of activity or Business</b>	Constructed a star category hotel and running the said hotel		
<b>Date of Incorporation</b>	09-07-2012		
<b>CIN</b>	U55101MH2012PTC233150		
<b>Company Registration No.</b>	233150		
<b>PAN</b>	AAKCA7163R		
<b>GST</b>	27AAKCA7163R1ZV		
<b>Registered Office Address</b>	4th floor, Techniplex - I, Techniplex Complex, Veer Savarkar Flyover, Goregaon (West) Mumbai 400062 India		

Audited Financial Information (₹ in Lakhs)			
Particulars	FY 2021-22	FY 2020-21	FY 2019-20
Total Revenue	0.32	0.00	0.38
Profit/(Loss) after tax	-12.82	17.10	17.42

#### 10. Resiplex Hospitality & Developers Private Limited

Name of the Company	Resiplex Hospitality and Developers Pvt. Ltd.		
Category	Private Company		
Name of the Directors – DIN	Mr. Ismail A. Balwa (DIN 0000142209) Mr. Umar A. Balwa (DIN 0000142258) Mr. Hussein A. Balwa (DIN 0000317135) Mr. Rafiq H. Balwa (DIN 0002010853) Miss Sania Umar Balwa (DIN 0008239375)		
Brief Description and nature of activity or Business	Running a business hotel		
Date of Incorporation	19-12-2006		
CIN	U55101MH2006PTC166306		
Company Registration No.	166306		
PAN	AAECP6074C		
GST	27AAECP6074C1ZH		
Registered Office Address	4th floor, Techniplex - I, Techniplex Complex, Veer Savarkar Flyover, Goregaon (West) Mumbai 400062 IN		
Audited Financial Information (₹ in Lakhs)			
Particulars	FY 2021-22	FY 2020-21	FY 2019-20
Total Revenue	675.26	274.21	1,191.03
Profit/(Loss) after tax	-140.82	-296.05	36.62

#### 11. Morrill & Greenwood Developers Private Limited

Name of the Company	Morrill & Greenwood Developers Pvt. Ltd.		
Category	Private Company		
Name of the Directors – DIN	Mr. Ismail A. Balwa (DIN 0000142209) Mr. Umar A. Balwa (DIN 0000142258) Mr. Hussein A. Balwa (DIN 0000317135) Mr. Rafiq H. Balwa (DIN 0002010853) Mrs. Salma H. Balwa (DIN 0002955562) Mrs. Saleha I. Balwa (DIN 0002955564)		
Brief Description and nature of activity or Business	Development and construction of industrial buildings and giving the same on lease and license basis		
Date of Incorporation	18-04-2007		
CIN	U45400MH2007PTC170058		
Company Registration No.	170058		
PAN	AAFCM4839B		
GST	27AAFCM4839B1ZK		

Registered Office Address	4th floor, Techniplex - I, Techniplex Complex, Veer Savarkar Flyover, Goregaon (West) Mumbai 400062 IN		
Audited Financial Information (₹ in Lakhs)			
Particulars	FY 2021-22	FY 2020-21	FY 2019-20
Total Revenue	122.79	118.32	420.82
Profit/(Loss) after tax	30.20	5.88	268.20

## 12. Valvemantics Engineering Pvt Ltd.

Name of the Company	Valvemantics Engineering Private Limited		
Category	Private Company		
Name of the Directors – DIN	Mrs. Sufiya S. Balwa (DIN 0000142409) Mr. Noormohammed S. Balwa (DIN 0002686286) Imrana Samad Balwa (DIN 0007328949)		
Brief Description and nature of activity or Business	Manufacturing and dealing in all types of valves related to mechanical engineering activities.		
Date of Incorporation	26-08-1997		
CIN	U29100MH1997PTC110271		
Company Registration No.	1102714		
PAN	AAACK9150A		
GST	27AAACK9150A1ZV		
Registered Office Address	4th Floor, Techniplex - I, Techniplex Complex, Veer Savarkar Flyover, Goregaon (West), Mumbai 400062		
Audited Financial Information (₹ in Lakhs)			
Particulars	FY 2021-22	FY 2020-21	FY 2019-20
Total Revenue	520.50	407.21	190.09
Profit/(Loss) after tax	-0.08	20.17	46.13

## DIVIDEND POLICY

Under the Companies Act, 2013, our Company can pay dividends upon a recommendation by our Board of Directors and approval by a majority of the shareholders at the General Meeting. The shareholders of our Company have the right to decrease, not to increase the amount of dividend recommended by the Board of Directors. The dividends may be paid out of profits of our Company in the year in which the dividend is declared or out of the undistributed profits or reserves of previous fiscal years or out of both. The Articles of Association of our Company also gives the discretion to our Board of Directors to declare and pay interim dividends. The Company has no formal dividend policy. The dividends declared by our Company during the last three Fiscal years have been presented below:

Particulars	As on September 30, 2022	Year ended March 31, 2022	Year ended March 31, 2021	Year ended March 31,2020
Face Value of Equity Share (per share)	10	10	10	10
Dividend on Equity Shares (₹)	-	2,00,000	-	-
Dividend on each Equity Share (₹)	-	1	-	-
Dividend Rate for Equity Shares (%)	-	10%	-	-

Our Company does not have any formal dividend policy for the Equity Shares. The declaration and payment of dividend will be recommended by our Board of Directors and approved by the shareholders of our Company at their discretion and will depend on a number of factors, including the results of operations, earnings, capital requirements and surplus, general financial conditions, applicable Indian legal restrictions and other factors considered relevant by our Board of Directors.

## SECTION VII

### FINANCIAL STATEMENTS

#### **R. R. SHAH & ASSOCIATES** CHARTERED ACCOUNTANTS

207 Kshamalaya, 37 Marg, New Marine Lines, Mumbai 400020  
Tel No.022-22033160 Email: info@rrshahassociates.com

**Independent Auditor's Examination report on Restated Standalone/ Consolidated Financial Information of Sealmatic India Limited (Formerly known as Sealmatic India Private Limited)**

To,  
The Board of Directors  
**Sealmatic India Limited (formerly known as Sealmatic India Private Limited)**  
4<sup>th</sup> Floor, Techniplex – I, Techniplex Complex,  
Off Veer Savarkar Flyover, Goregaon (west),  
Mumbai, Maharashtra 400062.

Dear Sirs,

1. We have examined the attached Restated Standalone/ Consolidated Financial Information of Sealmatic India Limited (formerly known as Sealmatic India Private Limited) (hereinafter referred to as the "Company" or the "Issuer"), and its Joint Venture Entity (Isomag Sealmatic India Private Limited) comprising the Restated Standalone Statement of Assets and Liabilities as at September 30, 2022 ("being the Company sold its entire stake in Joint Venture M/s Isomag Sealmatic India Private Limited on July 23, 2022), and Restated Consolidated Statement of Assets and Liabilities as at March 31, 2022, March 31, 2021 and March 31, 2020, the Restated Standalone Statement of Profit and loss for the six months ended on September 30, 2022\* and the Restated Consolidated Statements of Profit and Loss for the years ended March 31, 2022, March 31, 2021 and March 31, 2020, the Restated Standalone Statement of Cash Flow for the six month ended on September 30, 2022\* and the Restated Consolidated Cash Flow Statement for the years ended March 31, 2022, March 31, 2021 and March 31, 2020, the Summary Statement of Significant Accounting Policies, and other explanatory information (collectively, the "Restated Standalone/ Consolidated Financial Information"), as approved by the Board of Directors of the Company at their meeting held on January 2, 2023 for the purpose of inclusion in the Draft Red Herring Prospectus ("DRHP") prepared by the Company in connection with its proposed Initial Public Offer of equity shares ("IPO") in SME Platform of BSE.
2. These restated Summary Statements have been prepared in terms of the requirements of:
  - a) Section 26 of Part I of Chapter III of the Companies Act, 2013 (the "Act"),
  - b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("ICDR Regulations"); and
  - c) The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India ("ICAI"), as amended from time to time (the "Guidance Note").



3. The Company's Board of Directors is responsible for the preparation of the Restated Standalone/ Consolidated Financial Information for the purpose of inclusion in the Draft Red Herring Prospectus ("DRHP") to be filed with Securities and Exchange Board of India, Registrar of Companies, Maharashtra and the BSE SME Exchange in connection with the proposed IPO. The Restated Standalone/ Consolidated Financial Information have been prepared by the management of the Company on the basis of preparation as stated in Annexure IV to the Restated Standalone/ 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 Standalone/ Consolidated Financial Information. The Board of Directors are also responsible for identifying and ensuring that the Company complies with the Act, ICDR Regulations and the Guidance Note.
4. We have examined such Restated Standalone/ Consolidated Financial Information taking into consideration:
  - a) The terms of reference and terms of our engagement agreed upon with you in accordance with our engagement letter dated December 2, 2022 in connection with the proposed IPO of equity shares of the Issuer;
  - b) The Guidance Note also requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI;
  - c) Concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence supporting the Restated Financial Information; and
  - d) 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 Standalone/ Consolidated Financial Information have been compiled by the management from the Audited Standalone Financial Statements of the Company for the six months ended on September 30, 2022 and Consolidated Financial Statements of the Company for the financial years ended on March 31, 2022, March 31, 2021 and March 31, 2020, which has been approved by the Board of Directors.
  - a) We have audited the Standalone financial statements of the company as at and for the six months ended on September 30, 2022 prepared by the company in accordance with Accounting Standard (Indian GAAP). We have issued our report dated November 19th, 2022, on this Standalone financial statements which have been approved by the Board of Directors at their meeting held on November 19th, 2022.
  - b) We have audited the Consolidated financial statements of the company as at and for year ended on March 31, 2022, March 31, 2021 & March 31, 2020 prepared by the company in accordance with Accounting Standard (Indian GAAP). We have issued our report dated September 3rd, 2022, September 30th, 2021 & October 8th, 2020, on this Consolidated financial statements which have been approved by the Board of Directors at their meeting held on September 3rd, 2022, September 30th, 2021 & October 8th, 2020.



6. For the purpose of our examination, we have relied on:
- Auditors' reports issued by us dated November 19th, 2022 as at and for the six months ended on September 30, 2022 as referred in Paragraph 5(a) above.
  - Auditors' reports issued by us dated September 3rd, 2022 as at and for year ended on March 31, 2022 as referred in Paragraph 5(b) above, dated September 30th, 2021 as at and for the year ended on March 31, 2021 as referred in Paragraph 5(b) above and dated October 8th, 2020 as at and for the year ended on March 31, 2020 as referred in Paragraph 5(b) above.
  - Auditors' Report issued by us on M/s Isomag Sealmatic India Private Limited (Joint Venture) for the financial year ended March 31, 2022, March 31, 2021 & March 31, 2020 which were issued on July 15, 2022, September 7, 2021 & September 15, 2020.
7. Based on our examination and according to the information and explanations given to us, we report that:
- The "Restated Standalone Summary Statement of Assets and Liabilities" as set out in Annexure I to this report, of the Company as at and for the six months ended on September 30, 2022\* and "Restated Consolidated Summary Statement of Assets and Liabilities" as set out in Annexure I and as at and for the year ended on March 31, 2022, March 31, 2021 and March 31, 2020 are prepared by the Company and approved by the Board of Directors. These Restated Standalone/Consolidated Summary Statement of Assets and Liabilities, have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Accounts as set out in Annexure IV and Annexure V to this Report.
  - The "Restated Standalone Summary Statement of Profit and Loss" as set out in Annexure II to this report, of the Company as at and for the six months ended on September 30, 2022\* and "Restated Consolidated Summary Statement of Profit and Loss" as set out in Annexure II as at and for the year ended on March 31, 2022, March 31, 2021 and March 31, 2020 are prepared by the Company and approved by the Board of Directors. These Restated Standalone /Consolidated Summary Statement of Profit and Loss have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Accounts as set out in Annexure IV and Annexure V to this Report.
  - The "Restated Standalone Summary Statement of Cash Flow" as set out in Annexure III to this report of the Company and the "Restated Consolidated Summary Statement of Cash Flow" as set out in Annexure III to this report, of the Company as at and for the year ended on March 31, 2022, March 31, 2021 and March 31, 2020 are prepared by the Company and approved by the Board of Directors. These Restated Standalone/ Consolidated Summary Statement of Cash Flow have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our



opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Accounts as set out in Annexure IV and Annexure V to this Report.

- d) The Restated Standalone/Consolidated Summary Statement have been prepared in accordance with the Act, ICDR Regulations and the Guidance Note.
  - e) The Restated Summary Statements have been made after incorporating adjustments for the changes in accounting policies retrospectively in respective financial period/years to reflect the same accounting treatment as per the changed accounting policy for all reporting periods, if any;
  - f) The Restated Summary Statements have been made after incorporating adjustments for prior period and other material amounts in the respective financial years/period to which they relate, if any and there are no qualifications which require adjustments;
  - g) Extra-ordinary items that needs to be disclosed separately in the accounts has been disclosed wherever required;
  - h) There were no qualifications in the Audit Reports as at and for the six months ended on September 30, 2022 and as at and for the year ended on March 31, 2022, March 31, 2021 and March 31, 2020 which would require adjustments in this Restated Financial Statements of the Company;
  - i) Profits and losses have been arrived at after charging all expenses including depreciation and after making such adjustments/restatements and regroupings as in our opinion are appropriate and are to be read in accordance with the Significant Accounting Policies and Notes to Accounts as set out in Annexure IV and Annexure V to this report;
  - j) There was no change in accounting policies, which needs to be adjusted in the Restated Summary Statements
  - k) There are no revaluation reserves, which need to be disclosed separately in the Restated Financial Statements;
  - l) The company has not proposed any dividend in past effective for the said period.
8. We have also examined the following other financial information relating to the Company prepared by the Management and as approved by the Board of Directors of the Company and annexed to this report relating to the Company as at and for the six months ended September 30, 2022 and as at and for the year ended March 31, 2022, March 31, 2021 and March 31 2020 proposed to be included in the Draft Red Herring Prospectus.

Annexure No.	Particulars
I (I.1 to I.19)	Restated Statement of Assets & Liabilities
II (II.1 to II.8)	Restated Statement of Profit & Loss
Other Annexures:	



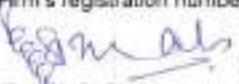
III	Cash Flow Statement
IV	Statement of Significant Accounting Policies and Notes to the Re-stated Financial Statements
V	Other Notes to the Re-stated Financial Statements
VI	Statement of Accounting & Other Ratios, As Restated
VII	Statement of Capitalization, As Restated
VIII	Statement of Tax Shelter, As Restated
IX	Statement of Related Parties & Transactions
X	Statement of Dividends
XI	Changes in the Significant Accounting Policies
XII	Contingent Liabilities

9. We, M/s. R. R. Shah & Associates, Chartered Accountants have been subjected to the peer review process of the Institute of Chartered Accountants of India ("ICAI") and final clean report has been submitted by Peer Reviewer to the Peer Review Board on 27th December, 2022. We have been informed that Peer Review Certificate will be issued by the Board in ensuing meeting to be held on 06th of January, 2023 w.e.f. 27th December, 2022 and will be valid for three years.
10. The Restated Financial Information do not reflect the effects of events that occurred subsequent to the respective dates of the reports on the special purpose interim financial statements and audited financial statements mentioned in paragraph 5 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 us, nor should this report be construed as a new opinion on any of the financial statements referred to herein.
12. We have no responsibility to update our report for events and circumstances occurring after the date of the report.
13. Our report is intended solely for use of the Board of Directors for inclusion in the DRHP to be filed with Securities and Exchange Board of India, the stock exchanges and Registrar of Companies, Maharashtra in connection with the proposed IPO. Our report should not be used, referred to, or distributed for any other purpose except with our prior consent in writing. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.



Place: Mumbai  
Date: 2 JAN 2023  
UDIN No: 23017844EGQP1L4622

For R. R. Shah & Associates  
Chartered Accountants  
Firm's registration number: 112007W

  
(Rajesh S. Shah)  
Partner  
Membership No.017844

SEALMATIC INDIA LIMITED (FORMERLY KNOWN AS SEALMATIC INDIA PRIVATE LIMITED) RESTATED CONSOLIDATED STATEMENT OF ASSETS & LIABILITIES ANNEXURE - I					
(All Amount in INR Lakhs, unless otherwise stated)					
	NOTE NO	As at 30.09.2022 (Rs. In Lakhs)	As at 31.03.2022 (Rs. In Lakhs)	As at 31.03.2021 (Rs. In Lakhs)	As at 31.03.2020 (Rs. In Lakhs)
<b>EQUITY AND LIABILITIES</b>					
<b>SHAREHOLDERS' FUNDS</b>					
Share Capital	1.1	720.00	20.00	20.00	20.00
Reserves & Surplus	1.2	2,830.15	2,995.89	2,154.43	1,504.67
		<b>3,550.15</b>	<b>3,015.89</b>	<b>2,174.43</b>	<b>1,524.67</b>
<b>NON-CURRENT LIABILITIES</b>					
Long Term Borrowings	1.3	158.38	60.31	234.33	246.88
Deferred Tax Liabilities (Net)	1.4	55.84	-	-	-
Long Term Provisions	1.5	0.83	1.32	0.08	-
		<b>175.05</b>	<b>61.63</b>	<b>234.42</b>	<b>246.88</b>
<b>CURRENT LIABILITIES</b>					
Short Term Borrowings	1.6	66.01	30.25	36.25	31.42
Trade Payables	1.7	1,029.72	699.91	367.10	480.75
Other Current Liabilities	1.8	163.03	115.25	125.83	35.04
Short Term Provisions	1.9	124.56	21.43	35.67	3.30
		<b>1,383.32</b>	<b>866.84</b>	<b>564.85</b>	<b>550.51</b>
<b>TOTAL</b>		<b>5,108.52</b>	<b>3,947.36</b>	<b>2,975.94</b>	<b>2,325.96</b>
<b>ASSETS</b>					
<b>NON-CURRENT ASSETS</b>					
Property, Plant & Equipment:	1.10				
Tangible Assets	1.10 (a)	931.85	844.67	667.44	524.50
Capital Work in Progress	1.10 (b)	-	-	7.15	23.68
Intangible Assets	1.10 (c)	21.86	25.09	35.29	30.62
		<b>953.71</b>	<b>870.36</b>	<b>709.88</b>	<b>578.80</b>
Deferred Tax Assets (Net)	1.4	-	10.05	22.51	15.33
Long Term Loans and Advances	1.11	34.50	8.45	13.79	21.77
Other Non Current Asset	1.12	47.87	12.99	43.00	51.35
		<b>82.37</b>	<b>32.11</b>	<b>79.30</b>	<b>88.45</b>
		<b>1,036.08</b>	<b>902.47</b>	<b>789.18</b>	<b>666.75</b>
<b>CURRENT ASSETS</b>					
Current Investment	1.13	10.65	-	-	-
Inventories	1.14	2,063.92	1,437.75	665.54	734.13
Trade Receivables	1.15	1,191.81	895.80	642.67	611.66
Cash and Cash Equivalents	1.16	238.47	252.55	295.49	112.60
Other Bank Balance	1.17	74.93	197.84	190.32	10.62
Short Term Loans and Advances	1.18	204.15	55.19	30.18	32.59
Other Current Assets	1.19	268.31	185.95	169.50	156.51
		<b>4,072.44</b>	<b>3,044.88</b>	<b>2,166.76</b>	<b>1,666.31</b>
<b>TOTAL</b>		<b>5,108.52</b>	<b>3,947.36</b>	<b>2,975.94</b>	<b>2,325.96</b>
<p>Note : As The Company has disposed off its entire stake in the Jointly Controlled entity Isomag Sealmatic India Private Limited on 23/07/2022 hence standalone figures are presented for the period and as at September 30, 2022.</p> <p>Note: The above statement should be read with the Significant Accounting Policies and Notes on Financial Statements appearing in Annexure IV &amp; V respectively.</p> <p>As Per Our Report of Even Date</p> <p>For R. R. Shah &amp; Associates</p> <p>Chartered Accountants</p> <p>Firm Registration No.112007W</p> <p>(Rajesh S. Shah)</p> <p>Partner</p> <p>Membership No.017944</p> <p>UDIN: 23017944B6QF1L462E</p> <p>Place : Mumbai</p> <p>Date : - 7 JAN 2023</p> <p>For and on behalf of the Board of Directors</p> <p>SEALMATIC INDIA LIMITED</p> <p>(Harif S. Chaudhari)</p> <p>Director</p> <p>DIN : 00817504</p> <p>Place : Mumbai</p> <p>Date : - 7 JAN 2023</p> <p>(Umar Abdulkarim Bakia)</p> <p>Director</p> <p>DIN : 00142258</p>					

SEALMATIC INDIA LIMITED (FORMERLY KNOWN AS SEALMATIC INDIA PRIVATE LIMITED) RESTATED CONSOLIDATED STATEMENT OF PROFIT AND LOSS ANNEXURE - II					
(All Amount in INR Lakhs, unless otherwise stated)					
	NOTE NO.	For the six months period ended	For The Year Ended		
		30.06.2022 (Rs. in Lakhs)	31.03.2022 (Rs. in Lakhs)	31.03.2021 (Rs. in Lakhs)	31.03.2020 (Rs. in Lakhs)
<b>REVENUE:</b>					
Revenue from Operations	II.1	2,562.72	4,254.06	3,532.58	3,309.13
Other Income	II.2	19.40	22.74	15.03	49.75
<b>TOTAL INCOME</b>		<b>2,582.12</b>	<b>4,276.80</b>	<b>3,547.61</b>	<b>3,358.88</b>
<b>EXPENDITURE:</b>					
Cost of Materials Consumed	II.3	1,223.71	1,745.30	1,410.45	1,392.81
Purchase of Stock in Trade		-	3.50	-	0.27
Changes in Inventories	II.4	(413.33)	(211.02)	(56.64)	32.70
Employee Benefits Expenses	II.5	417.34	729.56	517.83	501.01
Finance Costs	II.6	5.05	9.14	14.21	12.23
Depreciation and Amortization Expenses		45.20	85.43	160.45	135.90
Other Expenses	II.7	452.30	787.81	639.67	645.58
<b>TOTAL EXPENSES</b>		<b>1,815.16</b>	<b>3,144.72</b>	<b>2,673.97</b>	<b>2,899.50</b>
<b>Profit Before Tax</b>		<b>766.96</b>	<b>1,132.08</b>	<b>874.21</b>	<b>459.38</b>
<b>TAX EXPENSES:</b>					
Current Tax		167.00	277.33	231.63	173.00
Deferred Tax		26.51	11.34	(7.15)	0.40
Short/ (Excess) Provision for Income Tax of earlier year		-	1.45	-	0.38
		223.51	290.12	224.48	173.78
<b>Profit For The Year</b>		<b>543.45</b>	<b>841.96</b>	<b>649.73</b>	<b>285.60</b>
Earnings per equity share of Rs.10/- each (Previous year Rs. 10/- each) Based On	II.8	7.55	420.73	324.88	247.07
<p>Note : As The Company has disposed off its entire stake in the Jointly Controlled entity Isomag Sealmatic India Private Limited on 23/07/2022 hence standalone figures are presented for the period and as at September 30, 2022.</p> <p>Note: The above statement should be read with the Significant Accounting Policies and Notes on Financial Statements appearing in Annexure IV &amp; V respectively.</p> <p>As Per Our Report of Even Date</p> <p>For R. R. Shah &amp; Associates Chartered Accountants Firm Registration No.112557W</p> <p>For and on behalf of the Board of Directors SEALMATIC INDIA LIMITED</p> <p>(Rajesh S. Shah) Partner Membership No.017844 UDIN: 23057844866PIL4622 Place - Mumbai Date - 7 JAN 2023</p> <p>(Harif S. Chaudhari) Director DIN :32817554 Place - Mumbai Date - 7 JAN 2023</p> <p>(Umar Abdulkarim Bales) Director DIN :00142258</p>					

SEALMATIC INDIA LIMITED				
(FORMERLY KNOWN AS SEALMATIC INDIA PRIVATE LIMITED)				
ANNEXURE - III				
RESTATEd CONSOLIDATED STATEMENT OF CASH FLOW				
(All Amount in INR Lakhs, unless otherwise stated)				
Particulars	For the six months period ended	For The Year Ended		
	30.09.2022 (Rs. In Lakhs)	31.03.2022 (Rs. In Lakhs)	31.03.2021 (Rs. In Lakhs)	31.03.2020 (Rs. In Lakhs)
<b>A CASH FLOW FROM OPERATING ACTIVITIES</b>				
Net Profit Before Tax	766.95	1,132.08	874.21	667.98
Adjustments for:				
Depreciation	48.20	85.43	150.45	135.90
Provision for Diminution in value of Investment	1.10	-	-	-
Interest Expense	6.95	9.54	14.21	12.23
Profit on sale of Investment	(10.19)	-	-	-
Dividend Income	(0.10)	-	-	-
Interest on Income Tax paid	7.19	0.30	-	-
Interest Income	(4.35)	(16.03)	(7.28)	(2.02)
Operating profit before working capital changes	815.75	1,210.82	1,021.59	814.05
Adjustments for changes in working capital				
(Increase) / Decrease in Inventories	(608.71)	(599.21)	(124.40)	(38.83)
(Increase) / Decrease in Trade Receivable	(301.13)	(253.25)	(31.06)	(234.08)
(Increase) / Decrease in Other Bank Balance	122.71	31.81	(179.50)	-
(Increase) / Decrease in Short Term Loans & Advances	(153.39)	(25.01)	2.38	9.59
(Increase) / Decrease in Long Term Loans & Advances	(1.35)	(2.05)	0.00	1.00
(Increase) / Decrease in Other Non Current Asset	(34.87)	(8.62)	6.09	(38.57)
(Increase) / Decrease in Other Current Asset	(104.45)	(12.96)	(6.35)	64.85
Increase / (Decrease) in Trade Payables	330.85	332.95	(58.20)	129.95
Increase / (Decrease) in Other Current Liabilities	51.07	0.50	25.59	(11.45)
Increase / (Decrease) in Short Term Provision	2.08	6.68	(2.00)	0.25
Increase / (Decrease) in Long Term Provision	(0.48)	1.23	0.00	-
	(597.95)	(528.55)	(354.49)	(115.26)
Taxs paid				
Income Tax Paid	(100.87)	(305.20)	(177.88)	(295.74)
<b>Net Cash From Operating Activities</b>	<b>16.93</b>	<b>382.96</b>	<b>-486.22</b>	<b>-438.09</b>
<b>B CASH FLOW FROM INVESTING ACTIVITIES</b>				
Purchase of Property, Plant and Equipment	(159.29)	(249.50)	(257.00)	(292.00)
Sale of Investment in J.V.	26.69	-	-	-
Investments in Equity Shares (net of sale and profit)	(10.95)	-	-	-
Dividend Income	0.10	-	-	-
Interest Received	6.89	12.58	0.61	-
<b>Net Cash from Investing Activities</b>	<b>(136.59)</b>	<b>(236.91)</b>	<b>(256.44)</b>	<b>(292.00)</b>
<b>C CASH FLOW FROM FINANCING ACTIVITIES</b>				
Dividend Paid	(2.00)	-	-	-
Interest paid	(6.95)	(9.14)	(14.21)	(12.23)
Proceeds from Long Term Borrowings (Net of payment)	130.62	(179.05)	(5.68)	81.75
Proceeds from Short Term Borrowings (Net of payment)	-	-	-	(105.51)
<b>Net cash from Financing Activities</b>	<b>121.67</b>	<b>(158.20)</b>	<b>(19.89)</b>	<b>(35.99)</b>
<b>Net Increase / (Decrease) in Cash and Cash Equivalents</b>	<b>2.21</b>	<b>(42.94)</b>	<b>182.89</b>	<b>109.61</b>
Cash and Cash Equivalents at the Beginning of the year	236.28	295.42	112.60	2.99
Cash and Cash Equivalents at the End of the year	238.47	252.85	295.49	112.60
	2.21	(42.94)	182.89	109.61
<p>Note : As The Company has disposed off its entire stake in the Jointly Controlled entity Isomag Sealmatic India Private Limited on 23/07/2022 hence standalone figures are presented for the period and as at September 30, 2022.</p>				
<p>As Per Our Report of Even Date For R. R. Shah &amp; Associates Chartered Accountants ICAI Firm Registration no. 118003W</p>		<p>For and on behalf of the Board of Directors SEALMATIC INDIA LIMITED</p>		
<p>(Rajesh S. Shah) Partner Membership No.017044 UDIN: 23017894566P1L4622 Place : Mumbai Date : - 7 JAN 2023</p>		<p>(Harif S. Chaudhari) Director DIN :02817994 Place : Mumbai Date : - 7 JAN 2023</p>		
		<p>(Umar Abdulkarim Barwe) Director DIN : 00142258</p>		

**SEALMATIC INDIA LIMITED**  
**(FORMERLY KNOWN AS SEALMATIC INDIA PRIVATE LIMITED)**  
**NOTES FORMING PART OF RESTATED CONSOLIDATED FINANCIAL STATEMENTS**

(All Amount in INR Lakhs, unless otherwise stated)

**ANNEXURE I.1**  
**RESTATED STATEMENT OF SHARE CAPITAL**

	As At 30.09.2022	As At 31.03.2022	As At 31.03.2021	As At 31.03.2020
<b>AUTHORISED:</b>				
Number of Equity shares of Rs. 10 each	1,00,00,000	2,00,000	2,00,000	2,00,000
Authorised Equity Share Capital in Rs. Lakhs	1,000.00	20.00	20.00	20.00
<b>ISSUED, SUBSCRIBED AND PAID-UP SHARES:</b>				
Number of Equity shares of Rs. 10 each	72,00,000	2,00,000	2,00,000	2,00,000
Paid up Share Capital in Rs. in lakhs	720.00	20.00	20.00	20.00

Details of shares held by shareholders holding more than 5% of the aggregate shares in the company:

Name of the Shareholders	As At 30.09.2022		As At 31.03.2022		As At 31.03.2021		As At 31.03.2020	
	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%
Mr. Umar A.K. Balwa	4,08,024	5.67%	11,333	5.67%	11,333	5.67%	11,333	5.67%
Mr. Hussein A.K. Balwa	6,23,988	8.67%	17,333	8.67%	17,333	8.67%	17,333	8.67%
Mr. Zubair J. Balwa	6,35,976	8.83%	17,666	8.83%	17,666	8.83%	17,666	8.83%
Mr. Rafiq H. Balwa	6,48,000	9.00%	18,000	9.00%	18,000	9.00%	18,000	9.00%
Mr. Imran J. Balwa	6,36,012	8.83%	17,667	8.83%	17,667	8.83%	17,667	8.83%
Mr. Abid Ali S. Chaudhary	11,28,024	15.67%	31,334	15.67%	31,334	15.67%	31,334	15.67%
Mr. Sadik Hussein Chaudhary	11,27,988	15.67%	31,333	15.67%	31,333	15.67%	31,333	15.67%
Mr. Mohamed Hanif S. Chaudhary	11,27,988	15.67%	31,333	15.67%	31,333	15.67%	31,333	15.67%

The reconciliation of the number of shares outstanding is set out below:

Particulars	As At 30.09.2022		As At 31.03.2022		As At 31.03.2021		As At 31.03.2020	
	No. of Shares	Rs. in Lakhs	No. of Shares	Rs. in Lakhs	No. of Shares	Rs. in Lakhs	No. of Shares	Rs. in Lakhs
Equity Shares at the beginning of the year/period	2,00,000	20.00	2,00,000	20.00	2,00,000	20.00	2,00,000	20.00
Add: Shares issued by way of Bonus Shares	70,00,000	700.00	-	-	-	-	-	-
Equity Shares at the beginning of the year/period	72,00,000	720.00	2,00,000	20.00	2,00,000	20.00	2,00,000	20.00

Rights, preferences and restrictions attached to shares

Equity Shares:

The company has one class of equity shares having a par value of Rs.10/- per share. Each shareholder is eligible for one vote per share held. In the event of dividend proposed by the Board of Directors the same is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of Interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

Details of Shareholdings by the Promoter/Promoter Group:

Name of the Shareholders	As At 30.09.2022		As At 31.03.2022		As At 31.03.2021		As At 31.03.2020	
	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%
Mr. Umar A.K. Balwa	4,08,024	5.67%	11,333	5.67%	11,333	5.67%	11,333	5.67%
Mr. Hussein A.K. Balwa	6,23,988	8.67%	17,333	8.67%	17,333	8.67%	17,333	8.67%
Mr. Zubair J. Balwa	6,35,976	8.83%	17,666	8.83%	17,666	8.83%	17,666	8.83%
Mr. Rafiq H. Balwa	6,48,000	9.00%	18,000	9.00%	18,000	9.00%	18,000	9.00%
Mr. Imran J. Balwa	6,36,012	8.83%	17,667	8.83%	17,667	8.83%	17,667	8.83%
Mr. Abid Ali S. Chaudhary	11,28,024	15.67%	31,334	15.67%	31,334	15.67%	31,334	15.67%
Mr. Sadik Hussein Chaudhary	11,27,988	15.67%	31,333	15.67%	31,333	15.67%	31,333	15.67%
Mr. Mohamed Hanif S. Chaudhary	11,27,988	15.67%	31,333	15.67%	31,333	15.67%	31,333	15.67%
Mrs. Waheeda U. Balwa	2,88,000	4.00%	8,000	4.00%	8,000	4.00%	8,000	4.00%
Ms. Neha U. Balwa	2,88,000	4.00%	8,000	4.00%	8,000	4.00%	8,000	4.00%
Ms. Sania U. Balwa	2,88,000	4.00%	8,000	4.00%	8,000	4.00%	8,000	4.00%
ARBG Investment (Firm)	-	0.00%	1	0.00%	1	0.00%	1	0.00%



SEALMATIC INDIA LIMITED (FORMERLY KNOWN AS SEALMATIC INDIA PRIVATE LIMITED) NOTES FORMING PART OF RESTATED CONSOLIDATED FINANCIAL STATEMENTS				
(All Amount in INR Lakhs, unless otherwise stated)				
	As At 30.09.2022	As At 31.03.2022	As At 31.03.2021	As At 31.03.2020
<b>ANNEXURE I.2 RESTATED STATEMENT OF RESERVES &amp; SURPLUS :</b>				
i) Securities Premium Account				
Balance as at the beginning of the year	94.50	94.50	94.50	94.50
Less: Deductions/ Adjustments during the period by way of Bonus Shares	(94.50)	-	-	-
Balance as at the end of the period/year ended	-	94.50	94.50	94.50
ii) Statement of Profit & Loss:				
Balance as per Last Balance Sheet *	2,894.20	2,059.93	1,410.17	915.04
Add: Profit for the year	543.45	841.45	645.70	494.14
	3,437.65	2,901.38	2,059.93	1,410.17
Less: Appropriations				
Capitalisation for Bonus shares issue	605.50	-	-	-
Dividend paid	2.00	-	-	-
* The figures as on 30.09.2022 are on Standalone basis as there was no JV as on that date				
<b>TOTAL</b>	<b>2,830.15</b>	<b>2,985.88</b>	<b>2,154.43</b>	<b>1,904.67</b>
<b>ANNEXURE I.3 RESTATED STATEMENT OF LONG TERM BORROWINGS:</b>				
(All Amount in INR Lakhs, unless otherwise stated)				
	As At 30.09.2022	As At 31.03.2022	As At 31.03.2021	As At 31.03.2020
i) Secured Loan				
- Term Loan From Financial Institution:				
Small Industrial Development Bank of India (SIDBI) :				
Term Loan under SPEED Scheme	13.09	21.89	50.46	72.35
Term Loan under PRATHAM Scheme	10.65	15.40	24.67	32.17
Term Loan under TWARIT Scheme	6.32	9.84	16.74	-
Term Loan under ARISE Scheme	128.32	-	-	-
<b>TOTAL</b>	<b>158.38</b>	<b>47.12</b>	<b>91.87</b>	<b>104.42</b>
ii) Unsecured Loans				
Loans and Advances from Related Parties:				
a) Loans from directors:				
Mohammed Hanif Chaudhary:	-	-	41.00	41.00
Rafiq H. Balwa	-	-	7.41	7.41
Sadik Hussain Chaudhary	-	-	7.60	7.60
Abid Ali S. Chaudhary	-	-	12.17	-
Imran I. Balwa	-	-	-	44.00
Zubair I. Balwa	-	-	-	21.12
Imran Balwa	-	-	9.18	9.18
	-	-	77.35	130.29
b) Loans from Shareholders & Relatives of Directors and Ex-Director:				
Abid Ali S. Chaudhary	-	-	-	12.17
Imran I. Balwa	-	13.19	44.00	-
Zubair I. Balwa	-	-	21.12	-
	-	13.19	65.11	12.17
	-	13.19	142.46	142.46
<b>TOTAL</b>	<b>158.38</b>	<b>60.31</b>	<b>254.33</b>	<b>246.88</b>
Secured Loans :				
Small Industrial Development Bank of India (SIDBI) :				
Term Loan sanction amount of Rs.100.00 Lakhs under SIDBI - loans for Purchased of Equipment's for Enterprise's Development (SPEED) Scheme : Interest Rate- 9.35% Secured against composite hypothecation of all Equipment, Plant & Machinery and Other Asset of Company which have been acquired under the (SPEED) Scheme. Payable in 54 monthly instalment, First 53 instalments of Rs.1.85 lakhs each ( Now Reduced to Rs.1.43 lakhs on account of receipt of Government Subsidy of Rs. 15.00 lakhs ) and last 54th instalment of				
iv) Term Loan sanction amount of Rs.41.50 Lakhs under SIDBI Scheme for Priority Assistance to MSME's based on Hybrid or Alternate Security Model (PRATHAM) Scheme Interest Rate- 9.40% (Secured against composite hypothecation agreement of all equipment, Plant & Machinery and other asset of the Company which have been or proposed to be acquired under the PRATHAM scheme. Payable in 54 monthly instalment, First 53 instalments of Rs. 0.77 lakhs each and last 54th instalment of Rs.0.77 lakhs beginning from June 2020.				
v) Term Loan sanction amount of Rs.27.50 Lakhs under SIDBI Scheme for EMERGENCY CREDIT LINE GUARANTEE SCHEME (ECLGS) TWARIT Scheme Interest Rate- 8.5 % (Secured against composite hypothecation agreement of all equipment, Plant & Machinery and other asset of the Company which have been or proposed to be acquired under the TWARIT scheme. Payable in 48 monthly instalment, First 47 instalments of Rs.0.57 lakhs each and last 48th instalment of Rs.0.59 lakhs beginning from August, 2020.				

SEALMATIC INDIA LIMITED (FORMERLY KNOWN AS SEALMATIC INDIA PRIVATE LIMITED) NOTES FORMING PART OF RESTATED CONSOLIDATED FINANCIAL STATEMENTS				
v) Term Loan sanction amount of Rs.161.30 Lakhs under SIDBI Scheme for ARISE Scheme Interest Rate- 6.75 % Secured against composite hypothecation agreement of all equipment, Plant & Machinery and other asset of the Company which have been or proposed to be acquired under the ARISE scheme. Payable in 60 monthly installment. First 59 installments of Rs.2.73,000/- each and last 60th				
<b>ANNEXURE I.4</b> <b>RESTATED STATEMENT OF DEFERRED TAX ASSETS / (LIABILITIES)</b>				
	(All Amount in INR Lakhs, unless otherwise stated)			
	As At	As At	As At	As At
	30.09.2022	31.03.2022	31.03.2021	31.03.2020
Deferred Tax Liability on:-				
Timing Difference of Depreciation	19.30	-	-	-
Deferred Tax Assets on:-				
Timing Difference of Depreciation	-	8.00	22.16	13.84
Employees Benefit Expenses	3.45	2.65	0.35	1.49
<b>TOTAL</b>	<b>(15.84)</b>	<b>10.65</b>	<b>22.51</b>	<b>15.33</b>
<b>ANNEXURE I.5</b> <b>RESTATED STATEMENT OF LONG TERM PROVISIONS:</b>				
	(All Amount in INR Lakhs, unless otherwise stated)			
	As At	As At	As At	As At
	30.09.2022	31.03.2022	31.03.2021	31.03.2020
Provision for Employee Benefits:				
For Leave Encashment	0.83	1.32	0.09	-
<b>TOTAL</b>	<b>0.83</b>	<b>1.32</b>	<b>0.09</b>	<b>-</b>
<b>ANNEXURE I.6</b> <b>RESTATED STATEMENT OF SHORT TERM BORROWINGS:</b>				
	(All Amount in INR Lakhs, unless otherwise stated)			
	As At	As At	As At	As At
	30.09.2022	31.03.2022	31.03.2021	31.03.2020
Secured Loan- Current Maturity				
- Term Loan From Financial Institution- Small Industrial Development Bank of India (SIDBI)				
Term Loan under SPEED Scheme	17.16	17.16	22.20	22.20
Term Loan under PRATHAM Scheme	9.22	9.22	9.22	9.22
Term Loan under TWARD Scheme	6.87	6.87	6.87	-
Term Loan ARISE Scheme	32.76	-	-	-
<b>TOTAL</b>	<b>66.01</b>	<b>33.25</b>	<b>38.29</b>	<b>31.42</b>
<b>ANNEXURE I.7</b> <b>RESTATED STATEMENT OF TRADE PAYABLES</b>				
	(All Amount in INR Lakhs, unless otherwise stated)			
	As At	As At	As At	As At
	30.09.2022	31.03.2022	31.03.2021	31.03.2020
Due to Micro, Small and Medium Enterprises (see note given below)	13.76	37.30	24.03	99.79
Other Creditors	1,015.96	661.59	342.35	380.95
Share in Jointly controlled entity	-	1.02	0.72	-
<b>TOTAL</b>	<b>1,029.72</b>	<b>699.91</b>	<b>367.10</b>	<b>480.75</b>
Disclosure under the Micro, Small and Medium Enterprises Development Act, 2006:				
a) (i) Principal amount	13.76	37.30	24.03	99.79
(ii) Interest due	-	-	-	0.96
b) Total interest paid on all dues delayed payments during the year under the provision	-	-	-	-
c) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSME Act, 2006	-	-	-	-
d) Interest accrued but not due	-	-	-	-
e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprises, for the purpose of disallowance of a deductible expenditure under section 23 of the MSME Act, Total interest due but not paid	-	-	-	-
As enterprises covered under MSME have not demanded any interest, hence no provision for the same is made in the accounts.				



**SEALMATIC INDIA LIMITED**  
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**TRADE PAYABLE AGE WISE AS ON 30.09.2022** (Rs In Lakhs)

Particulars	Less than 1 year	1-2 years	2 - 3 years	More than 3	Total
(i) MSME	13.76	-	-	-	13.76
(ii) Other Creditors	1,010.05	3.46	-	2.43	1,015.96
(iii) Disputed Dues- MSME	-	-	-	-	-
(iv) Disputed Dues- Others	-	-	-	-	-
<b>Total</b>	<b>1,023.81</b>	<b>3.46</b>	<b>-</b>	<b>2.43</b>	<b>1,029.72</b>

**TRADE PAYABLE AGE WISE AS ON 31.03.2022** (Rs In Lakhs)

Particulars	Less than 1 year	1-2 years	2 - 3 years	More than 3	Total
(i) MSME	37.49	-	-	-	37.49
(ii) Other Creditors	657.58	2.01	2.83	-	662.42
(iii) Disputed Dues- MSME	-	-	-	-	-
(iv) Disputed Dues- Others	-	-	-	-	-
<b>Total</b>	<b>695.05</b>	<b>2.01</b>	<b>2.83</b>	<b>-</b>	<b>699.91</b>

**TRADE PAYABLE AGE WISE AS ON 31.03.2021** (Rs In Lakhs)

Particulars	Less than 1 year	1-2 years	2 - 3 years	More than 3	Total
(i) MSME	24.03	-	-	-	24.03
(ii) Other Creditors	339.89	3.23	-	-	343.13
(iii) Disputed Dues- MSME	-	-	-	-	-
(iv) Disputed Dues- Others	-	-	-	-	-
<b>Total</b>	<b>363.92</b>	<b>3.23</b>	<b>-</b>	<b>-</b>	<b>367.16</b>

**TRADE PAYABLE AGE WISE AS ON 31.03.2020** (Rs In Lakhs)

Particulars	Less than 1 year	1-2 years	2 - 3 years	More than 3	Total
(i) MSME	100.15	-	-	-	100.15
(ii) Other Creditors	379.66	0.17	0.11	-	379.94
(iii) Disputed Dues- MSME	-	-	-	-	-
(iv) Disputed Dues- Others	-	-	-	0.66	0.66
<b>Total</b>	<b>479.81</b>	<b>0.17</b>	<b>0.11</b>	<b>0.66</b>	<b>480.75</b>

**ANNEXURE I.8**

**RESTATED STATEMENT OF OTHER CURRENT LIABILITIES**

Creditors for Capital Expenditure

Statutory Liabilities

Advance from Customers

Other Payables

Bank of Baroda (Bank CO)

Outstanding Expenses

Share in Jointly controlled entity

(All Amount in INR Lakhs, unless otherwise stated)

As At	As At	As At	As At
30.09.2022	31.03.2022	31.03.2021	31.03.2020
4.16	7.19	18.20	12.37
12.63	11.84	9.51	7.71
37.04	16.14	39.07	12.29
7.33	16.56	9.79	5.46
4.19	-	-	-
97.67	63.44	48.60	-
-	0.76	0.00	0.19
<b>TOTAL</b>	<b>163.00</b>	<b>115.25</b>	<b>125.83</b>

**ANNEXURE I.9**

**RESTATED STATEMENT OF SHORT-TERM PROVISIONS**

Income Tax provisions net of taxes paid

Income Tax Provisions

Less: Taxes paid

Provision for Employee Benefits

For Gratuity Payable -Staff & Workers

For Leave Encashment

Share in Jointly controlled entity

(All Amount in INR Lakhs, unless otherwise stated)

As At	As At	As At	As At
30.09.2022	31.03.2022	31.03.2021	31.03.2020
662.00	696.00	594.00	-
547.50	684.82	560.02	-
114.50	11.18	33.98	-
0.27	2.18	-	-
9.79	5.80	1.30	3.30
10.06	7.98	1.30	3.30
-	2.27	0.60	-
<b>TOTAL</b>	<b>124.96</b>	<b>21.43</b>	<b>35.87</b>



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SEALMATIC INDIA LIMITED (FORMERLY KNOWN AS SEALMATIC INDIA PRIVATE LIMITED) NOTES FORMING PART OF RESTATED CONSOLIDATED FINANCIAL STATEMENTS				
(All Amount in INR Lakhs, unless otherwise stated)				
<b>ANNEXURE I.11</b>	<b>As At</b>	<b>As At</b>	<b>As At</b>	<b>As At</b>
<b>RESTATED STATEMENT OF LONG-TERM LOANS AND ADVANCES</b>	<b>30.09.2022</b>	<b>31.03.2022</b>	<b>31.03.2021</b>	<b>31.03.2020</b>
Unsecured, considered good	20.13	3.43	10.92	-
Advances for Capital Goods	6.37	5.00	2.88	2.62
Security Deposit*	-	-	-	-
Income Tax paid net of Provision for Taxation:	-	-	-	362.15
Income Tax Paid	-	-	-	363.00
Less: Provision for Taxation	-	-	-	19.15
	34.50	8.46	13.79	21.77
Share in Jointly controlled entity	-	-	-	-
<b>TOTAL</b>	<b>34.50</b>	<b>8.46</b>	<b>13.79</b>	<b>21.77</b>
* Security Deposits includes Lease Rent Deposit given to a Director and Relatives Of Director Rs.1.35 Lakh				
(All Amount in INR Lakhs, unless otherwise stated)				
<b>ANNEXURE I.12</b>	<b>As At</b>	<b>As At</b>	<b>As At</b>	<b>As At</b>
<b>RESTATED STATEMENT OF OTHER NON CURRENT ASSET :</b>	<b>30.09.2022</b>	<b>31.03.2022</b>	<b>31.03.2021</b>	<b>31.03.2020</b>
Prepaid Expenses	5.33	3.87	3.37	3.63
Deposit with Original Maturity for more than 12 months :				
Fixed Deposit, Margin Money Deposit BCB	5.08	7.61	0.68	5.05
Margin Money Deposit Axis Bank	-	1.51	1.51	5.23
Fixed Deposits with Small Industrial Development Bank of India (SIDBI)	37.45	-	37.45	37.45
<b>TOTAL</b>	<b>47.87</b>	<b>12.99</b>	<b>41.00</b>	<b>51.36</b>
Deposits with SIDBI are lien against term loans facility availed from them.				
Deposits with Bank of Baroda are lien against bank guarantees as margin money				
(All Amount in INR Lakhs, unless otherwise stated)				
<b>ANNEXURE I.13</b>	<b>As At</b>	<b>As At</b>	<b>As At</b>	<b>As At</b>
<b>RESTATED STATEMENT OF CURRENT INVESTMENT:</b>	<b>30.09.2022</b>	<b>31.03.2022</b>	<b>31.03.2021</b>	<b>31.03.2020</b>
Quoted				
Investment in Equity Shares				
592 (Nil) Saranvarthana Motherson Int Ltd	0.52	-	-	-
62 (Nil) Tata Motors Limited	0.35	-	-	-
25 (Nil) Interlobe Aviation Limited	0.49	-	-	-
1165 (Nil) Central Bank Of India	0.25	-	-	-
10 (Nil) Housing Development Finance Co	0.25	-	-	-
13 (Nil) Kotak Mahindra Bank Ltd	0.25	-	-	-
55 (Nil) Life Insurance Corp Of Ind Ltd	0.49	-	-	-
62 (Nil) Shriram-City Union Finance Ltd	0.98	-	-	-
474 (Nil) Bharat Electronics Ltd	0.49	-	-	-
40 (Nil) H G Infra Engineering Ltd	0.25	-	-	-
40 (Nil) TD Power Systems Limited	0.25	-	-	-
75 (Nil) HCL Technologies Limited	0.75	-	-	-
32 (Nil) Infosys Ltd	0.49	-	-	-
23 (Nil) Tata Consultancy Services Ltd	0.75	-	-	-
40 (Nil) Wipro Ltd	0.15	-	-	-
3615 (Nil) TV18 Broadcast Limited	1.50	-	-	-
105 (Nil) Coal India Limited	0.25	-	-	-
820 (Nil) Tata Steel Limited	1.00	-	-	-
60 (Nil) Reliance Industries	1.75	-	-	-
50 (Nil) Bharti Airtel Ltd	0.36	-	-	-
65 (Nil) Mahatma Industries Ltd	0.25	-	-	-
	11.95	-	-	-
Less : Provision for Diminution in Value	1.10	-	-	-
<b>TOTAL</b>	<b>10.85</b>	<b>-</b>	<b>-</b>	<b>-</b>



**SEALMATIC INDIA LIMITED**  
(FORMERLY KNOWN AS SEALMATIC INDIA PRIVATE LIMITED)  
NOTES FORMING PART OF RESTATED CONSOLIDATED FINANCIAL STATEMENTS

**ANNEXURE 1.14**  
**RESTATED STATEMENT OF INVENTORIES :**

(All Amount in INR Lakhs, unless otherwise stated)

As At 30.09.2022 As At 31.03.2022 As At 31.03.2021 As At 31.03.2020

Raw Materials and Components	1,203.98	1,002.16	679.17	614.52
Work-in-Progress	720.47	309.83	131.79	104.58
Finished Goods	71.44	74.74	42.99	12.88
Stores and Loose Tools	53.98	36.93	-	-
Raw Materials Stock in Transits	2.10	1.66	2.79	-
Goods in Transit	-	-	0.72	-
Share in Jointly controlled entity	-	2.54	1.08	2.15
<b>TOTAL</b>	<b>2,063.92</b>	<b>1,457.75</b>	<b>858.54</b>	<b>734.13</b>

(All Amount in INR Lakhs, unless otherwise stated)

As At 30.09.2022 As At 31.03.2022 As At 31.03.2021 As At 31.03.2020

**ANNEXURE 1.15**  
**RESTATED STATEMENT OF TRADE RECEIVABLES :**

Unsecured - Considered good	1,138.53	779.00	603.58	581.45
Outstanding for a Period Less Than Six Months	53.28	111.44	30.34	29.65
Outstanding for a Period More Than Six Months	-	-	-	-
Share in Jointly controlled entity	-	5.36	8.76	0.39
<b>TOTAL</b>	<b>1,191.81</b>	<b>895.80</b>	<b>642.67</b>	<b>611.66</b>

**TRADE RECEIVABLE AGE WISE AS ON 30.09.2022**

(Rs in Lakhs)

Particulars	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed -Trade Receivable						
Unsecured - Considered Good	1,138.53	22.55	23.37	3.38	3.97	1,191.81
Disputed Trade Receivable	-	-	-	-	-	-
<b>TOTAL</b>	<b>1,138.53</b>	<b>22.55</b>	<b>23.37</b>	<b>3.38</b>	<b>3.97</b>	<b>1,191.81</b>

**TRADE RECEIVABLE AGE WISE AS ON 31.03.2022**

(Rs in Lakhs)

Particulars	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed -Trade Receivable						
Unsecured - Considered Good	782.01	66.51	41.31	-	3.97	893.80
Disputed Trade Receivable	-	-	-	-	-	-
<b>TOTAL</b>	<b>782.01</b>	<b>66.51</b>	<b>41.31</b>	<b>-</b>	<b>3.97</b>	<b>893.80</b>

**TRADE RECEIVABLE AGE WISE AS ON 31.03.2021**

(Rs in Lakhs)

Particulars	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed -Trade Receivable						
Unsecured - Considered Good	597.69	41.05	0.01	-	3.97	642.72
Disputed Trade Receivable	-	-	-	-	-	-
<b>TOTAL</b>	<b>597.69</b>	<b>41.05</b>	<b>0.01</b>	<b>-</b>	<b>3.97</b>	<b>642.72</b>

**TRADE RECEIVABLE AGE WISE AS ON 31.03.2020**

(Rs in Lakhs)

Particulars	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed -Trade Receivable						
Unsecured - Considered Good	582.79	22.76	5.13	1.83	4.15	616.66
Disputed Trade Receivable	-	-	-	-	-	-
<b>TOTAL</b>	<b>582.79</b>	<b>22.76</b>	<b>5.13</b>	<b>1.83</b>	<b>4.15</b>	<b>616.66</b>



SEALMATIC INDIA LIMITED (FORMERLY KNOWN AS SEALMATIC INDIA PRIVATE LIMITED) NOTES FORMING PART OF RESTATED CONSOLIDATED FINANCIAL STATEMENTS				
(All Amount in INR Lakhs, unless otherwise stated)				
	As At 30.09.2022	As At 31.03.2022	As At 31.03.2021	As At 31.03.2020
<b>ANNEXURE I.16</b>				
<b>RESTATEMENT OF CASH AND CASH EQUIVALENT :</b>				
Cash on hand	1.16	1.60	1.88	1.44
Balance with Schedule Banks in current accounts	237.31	234.65	285.29	100.12
Share in Jointly controlled entity	-	16.29	8.33	11.05
<b>TOTAL</b>	<b>238.47</b>	<b>252.55</b>	<b>295.49</b>	<b>112.60</b>
<b>ANNEXURE I.17</b>				
<b>RESTATEMENT OF OTHER BANK BALANCES :</b>				
Deposit with Original Maturity for more than 3 months but Less than 12 months :				
Bank of Baroda -Margin Money Deposit ( BG)	2.76	1.88	8.68	5.75
Axis Bank -Margin Money Deposit	1.53	-	-	-
Fixed Deposits with Bank of Baroda	44.23	-	5.23	5.07
Fixed Deposits with Axis Bank *	20.00	162.08	170.00	-
Fixed Deposits with State Bank of India	6.43	6.43	6.43	-
Fixed Deposits with Small Industrial Development Bank of India (SIDBI)	-	37.45	-	-
<b>TOTAL</b>	<b>74.93</b>	<b>197.84</b>	<b>190.32</b>	<b>10.82</b>
Margin Money Deposits are pledged with bank towards Bank Guarantee and Performance Bond with carrying amount	15.78	17.24	24.05	5.75
<b>ANNEXURE I.18</b>				
<b>RESTATEMENT OF SHORT-TERM LOANS AND ADVANCES :</b>				
Unsecured, considered good				
Loan Given to related Party	125.00	-	-	-
	125.00	-	-	-
Advance Recoverable in Cash or Kind or for value to be received:				
Security Deposit ( Certification Deposit: SSP- Related party)	0.05	0.02	0.02	0.02
Advances to Sundry Creditors	74.00	45.23	24.48	27.54
Other Advances	5.11	5.91	3.88	4.38
	79.15	51.15	28.37	31.94
Share in Jointly controlled entity	-	4.04	1.81	0.65
<b>TOTAL</b>	<b>204.15</b>	<b>65.19</b>	<b>35.18</b>	<b>32.59</b>
<b>ANNEXURE I.19</b>				
<b>RESTATEMENT OF OTHER CURRENT ASSETS</b>				
Prepaid Expenses	24.36	13.03	11.92	7.58
Accrued Interest on Fixed Deposits	9.10	11.68	8.22	1.56
Balances with Statutory/Government Authorities	252.66	161.27	149.43	147.37
Other Current Assets	1.84	-	-	-
Share in Jointly controlled entity	-	-	-	-
<b>TOTAL</b>	<b>288.51</b>	<b>185.96</b>	<b>169.56</b>	<b>156.51</b>



<b>SEALMATIC INDIA LIMITED</b> (FORMERLY KNOWN AS SEALMATIC INDIA PRIVATE LIMITED) NOTES FORMING PART OF RESTATED CONSOLIDATED FINANCIAL STATEMENTS				
	(All Amount in INR Lakhs, unless otherwise stated)			
	For the six months period ended	For the year ended	For the year ended	For the year ended
	30.09.2022	31.03.2022	31.03.2021	31.03.2020
<b>ANNEXURE II.1</b>				
<b>RESTATED STATEMENT OF REVENUE FROM OPERATIONS</b>				
(a) Sale of Products				
Domestic	732.17	658.70	607.58	849.38
Exports	1,760.87	3,257.86	2,477.30	2,243.50
Share in Jointly controlled entity	-	34.83	17.71	0.97
	2,493.03	3,951.39	3,402.59	3,093.82
Less: Inter Group Elimination	-	-	8.61	-
	2,493.03	3,951.39	3,394.08	3,093.82
(b) Sale of Services				
Service & Recondition Charges	0.27	255.94	106.02	129.18
Design & Drawing	0.56	2.33	8.10	15.55
Share in Jointly controlled entity	-	0.38	0.32	-
	0.83	258.65	114.44	144.73
Less: Inter Group Elimination	-	-	0.32	-
	0.83	258.65	114.12	144.73
(c) Other Operating Income				
Sales Of Scrap	12.00	19.35	13.26	11.07
Sundry Balance W/Off	-	-	0.10	0.71
Duty Drawback Received	5.21	11.37	8.66	6.65
Export Incentives	51.63	9.48	2.35	52.14
Sale of Export Licence	-	3.82	-	-
	68.84	44.01	24.39	70.58
<b>TOTAL</b>	<b>2,562.72</b>	<b>4,254.05</b>	<b>3,532.58</b>	<b>3,309.13</b>
Particulars of Sale of Products				
Mechanical Seals and Spares	2,493.03	3,951.39	3,402.59	3,093.82
Particulars of Sale of Services				
Servicing and Reconditioning Charges of Mechanical Seals	0.27	255.94	106.02	129.18
<b>ANNEXURE II.2</b>				
<b>RESTATED STATEMENT OF OTHER INCOME</b>				
Foreign Exchange Fluctuation Gain	-	3.35	7.66	45.01
Interest Received on Fixed Deposit	1.68	16.03	7.28	2.02
Other Interest Income	2.68	0.16	-	1.22
Discount Received	2.23	0.07	0.16	1.50
Excess provision of Expenses written off	0.10	0.45	0.13	-
Office Expenses Recovered	2.52	2.52	-	-
Sundry Income/Liquidated Damage Charges	10.19	0.08	0.02	-
Share in Jointly controlled entity	-	0.09	-	-
<b>TOTAL</b>	<b>19.40</b>	<b>22.74</b>	<b>16.60</b>	<b>49.75</b>



SEALMATIC INDIA LIMITED (FORMERLY KNOWN AS SEALMATIC INDIA PRIVATE LIMITED) NOTES FORMING PART OF RESTATED CONSOLIDATED FINANCIAL STATEMENTS				
(All Amount in INR Lakhs, unless otherwise stated)				
	For the six months period ended	For the year ended	For the year ended	For the year ended
	30.09.2022	31.03.2022	31.03.2021	31.03.2020
<b>ANNEXURE II.3</b>				
<b>RESTATED STATEMENT OF COST OF MATERIALS CONSUMED</b>				
Opening Stock	1,032.16	679.17	614.52	647.15
Add: Purchases	1,471.51	2,092.81	1,473.76	1,429.51
	2,503.67	2,771.98	2,088.28	1,976.66
Less: Closing Stock	1,209.96	1,032.16	679.17	614.52
Share in Jointly controlled entity	-	0.47	2.79	0.67
Less: Intergroup Elimination	-	-	1.44	-
<b>TOTAL</b>	<b>1,293.71</b>	<b>1,740.33</b>	<b>1,410.46</b>	<b>1,362.81</b>
Particulars of Raw Materials and Components purchased				
Bar Material	723.63	863.75	461.45	511.80
Silicon	26.34	316.19	227.35	135.44
Polary	116.76	366.33	425.33	428.33
Elastometer	83.89	-	-	-
Others	514.87	556.55	339.62	352.85
	1,471.51	2,092.81	1,473.76	1,429.51
(All Amount in INR Lakhs, unless otherwise stated)				
	For the six months period ended	For the year ended	For the year ended	For the year ended
	30.09.2022	31.03.2022	31.03.2021	31.03.2020
<b>ANNEXURE II.4</b>				
<b>RESTATED STATEMENT OF CHANGE IN INVENTORIES</b>				
Opening Stock of Work-in-progress	303.63	131.79	104.58	115.07
Less: Closing Stock of Work-in-progress	726.47	309.83	131.79	104.58
	(416.63)	(178.05)	(27.21)	10.49
Opening Stock of Finished Goods	74.74	42.99	12.88	35.09
Less: Closing Stock of Finished Goods	71.44	74.74	42.99	12.88
	3.30	(31.75)	(30.11)	22.21
Goods in transit (Sales) Opening	-	0.71	-	-
Goods in transit (Sales) Closing	-	-	0.71	-
	-	0.71	(0.71)	-
Share in Jointly controlled entity	-	(1.93)	(0.61)	-
<b>TOTAL</b>	<b>(413.33)</b>	<b>(211.02)</b>	<b>(58.64)</b>	<b>32.70</b>
(All Amount in INR Lakhs, unless otherwise stated)				
	For the six months period ended	For the year ended	For the year ended	For the year ended
	30.09.2022	31.03.2022	31.03.2021	31.03.2020
<b>ANNEXURE II.5</b>				
<b>RESTATED STATEMENT OF EMPLOYEE BENEFIT EXPENSES</b>				
Salaries & Wages	344.01	586.16	417.33	412.39
Directors Remuneration	27.00	50.40	41.85	31.50
Contributions to -				
(i) Provident Fund	21.18	34.36	24.77	22.97
(ii) ESIC	3.74	7.30	5.73	7.38
(iii) Gratuity Fund	-	2.18	3.43	5.41
Staff Welfare Expenses	16.23	37.85	18.58	21.37
Group Health Insurance Policy/Staff Safety Expenses	3.78	11.32	8.13	-
Gratuity Expenses	0.53	-	-	-
<b>TOTAL</b>	<b>417.34</b>	<b>728.56</b>	<b>517.83</b>	<b>501.01</b>



<b>SEALMATIC INDIA LIMITED</b> <b>(FORMERLY KNOWN AS SEALMATIC INDIA PRIVATE LIMITED)</b> <b>NOTES FORMING PART OF RESTATED CONSOLIDATED FINANCIAL STATEMENTS</b>				
<p>(i) The Company is having defined benefit plans for gratuity. The cost of providing such defined benefits is determined using the projected unit credit method of actuarial valuation made at the end of the year. Further the company has created a Trust with respect to establishment of Funded Group Gratuity (cash accumulation) Scheme through Life Insurance Corporation of India. Contribution is made to such fund based on the actuarial valuation.</p> <p>(ii) As per Accounting Standard 15 "Employee benefits", the disclosures as defined in the Accounting Standard are given below:</p>				
<b>Gratuity (Funded)</b> <b>(All Amount in INR Lakhs, unless otherwise stated)</b>				
	30.09.2022	31.03.2022	31.03.2021	31.03.2020
<b>i) Actuarial Assumptions</b>				
Mortality	IAJM (2012-14) UR	IAJM (2012-14) UR	IAJM (2005-08) UR	IAJM (2006-08) UR
Discount Rate	7.10%	7.10%	6.79%	6.80%
Rate of increase in compensation	6%	6%	6%	6%
Rate of return (expected) on plan assets	7.10%	7.10%	6.79%	6.80%
Withdrawal rates	2%	2%	2%	2%
<b>ii) Changes in present value of obligations</b>				
PVO at beginning of period	19.35	16.72	13.10	7.33
Interest cost	0.68	1.12	0.86	0.56
Current Service Cost	2.47	4.64	4.46	3.66
Benefits Paid	(0.13)	(0.37)	(0.55)	-
Actuarial (gain)/loss on obligation	(3.00)	(3.00)	(1.27)	1.64
PVO at end of period	19.37	19.35	16.72	13.19
<b>(All Amount in INR Lakhs, unless otherwise stated)</b>				
<b>iii) Changes in fair value of plan assets</b>				
Fair Value of Plan Assets at beginning of period	17.17	16.72	13.16	8.21
Adjustment to Opening Fair Value of Plan Assets	-	-	-	-
Expected Return on Plan Assets	1.27	1.12	0.99	0.80
Contributions	1.63	-	3.47	4.50
Benefit Paid	(0.13)	(0.37)	(0.55)	-
Actuarial gain/(loss) on plan assets	(0.85)	(0.30)	(0.35)	(0.34)
Fair Value of Plan Assets at end of period	19.10	17.17	16.72	13.16
<b>iv) Fair Value of Plan Assets</b>				
Fair Value of Plan Assets at beginning of period	17.17	16.72	13.16	8.21
Adjustment to Opening Fair Value of Plan Assets	-	-	-	-
Actual Return on Plan Assets	0.43	0.82	0.64	0.46
Contributions	1.63	-	3.47	4.50
Benefit Paid	(0.13)	(0.37)	(0.55)	-
Fair Value of Plan Assets at end of period	19.10	17.17	16.72	13.16
Funded Status	(0.27)	(2.18)	0.00	(0.03)
Excess of actual over estimated return on Plan Assets	(0.85)	(0.30)	(0.35)	(0.34)
<b>v) Actuarial Gain/(Loss) Recognized</b>				
Actuarial Gain/(Loss) for the period (Obligation)	3.00	3.06	1.27	(1.64)
Actuarial Gain/(Loss) for the period (Plan Assets)	(0.85)	(0.30)	(0.35)	(0.34)
Total Gain/(Loss) for the period	2.15	2.76	0.91	(1.99)
Actuarial Gain/(Loss) recognized for the period	2.16	2.76	0.91	(1.99)
Unrecognized Actuarial Gain/(Loss) at end of period	-	-	-	-
<b>vi) Amounts to be recognized in the Balance Sheet and Statement of Profit &amp; Loss Account</b>				
PVO at end of period	19.37	19.35	16.72	13.19
Fair Value of Plan Assets at end of period	19.10	17.17	16.72	13.16
Funded Status	(0.27)	(2.18)	0.00	(0.03)
Unrecognized Actuarial Gain/(Loss)	-	-	-	-
Net Asset/(Liability) recognized in the balance sheet	(0.27)	(2.18)	0.00	(0.03)

<b>SEALMATIC INDIA LIMITED</b> <b>(FORMERLY KNOWN AS SEALMATIC INDIA PRIVATE LIMITED)</b> <b>NOTES FORMING PART OF RESTATED CONSOLIDATED FINANCIAL STATEMENTS</b>				
<b>VII) Expense recognized in the statement of P &amp; L A/C</b>				
Current Service Cost	2.47	4.66	4.46	3.06
Interest cost	0.68	1.12	0.88	0.56
Expected Return on Plan Assets	(1.27)	(1.12)	(0.96)	(0.60)
Net Actuarial (Gain)/Loss recognized for the period	(2.16)	(2.76)	(0.91)	1.98
Expense recognized in the statement of P & L A/C	(0.29)	2.19	3.43	5.41
<b>VIII) Movements in the Liability recognized in Balance Sheet</b>				
Opening Net Liability	2.18	(0.00)	0.00	(0.87)
Adjustment to Opening Fair Value of Plan Assets	-	-	-	-
Expenses as above	(0.28)	2.18	3.43	5.41
Contribution paid	(1.83)	-	(3.47)	(4.50)
Closing Net Liability	0.27	2.18	(0.00)	0.00
<b>(X) Experience Analysis - Liabilities</b>				
Actuarial (Gain)/Loss due to change in bases	(0.92)	(1.02)	0.00	1.76
Experience (Gain) / Loss due to Change in Experience	(2.08)	(2.04)	(1.26)	(0.12)
Total	(3.00)	(3.08)	(1.27)	1.64
<b>X) Experience Analysis - Plan Assets</b>				
Experience Gain / (Loss) due to change in Plan Assets	0.85	0.30	0.36	0.34
<b>ii) The leave encashment liability is actuarially determined by an independent actuary using the Projected Unit Credit method for the period ended 30th September 2022 at Rs.10.61 Lakhs and for the year ended 31/3/2022 Rs.7.11 Lakhs. The leave encashment liability for the year ended on 31/03/2021 Rs.1.38 Lakh and for the year ended 31/3/2020 Rs.3.30 lakhs worked out as per estimation done by the management.</b>				
<b>(All Amount in INR Lakhs, unless otherwise stated)</b>				
	<b>For the six months period ended</b>	<b>For the year ended</b>	<b>For the year ended</b>	<b>For the year ended</b>
	<b>30.09.2022</b>	<b>31.03.2022</b>	<b>31.03.2021</b>	<b>31.03.2020</b>
<b>ANNEXURE II.6</b>				
<b>RESTATED STATEMENT OF FINANCE COST</b>				
Interest Expenses:				
Interest on Loan- Cash Credit (Bank of Baroda)	-	-	-	0.60
Interest on Term Loans	4.17	9.13	12.70	7.43
Interest on Loans	-	-	0.46	0.46
Loan Processing Fees	2.78	0.01	1.05	3.43
<b>TOTAL</b>	<b>6.95</b>	<b>9.14</b>	<b>14.21</b>	<b>12.23</b>
<b>(Rs in Lakhs)</b>				
	<b>For the six months period ended</b>	<b>For the year ended</b>	<b>For the year ended</b>	<b>For the year ended</b>
	<b>30.09.2022</b>	<b>31.03.2022</b>	<b>31.03.2021</b>	<b>31.03.2020</b>
<b>ANNEXURE II.7</b>				
<b>RESTATED STATEMENT OF OTHER EXPENSES</b>				
Manufacturing Expenses				
Carriage Inward & Freight Expenses	7.47	21.66	17.57	20.38
Consumption of Loose Tools, Stores and Spares	54.11	60.83	71.30	65.20
Insurance Factory & Machine	0.85	1.57	1.25	0.78
Factory Maintenance	3.17	7.12	13.60	3.41
Job Work Charges	15.48	32.90	16.50	21.10
Custom Duty Paid (FOC)	0.01	1.14	0.27	0.30
Packing Material	21.53	31.49	19.91	31.21
Power & Fuel Expenses	34.80	55.34	40.48	53.70
Repair and Maintenance - Plant & Machinery	3.90	8.60	4.10	7.23
Rent - Factory Building	29.05	59.15	52.89	44.40
Rent - Machinery	0.46	1.52	3.26	1.89
Testing and Inspection Charges	7.43	15.48	7.70	7.53
Water Expenses	1.96	1.96	2.47	2.03
	<b>188.42</b>	<b>303.60</b>	<b>253.55</b>	<b>258.48</b>
Share in a Jointly controlled entity	-	0.34	0.67	0.06
<b>TOTAL (A)</b>	<b>188.42</b>	<b>303.94</b>	<b>254.22</b>	<b>258.54</b>



SEALMATIC INDIA LIMITED (FORMERLY KNOWN AS SEALMATIC INDIA PRIVATE LIMITED) NOTES FORMING PART OF RESTATED CONSOLIDATED FINANCIAL STATEMENTS				
<b>ii) Administrative &amp; Other Expenses</b>				
Bank Charges	5.20	11.59	13.223	17.34
Rates & Taxes	3.77	8.39	8.597	8.75
Printing & Stationery	7.18	17.78	14.359	8.79
Postage & Courier Charges	-	-	4.350	2.96
Legal & Professional Charges	39.49	66.84	54.589	54.96
Quality Product Audit Fees	-	6.94	5.693	6.94
Audit Fees	1.56	1.00	1.000	1.00
Communication Expenses	3.83	7.92	6.361	6.16
Conveyance & Travelling Expenses	38.67	34.65	38.920	62.62
GST Audit fees	-	-	0.400	-
Vehicle & Fuel Expenses	3.01	7.37	4.218	5.70
Repairs & Maintenance - Others	12.65	22.83	36.676	17.62
Interest on Late Payment of TDS	0.01	0.08	0.149	0.11
Interest on Income Tax	7.19	0.30	-	-
Donation	-	-	0.025	-
Loss by Theft	-	1.01	-	-
CSR Expenditures- Donations	6.04	14.57	12.294	6.81
Miscellaneous/Sundry Expenses	8.62	13.53	21.011	16.71
Certification Charges (ISO)	6.94	-	-	-
Provision for Diminution in Value of Investment	1.10	-	-	-
	140.76	214.61	222.27	217.87
Share in a Jointly controlled entity	-	0.98	0.42	2.05
<b>TOTAL (B)</b>	<b>148.78</b>	<b>215.59</b>	<b>222.69</b>	<b>219.92</b>
<b>iii) Selling &amp; Distribution Expenses</b>				
Advertisement & Publicity	9.53	14.03	2.89	2.85
Commission and Brokerage	39.04	93.63	33.88	51.34
Export Expenses	67.11	107.52	103.46	74.12
Sales Promotion/ Business Promotion	5.81	25.06	18.77	34.01
Conference & Seminar Expenses	3.96	6.37	0.18	1.65
Late Delivery Charges	2.05	10.46	0.24	1.20
Loss on Sales of Export Licence	-	-	0.80	-
Gift & Presents (Corporate)	1.11	-	-	-
Transportation Charges (Sales)	1.66	-	-	-
Postage & Courier Charges	4.85	5.10	-	-
	141.13	287.57	160.27	165.12
Share in a Jointly controlled entity	-	1.56	2.49	1.40
<b>TOTAL (C)</b>	<b>141.13</b>	<b>289.13</b>	<b>162.76</b>	<b>166.52</b>
<b>TOTAL (A+B+C)</b>	<b>462.50</b>	<b>787.81</b>	<b>635.67</b>	<b>643.98</b>
(All Amount in INR Lakhs, unless otherwise stated)				
	For the six months period ended	For the year ended	For the year ended	For the year ended
	30.09.2022	31.03.2022	31.03.2021	31.03.2020
<b>ANNEXURE B.8 RESTATED STATEMENT OF EARNING PER SHARE</b>				
Profit for the year (A) Rs. in Lakhs	543.45	641.46	649.78	494.14
Weighted number of Equity Shares Outstanding (B)	72,09,000	2,00,000	2,09,980	2,09,980
Basic/Diluted Earning Per Share (A/B) in Rs.	7.55	429.73	324.88	247.87
Face Value Per Equity Share in Rs.	Rs. 10/-	Rs. 10/-	Rs. 10/-	Rs. 10/-



SEALMATIC INDIA LIMITED (FORMERLY KNOWN AS SEALMATIC INDIA PRIVATE LIMITED) NOTES FORMING PART OF RESTATED CONSOLIDATED FINANCIAL STATEMENTS									
(All Amount in INR Lakhs, unless otherwise stated)									
ANNEXURE L16 Restated Statement of Property, Plant and Equipment and Intangible:									
For the six months period ended 30th September, 2022									
Sr. NAME OF ASSETS	GROSS BLOCK			DEPRECIATION			NET BLOCK		
	As on 1st Apr-2022	Additions during the period	Deductions during the period	As on 30th Sep-2022	Provided for the period	Deduction for the period	As on 30th Sep-2022	As on 30th Sep-2022	As on 31st Mar-2022
<b>L16 (a)</b>									
1) Tangible Assets									
1) Plant & Machinery	1,167.27	50.98	7.15	1,250.76	23.53	-	1,227.23	872.02	812.03
2) Furniture & Fixtures	258.56	16.58	-	275.14	8.82	-	266.32	145.48	145.48
3) Office Equipments	73.46	14.81	-	88.27	3.07	-	85.20	42.48	31.32
4) Computers & Peripherals	77.72	7.45	-	85.17	4.87	-	80.30	27.88	25.31
5) Electrical Fittings	50.44	4.12	-	54.56	1.81	-	52.75	35.95	30.73
<b>SUB TOTAL (a)</b>	<b>1,627.46</b>	<b>136.93</b>	<b>7.15</b>	<b>1,754.72</b>	<b>42.20</b>	<b>-</b>	<b>1,712.52</b>	<b>953.85</b>	<b>844.97</b>
<b>L16 (b)</b>									
Capital Work in Progress:	-	-	-	-	-	-	-	-	-
<b>SUB TOTAL (b)</b>									
<b>L16 (c)</b>									
1) Intangible Assets									
1) Software	926.31	3.07	-	929.38	9.80	-	919.58	21.73	26.53
2) Trademark	0.09	-	-	0.09	0.03	-	0.06	0.13	0.16
<b>SUB TOTAL (c)</b>	<b>926.40</b>	<b>3.07</b>	<b>-</b>	<b>929.47</b>	<b>9.83</b>	<b>-</b>	<b>919.64</b>	<b>21.86</b>	<b>26.69</b>
<b>GRAND TOTAL (A+B+C)</b>	<b>1,733.34</b>	<b>138.76</b>	<b>7.15</b>	<b>1,864.79</b>	<b>48.20</b>	<b>-</b>	<b>1,812.16</b>	<b>975.71</b>	<b>871.66</b>
<b>P.Y. 2021-22</b>									
<b>Sr. NAME OF ASSETS</b>	<b>As on 1st Apr-2021</b>	<b>Additions during the year</b>	<b>Deductions during the year</b>	<b>As on 31st Mar-2022</b>	<b>Provided for the year</b>	<b>Deduction during the year</b>	<b>As on 31st Mar-2022</b>	<b>As on 31st Mar-2021</b>	<b>As on 31st Mar-2021</b>
<b>L16 (a)</b>									
1) Tangible Assets									
1) Plant & Machinery	1,004.96	177.71	15.00	1,167.27	40.02	-	1,127.25	612.02	489.30
2) Furniture & Fixtures	217.15	41.20	-	258.35	14.83	-	243.52	145.48	138.00
3) Office Equipments	63.14	20.32	-	83.46	4.23	-	79.23	31.32	15.52
4) Computers & Peripherals	58.08	19.64	-	77.72	6.88	-	70.84	25.11	12.40
5) Electrical Fittings	47.43	2.82	-	50.25	3.50	-	46.75	30.73	31.41
<b>SUB TOTAL (a)</b>	<b>1,386.76</b>	<b>261.69</b>	<b>15.00</b>	<b>1,627.24</b>	<b>68.46</b>	<b>-</b>	<b>1,558.78</b>	<b>844.97</b>	<b>697.44</b>
<b>L16 (b)</b>									
Capital Work in Progress:	7.15	-	1.15	-	-	-	-	-	7.15
<b>SUB TOTAL (b)</b>	<b>7.15</b>	<b>-</b>	<b>1.15</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>7.15</b>
<b>L16 (c)</b>									
Intangible Assets									
1) Software	90.93	6.37	-	97.30	15.81	-	81.49	25.53	35.06
2) Goodwill	7.48	-	7.48	0.00	-	7.48	0.00	-	-
3) Trademark	0.85	-	-	0.85	0.07	-	0.78	0.18	0.23
<b>SUB TOTAL (c)</b>	<b>99.26</b>	<b>6.37</b>	<b>7.48</b>	<b>99.00</b>	<b>15.88</b>	<b>7.48</b>	<b>91.52</b>	<b>25.71</b>	<b>35.29</b>
<b>GRAND TOTAL (A+B+C)</b>	<b>1,493.17</b>	<b>268.06</b>	<b>22.63</b>	<b>1,754.72</b>	<b>84.34</b>	<b>7.48</b>	<b>1,666.90</b>	<b>871.66</b>	<b>740.88</b>

As at 31/03/2022, the Company has changed the method of depreciation from written down value to straight line method. Refer notes to Accounts V(15) of the restated financial statements for change in method and effect of change in method on net profit and net block of property plant and equipment.

F.Y. 2020-21									
Sr.	NAME OF ASSETS	GROSS BLOCK			DEPRECIATION			NET BLOCK	
NO.		As on 1st Apr-2020	Additions during the year	Deduction during the year	As on 31st Mar-2021	As on 1st Apr-2020	Provided for the year	Deduction during the year	As on 31st Mar-2021
1.16 (a)	Tangible Assets								
	1 Plant & Machinery	825.57	178.89	-	1,004.56	624.03	90.27	-	499.56
	2 Furniture & Fixtures	152.96	64.19	-	217.15	73.18	25.09	-	118.80
	3 Office Equipments	44.25	8.88	-	53.14	32.52	4.20	-	15.32
	4 Computers & Peripherals	47.18	10.25	-	58.00	38.03	7.03	-	12.45
	5 Electrical Fittings	31.54	16.08	-	47.62	8.07	7.23	-	31.41
	<b>SUB TOTAL (A)</b>	<b>1,101.55</b>	<b>278.32</b>	<b>-</b>	<b>1,380.55</b>	<b>577.63</b>	<b>135.48</b>	<b>-</b>	<b>667.44</b>
1.16 (b)	Capital Work in Progress:								
	Work in Progress- Machinery	23.66	3.15	23.66	7.15	-	-	-	7.15
	<b>SUB TOTAL (B)</b>	<b>23.66</b>	<b>7.15</b>	<b>23.66</b>	<b>7.15</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>7.15</b>
1.16 (c)	Intangible Assets								
	1 Software	79.30	15.94	-	95.25	48.14	14.78	-	35.06
	2 Goodwill	7.48	-	-	7.48	7.48	-	-	-
	3 Trademark	0.59	-	-	0.69	0.24	0.23	-	0.45
	<b>SUB TOTAL (C)</b>	<b>87.37</b>	<b>15.94</b>	<b>-</b>	<b>103.10</b>	<b>55.85</b>	<b>15.07</b>	<b>-</b>	<b>35.35</b>
	<b>GRAND TOTAL (A+B+C)</b>	<b>1,212.58</b>	<b>301.71</b>	<b>23.66</b>	<b>1,494.80</b>	<b>634.48</b>	<b>150.45</b>	<b>-</b>	<b>709.94</b>
F.Y. 2019-20									
Sr.	NAME OF ASSETS	GROSS BLOCK			DEPRECIATION			NET BLOCK	
NO.		As on 1st Apr-2019	Additions during the year	Deduction during the year	As on 31st Mar-2020	As on 1st Apr-2019	Provided for the year	Deduction during the year	As on 31st Mar-2020
1.16 (a)	Tangible Assets								
	1 Plant & Machinery	683.73	181.94	-	865.67	342.80	82.13	-	480.74
	2 Furniture & Fixtures	115.64	32.31	-	147.95	52.39	20.79	-	79.81
	3 Office Equipments	25.17	5.09	-	30.26	27.19	5.32	-	11.73
	4 Computers & Peripherals	41.31	5.87	-	47.18	31.76	6.27	-	9.15
	5 Electrical Fittings	12.44	18.09	-	30.54	4.18	4.75	-	22.99
	<b>SUB TOTAL (A)</b>	<b>878.29</b>	<b>243.30</b>	<b>-</b>	<b>1,121.57</b>	<b>458.33</b>	<b>119.30</b>	<b>-</b>	<b>544.01</b>
1.16 (b)	Capital Work in Progress:								
	Work in Progress- Machinery	8.50	23.68	8.50	23.68	-	-	-	23.68
	<b>SUB TOTAL (B)</b>	<b>8.50</b>	<b>23.68</b>	<b>8.50</b>	<b>23.68</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>23.68</b>
1.16 (c)	Intangible Assets								
	1 Software	43.89	35.80	-	79.30	32.94	16.49	-	48.14
	2 Goodwill	7.48	-	-	7.48	7.48	-	-	7.48
	3 Trademark	0.62	-	-	0.69	0.12	0.12	-	0.45
	<b>SUB TOTAL (C)</b>	<b>51.99</b>	<b>35.80</b>	<b>-</b>	<b>87.47</b>	<b>40.54</b>	<b>16.71</b>	<b>-</b>	<b>30.52</b>
	<b>GRAND TOTAL (A+B+C)</b>	<b>938.78</b>	<b>299.78</b>	<b>8.50</b>	<b>1,232.72</b>	<b>498.87</b>	<b>136.50</b>	<b>-</b>	<b>634.48</b>
	<b>PREVIOUS YEAR</b>	<b>777.55</b>	<b>151.13</b>	<b>-</b>	<b>928.68</b>	<b>318.27</b>	<b>130.35</b>	<b>-</b>	<b>480.11</b>



SEALMATIC INDIA LIMITED (FORMERLY KNOWN AS SEALMATIC INDIA PRIVATE LIMITED) NOTES FORMING PART OF RESTATED FINANCIAL STATEMENTS					
ANNEXURE - IV					
<b>A. CORPORATE INFORMATION</b>					
<p>The Company was originally formed &amp; incorporated as Private Limited Company in the State of Maharashtra under the Companies Act, 1956 under the name and style of Sealmatic India Private Ltd (incorporated on 02.12.2009). Subsequently, company was converted into public limited company and the name of the company was changed to Sealmatic India Limited pursuant to issuance of fresh certificate of Incorporation dated 3rd November, 2022.</p> <p>The principal activity of the Company is to carry on the business of manufacturing of all kind of mechanical seals, seal supply systems, pumps, valves, motors and high precision mechanical engineering spares and assemblies for various machineries which are mainly used in Oil and Gas Industry.</p>					
<b>B. PRINCIPAL OF CONSOLIDATION</b>					
<p>The consolidated Restated financial statements relate to Sealmatic India Limited (Formerly known as Sealmatic India Private Limited) ("the Parent Company") and its Joint Venture Entity.</p>					
Name of the Company	Country of Incorporation	% of Ownership			
		30.09.2022	31.03.2022	31.03.2021	31.03.2020
Isomag Seal Matic India Private Limited	India	Nil	50%	50%	50%
<p>The consolidated Restated financial statements have been prepared on the following basis.</p> <p>Interest in joint ventures is reported using proportionate consolidated method in the Consolidated Financial statements.</p> <p>A separate line item is added in consolidated financial statements for proportionate share of assets, liabilities, income and expenses.</p> <p>Note : As The Company has disposed off its entire stake in the Jointly Controlled entity Isomag Seal Matic India Private Limited on 23/07/2022 hence standalone figures are presented for the period and as at September 30, 2022.</p>					
<b>C. SIGNIFICANT ACCOUNTING POLICIES</b>					
<p><b>a) BASIS OF PREPARATION OF FINANCIAL STATEMENTS:</b></p> <p>The Restated Statement of Assets and Liabilities (Annexure I) of the company as at 30th September, 2022, 31st March 31, 2022, 31st March 2021, and 31st March -2020, the Restated Statements of Profit and Loss (Annexure II), the Restated Cash Flow Statement (Annexure III) for the six months period ended 30th September 2022 and financial year ended 31st March 2022, 31st March 2021, and 31st March 2020 (hereinafter collectively referred to as "Restated Financial Information") have been extracted by the management from the audited financial statements for the six months period ended on 30th September 2022 and for the year ended on 31st March 2022, 31st March 2021 and 31st March 2020 approved by the respective Board of Directors of the companies. These financial statements are prepared in accordance with Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention on the accrual basis. GAAP comprises mandatory accounting standards as prescribed under Section 133 of the Companies Act, 2013 (the Act) read with Rule 7 of the Companies (Accounts) Rules, 2014, the provisions of the Act.</p> <p>The Restated Consolidated Financial Statements has been prepared by the Management to comply in all material respects with the requirements of:</p> <ol style="list-style-type: none"> <li>Section 25 of Part I of Chapter III of the Companies Act, 2013 ("the Act");</li> <li>The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("ICDR Regulations"); and</li> <li>The Guidance Note on Reports in Company Prospectuses (Revised 2015) issued by the Institute of Chartered Accountants of India (ICAI), as amended (the "Guidance Note").</li> </ol>					
<p><b>b) USE OF ESTIMATES:</b></p> <p>The preparation of financial statements requires estimates and assumptions to be made that affect the reported amounts of assets and liabilities on the date of financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which actual the results are known or materialized.</p>					
<p><b>c) METHOD OF ACCOUNTING:</b></p> <p>The Company follows mercantile system of accounting for recognising income &amp; expenditure.</p>					
<p><b>d) REVENUE RECOGNITION:</b></p> <p>Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured.</p> <ol style="list-style-type: none"> <li>Sales of goods is recognised on shipment or despatch to customers. Sales exclude amount recovered towards GST.</li> <li>Export Sale is accounted on the prevailing rate of exchange (Custom rate) at the time of export.</li> <li>Export benefits available under the Export Import policy of the Government of India are accounted for in the year of export, to the extent measurable.</li> <li>Interest income is recognized on a time proportion basis taking into account the amount outstanding and the interest rate applicable.</li> </ol>					
<p><b>e) All other income is accounted on accrual basis.</b></p>					



<b>SEALMATIC INDIA LIMITED</b> <b>(FORMERLY KNOWN AS SEALMATIC INDIA PRIVATE LIMITED)</b> <b>NOTES FORMING PART OF RESTATED FINANCIAL STATEMENTS</b>									
<b>e) PROPERTY, PLANT AND EQUIPMENT AND DEPRECIATION:</b>									
<b>(i) Property, Plant and Equipment:</b>									
<p>Property, Plant and Equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, borrowing costs, if capitalization criteria are met and directly attributable to cost of bringing the asset to its working condition for the intended use.</p> <p>Subsequent expenditure related to an item of Property, Plant and Equipment is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing property, plant and equipment including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.</p> <p>Gains or losses arising from derecognition of Property, Plant and Equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.</p>									
<b>(ii) Depreciation:</b>									
<p>The Company provides depreciation on Property, Plant and Equipment on Straight Line Method over the useful life of the assets as prescribed under Schedule II of Companies Act, 2013.</p> <p>The Company upto 31/03/2021 provided depreciation on Property, Plant and Equipment on Written Down Value method over the useful life of assets as prescribed under schedule II of Companies Act, 2013.</p> <p>Effective from financial year 2021-22, the Company has changed its policy on providing depreciation from Written Down Method to Straight Line Method. The Company determined that the change in depreciation method from WDV method to a straight-line method is a change in accounting estimate affected by a change in accounting principle. A change in accounting estimate affected by a change in accounting principle is to be applied prospectively.</p>									
<b>(iii) Intangible Assets and Amortisation:</b>									
<p>Intangible Assets are stated at acquisition cost, net of accumulated amortization and accumulated impairment losses, if any. Intangible assets are recognized if it is probable that future economic benefits that are attributable to the asset will flow to the Company and the cost of the asset can be measured reliably. Intangible assets are amortised on a straight line basis over their estimated useful lives. Gains or losses arising from the retirement or disposal of an intangible asset are determined as the difference between the net disposal proceeds and the carrying amount of the asset and recognized as income or expense in the Statement of Profit and Loss. The amortisation period used are:</p>									
<table border="1"> <thead> <tr> <th>Asset</th><th>Period of amortisation</th></tr> </thead> <tbody> <tr> <td>Goodwill</td><td>5 years</td></tr> <tr> <td>Computer Software</td><td>3 years</td></tr> <tr> <td>Other Intangible</td><td>10 years</td></tr> </tbody> </table>	Asset	Period of amortisation	Goodwill	5 years	Computer Software	3 years	Other Intangible	10 years	
Asset	Period of amortisation								
Goodwill	5 years								
Computer Software	3 years								
Other Intangible	10 years								
<b>(iv) Research and Development Costs:</b>									
<p>Research costs are expensed as incurred.</p> <p>Research and development expenditure of a capital nature is included in the Property Plant and Equipment.</p>									
<b>f) IMPAIRMENT OF ASSETS:</b>									
<p>An Asset is treated as impaired when the carrying cost of assets exceeds its recoverable value. An impairment loss is charged for when the asset is identified as impaired. This impairment loss recognized in prior accounting year will be reversed if there has been change in the estimate of recoverable amount.</p>									
<b>g) LEASES:</b>									
<p>Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the Lessee are recognised as operating leases. Lease rentals under operating leases are recognised in the statement of Profit and Loss on a straight line basis.</p>									
<b>h) ACCOUNTING FOR GOVERNMENT GRANTS:</b>									
<p>Grants and subsidies from the government are recognised when there is reasonable assurance that the grant/subsidy will be received and all attaching conditions will be complied with.</p> <p>When the grant or subsidy received is revenue in nature, it is recognised as income over the periods necessary to match them on a systematic basis to the cost, which it is intended to compensate or adjusted against the specific expenses.</p> <p>Where the grant or subsidy relates towards specific fixed asset, its value is deducted from the gross value of the asset concerned in arriving at the carrying amount of the related asset.</p>									
<b>i) EMPLOYEE BENEFITS:</b>									
<b>(1) Short Term Employee Benefit:</b>									
<p>All Employees' benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits and are recognised on an undiscounted basis and charged to the statement of profit and loss. Benefit such as salaries and wages including non-monetary benefits, bonus etc that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service.</p>									



<b>SEALMATIC INDIA LIMITED</b> <b>(FORMERLY KNOWN AS SEALMATIC INDIA PRIVATE LIMITED)</b> <b>NOTES FORMING PART OF RESTATED FINANCIAL STATEMENTS</b>									
<b>II) Post-Employment Benefit Plans:</b>	<p><b>A) Defined Contribution plans:</b>  <b>Provident Fund:</b>  The Company makes contribution to statutory provident fund in accordance with the Employees Provident Fund &amp; Miscellaneous Provisions Act, 1952, which is a defined contribution plan and contribution paid or payable is recognized as an expense in the period in which services are rendered by the employee.</p> <p><b>B) Defined Benefit plans:</b>  <b>Gratuity:</b>  The Company is having gratuity plan wherein every employee is entitled to the benefit equivalent to fifteen days salary drawn for each completed year of service. The same is payable on termination of service, or retirement whichever is earlier. The benefit vest after five years of continuous service and is governed as per the payment of Gratuity Act, 1972. The cost of providing benefits is determined using the projected unit credit method and the Gratuity liability is computed as per actuarial valuation. The retirement benefit obligation recognised in the balance sheet represents the present value of the defined benefit obligation as reduced by the fair value of plan assets. The Company has created a Trust with respect to establishment of Funded Group Gratuity (cash accumulation) Scheme through Life Insurance Corporation of India. Contribution is made to such fund based on the actuarial valuation.</p> <p><b>III) Other Long term employee benefits obligations:</b>  Accumulated compensated absences, which are expected to be availed or encashed beyond 12 months from the end of the period are treated as other long term employee benefits for measurement purpose. Company's liability is actuarially determined by an independent actuary using the Projected Unit Credit method at the end of year. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in standalone statement of profit and loss.</p>								
<b>II) TRANSACTIONS IN FOREIGN EXCHANGE:</b>	Transactions in foreign currencies are recorded at the exchange rate prevailing on the date of the transactions (Custom rate). Monetary items denominated in foreign currencies and outstanding at the balance Sheet date are translated at the exchange rate ruling at the year end. Exchange differences arising on foreign currencies transactions are recognized as income or expense in the period in which they arise.								
<b>III) INVENTORIES:</b>	<p>Inventories are valued at lower of cost or net realizable value. The method of valuation of cost of stock is as under:</p> <table border="0"> <tr> <td>Raw Materials</td><td>At weighted average cost.</td></tr> <tr> <td>Work in Progress</td><td>At cost of raw materials, direct labour and direct overheads.</td></tr> <tr> <td>Finished Goods</td><td>At cost or net realizable value, whichever is lower.</td></tr> <tr> <td>Stores, spares parts and loose tools</td><td>Weighted average cost.</td></tr> </table> <p>Effective from Financial Year 2021-22, the Company has changed its policy on inventory of stores, spares parts and loose tools. Under the prior policy, the cost of all consumables, spares and tools were fully charged to revenue account in the year of purchases.</p> <p>Effective from Financial Year 2021-22 the Company records inventory of stores and loose tools and charged to statement of profit and loss on the basis of consumption on actual basis.</p> <p><b>IV) TAXATION:</b>  Current tax is determined on the amount of tax payable in respect of taxable income for the year.  Deferred tax is recognised on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Where there is unabsorbed depreciation or carried forward losses, deferred tax assets are recognised only if there is virtual certainty of realisation of such assets.</p>	Raw Materials	At weighted average cost.	Work in Progress	At cost of raw materials, direct labour and direct overheads.	Finished Goods	At cost or net realizable value, whichever is lower.	Stores, spares parts and loose tools	Weighted average cost.
Raw Materials	At weighted average cost.								
Work in Progress	At cost of raw materials, direct labour and direct overheads.								
Finished Goods	At cost or net realizable value, whichever is lower.								
Stores, spares parts and loose tools	Weighted average cost.								
<b>III) PROVISIONS AND CONTINGENT LIABILITIES:</b>	<p>Provisions are recognized in the accounts in respect of present probable obligations, the amount of which can be reliably estimated.</p> <p>Contingent liabilities are disclosed in respect of possible obligations that arise from past events but their existence is confirmed by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the company.</p>								
<b>IV) EARNINGS PER SHARE</b>	<p>Basic Earnings per Share is calculated by dividing the net profit for the year attributable to equity share-holders by weighted average number of equity shares outstanding during the year.</p> <p>For the purpose of calculating diluted per share, the net profit for the year attributable to equity share holders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.</p>								
<b>IV) CASH AND CASH EQUIVALENTS:</b>	Cash and cash equivalents for the purposes of cash-flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.								



SEALMATIC INDIA LIMITED (FORMERLY KNOWN AS SEALMATIC INDIA PRIVATE LIMITED) NOTES FORMING PART OF RESTATED CONSOLIDATED FINANCIAL STATEMENTS				
ANNEXURE - V				
(All Amount in INR Lakhs, unless otherwise stated)				
	As at 30.09.2022	As at 31.03.2022	As at 31.03.2021	As at 31.03.2020
<b>1 LEASE RENT PAYABLE</b>				
In respect of Assets under operating lease, the future lease rentals are as under:-				
Within one year	55.85	55.85	57.65	33.40
Later than one year but within five years	138.51	166.53	5.03	37.80
Later than five years	NIL	NIL	NIL	NIL
<b>2 FOREIGN CURRENCY EXPENDITURE AND INCOME</b>				
	For the six months period ended 30.09.2022	For the year ended 31.03.2022	For the year ended 31.03.2021	For the year ended 31.03.2020
(i) Expenditure in Foreign Exchange:				
Foreign Travelling	5.32	1.43	-	30.85
Business Promotion	0.08	10.65	8.00	4.29
Business Commission	25.54	86.87	12.42	13.18
Professional Fees	14.52	13.47	13.83	11.66
Quality Audit Fees	-	6.22	5.69	6.22
CIF Value of Imports for Raw Materials	480.83	751.93	623.61	497.59
CIF Value of Imports for Capital Goods	14.70	86.09	33.43	21.52
(ii) Earning in Foreign Exchange:				
Export (FOB Basis)	1,708.73	3,195.90	2,369.66	2,159.44
<b>3 Foreign Currency Exposures</b>	Foreign Currency (Figures in Lakhs)			
Foreign currency exposures that are not hedged as at	As at 30.09.2022	As at 31.03.2022	As at 31.03.2021	As at 31.03.2020
Total Receivables:				
USD	2.66	3.16	2.03	2.87
EURO	6.32	4.61	2.23	3.13
GBP	0.08	0.03	-	0.01
Total Payables:				
USD	2.42	0.87	0.51	0.47
EURO	0.04	0.05	0.03	0.03
GBP	0.04	0.15	0.02	-
CHF	0.02	0.00	0.08	0.04
<b>Foreign Currency Exposures</b>	Indian Rupee (Figures in Lakhs)			
Foreign currency exposures that are not hedged as at	As at 30.09.2022	As at 31.03.2022	As at 31.03.2021	As at 31.03.2020
Total Receivables:				
USD	211.31	230.10	145.09	197.66
EURO	484.14	385.74	187.64	258.59
GBP	7.17	2.84	0.25	-
Total Payables:				
USD	254.53	88.94	38.05	36.39
EURO	3.13	4.21	2.73	2.77
GBP	3.75	15.40	1.83	1.53
CHF	1.90	0.04	0.18	3.40

**SEALMATIC INDIA LIMITED**  
**(FORMERLY KNOWN AS SEALMATIC INDIA PRIVATE LIMITED)**  
**NOTES FORMING PART OF RESTATED CONSOLIDATED FINANCIAL STATEMENTS**

(All Amount in INR Lakhs, unless otherwise stated)					
	For the six months period ended	For the year ended	For the year ended	For the year ended	
	30.09.2022	31.03.2022	31.03.2021	31.03.2020	
<b>4 EARNINGS PER SHARE</b>					
Profit for the year (A)	543.45	541.46	549.76	494.14	
Weighted number of Equity Shares Outstanding (B)	7,200,000	200,000	200,000	200,000	
Basic/Diluted Earning Per Share (A/B)	7.55	420.73	324.88	247.07	
Face Value Per Equity Share in Rs.	Rs. 10/-	Rs. 10/-	Rs. 10/-	Rs. 10/-	
<b>5 Material Adjustments in Restated Profit &amp; Loss Account:</b>	<b>30.09.2022</b>	<b>31.03.2022</b>	<b>31.03.2021</b>	<b>31.03.2020</b>	
Profit After Tax as per Books of Accounts	543.45	541.46	549.76	494.14	
Adjustment for provision of Depreciation	-	-	-	-	
Adjustment for provision of Income Tax	-	-	-	-	
Adjustment for provision of Deferred Tax	-	-	-	-	
<b>Profit After Tax as per Restated</b>	<b>543.45</b>	<b>541.46</b>	<b>549.76</b>	<b>494.14</b>	
(All Amount in INR Lakhs, unless otherwise stated)					
	For the six months period ended	For the year ended	For the year ended	For the year ended	
	30.09.2022	31.03.2022	31.03.2021	31.03.2020	
	Rs.	Rs.	Rs.	Rs.	
<b>6 Segment Reporting</b>					
6.1 Primary Segment information (Geographical) reportable under Accounting Standard 17 "Segment Reporting" is as under:					
<b>Particulars</b>					
<b>SALE OF GOODS &amp; SERVICES</b>					
-Exports	1,761.40	3,280.19	2,485.39	2,243.50	
-Domestic	744.43	583.35	1,013.60	849.36	
<b>TOTAL</b>	<b>2,505.82</b>	<b>4,213.54</b>	<b>3,498.99</b>	<b>3,092.86</b>	
<b>TRADE RECEIVABLES</b>					
-Exports	567.55	815.01	333.47	457.28	
-Domestic	486.61	275.61	300.50	164.02	
<b>TOTAL</b>	<b>1,154.77</b>	<b>890.62</b>	<b>633.97</b>	<b>611.30</b>	
<b>ADVANCE FROM CUSTOMERS</b>					
-Exports	37.03	0.00	38.65	12.29	
-Domestic	0.51	16.14	0.02	-	
<b>TOTAL</b>	<b>37.54</b>	<b>16.14</b>	<b>38.67</b>	<b>12.29</b>	
6.2 The Company operates mainly in manufacturing of mechanical seals, hence there are no secondary segments reportable.					
<b>7 Company's investment in a jointly controlled entity</b>					
Name of the Jointly Controlled Entity	Country of Incorporation	Proportion of ownership interest as at			
		30.09.2022	31.03.2022	31.03.2021	31.03.2020
Sonmag Sealmatic (India) Pvt Ltd	India	50%	50%	50%	50%
The company's share of each of the assets, equity & liabilities, income and expenses in the joint venture, based on the audited financial statements are as follows:					



**SEALMATIC INDIA LIMITED**  
**(FORMERLY KNOWN AS SEALMATIC INDIA PRIVATE LIMITED)**  
**NOTES FORMING PART OF RESTATED CONSOLIDATED FINANCIAL STATEMENTS**

(All Amount in INR Lakhs, unless otherwise stated)				
Particulars	For the six months period ended 30.06.2022 Rs.	For the year ended 31.03.2022 Rs.	For the year ended 31.03.2021 Rs.	For the year ended 31.03.2020 Rs.
<b>I Assets</b>				
Non-current Assets		Nil	Nil	Nil
Current Assets				
a) Inventory in hand	-	2.00	1.08	2.15
b) Trade Receivables	-	5.35	8.75	0.30
c) Cash & Bank Balance	-	16.29	8.33	11.05
d) Short Term Loan & Advances	-	4.04	1.81	0.03
e) Other Current Assets	-	-	-	-
<b>II Liabilities</b>				
Current Liabilities				
a) Trade Payable	-	1.02	0.77	-
b) Other current liabilities	-	0.25	0.00	0.19
c) Short Term Provisions	-	2.27	0.60	-
<b>(B) Income</b>				
a) Sale of Products	-	34.83	17.71	0.72
b) Other Operating Income	-	0.38	0.32	0.24
c) Other Income	-	0.09	-	-
<b>(C) Expenses</b>				
a) Purchase of Stock in Trade	-	32.86	7.07	0.27
b) Cost of Material Consumed	-	0.47	2.79	0.67
c) Variation in stock in trade	-	(2.05)	(0.61)	-
d) Other expenses	-	0.59	3.57	3.52
The Company has disposed off its entire stake in the Jointly Controlled Controlled entity on 23/07/2022				
<b>8 Expenditure on Research &amp; Development</b>				
Capital Expenditure (Included in Property, Plant and Equipment):				
Plant & Machinery	50.72	32.58	-	-
Electrical Fittings	0.11	0.04	-	-
Office Equipments	1.32	1.67	-	-
	52.14	33.99	-	-
<b>9</b>	In the opinion of the Board, the Current Assets, Loans and Advances have a value on realization in the ordinary course of business at least equal to the amount at which they are stated and all known liabilities provided for.			
<b>10</b>	The Company has considered possible effects that may result from the COVID 19 in the preparation of these financial statements including the recoverability of carrying amounts of financial and non-financial assets. In developing the assumptions relating to the possible future uncertainties in the economic conditions because of COVID 19 variants, the Company has, at the date of approval of these financial statements, used internal and external sources of information and statements may differ from that estimated as at the date of approval of the same.			
(All Amount in INR Lakhs, unless otherwise stated)				
	For the six months period ended	For the year ended	For the year ended	For the year ended
<b>11 Expenditure incurred on Corporate Social Responsibility (CSR) activities:</b>	30.06.2022 Rs.	31.03.2022 Rs.	31.03.2021 Rs.	31.03.2020 Rs.
Gross amount required to be spent during the year is	17.78	14.57	10.81	6.81
Amount Spent (Donation Given)	8.04	14.57	12.27	6.81




**SEALMATIC INDIA LIMITED**  
(FORMERLY KNOWN AS SEALMATIC INDIA PRIVATE LIMITED)  
NOTES FORMING PART OF RESTATED CONSOLIDATED FINANCIAL STATEMENTS

**12 Ratios**

As at 30th September 2022

Calculated on the basis of standalone financial statements as the Company has disposed off its entire stake in the Jointly Controlled entity Isomag Seal Matic India Private Limited on 23/07/2022 hence only standalone figures are presented for the period ended 30th September 2022

Ratios	Numerator	Denominator	As on 30-Sep-22	As on 31-Mar-22	Variation with preceding year	Comments if variation is above 25%
Current Ratio	Current Assets	Current Liabilities	2.94	3.50	-16%	
Debt-Equity Ratio	Total Debt	Shareholder's Equity	0.43	0.03	1281%	Refer note (a)
Debt Service Coverage	Earnings available for debt service	debt service	19.86	6.52	205%	Refer note (b)
Return on Equity Ratio	Net profit after tax	Average shareholder's equity	0.15	0.28	-45%	Refer note (b)
Inventory Turnover Ratio (Times)	Sales	Average inventory	1.46	3.67	-60%	Refer note (b)
Trade Receivables Turnover Ratio (Times)	Net credit sales	Average accounts receivables	2.46	5.53	-55%	Refer note (b)
Trade Payable Turnover Ratio (Times)	Net credit purchases	Average accounts payables	1.76	3.92	-55%	Refer note (b)
Net Capital Turnover ratio (Times)	Revenue from Operation	Working capital	1.06	2.24	-53%	Refer note (b)
Net profit ratio	Net profit	Net sales	0.21	0.20	6%	
Return on capital employed	Earnings before interest and taxes	Capital employed	0.21	0.37	-44%	Refer note (b)
Return on Investments	Return on Investment	Avg investments	0.91	0.01	10151%	Refer note (c)

Note:

- (a) - During the period total outside liabilities have been increases due to increase in activities of the Company resulting into increase in debt funds as compared to shareholders fund  
(b) - The figures of Net Profit, Return on Equity, Sales Turnover, Purchases, Earnings of the current financial period are of six months whereas previous financial years were 12 months hence the ratios are not comparable.  
(c) - During the current period the Company has disposed of its investments in Joint Venture Entity resulting into capital profit resulting into increase in return on investments

As at 31st March 2022

Calculated on the basis of consolidated financial statements

Ratios	Numerator	Denominator	As on 31-Mar-22	As on 31-Mar-21	Variation with preceding year	Comments if variation is above 25%
Current Ratio	Current Assets	Current Liabilities	3.50	3.66	-6.23%	
Debt-Equity Ratio	Total Debt	Shareholder's Equity	0.09	0.13	-74.92%	Refer note (a)
Debt Service Coverage	Earnings available for debt service	debt service	6.52	38.60	-83.21%	Refer note (b)



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SEALMATIC INDIA LIMITED (FORMERLY KNOWN AS SEALMATIC INDIA PRIVATE LIMITED) NOTES FORMING PART OF RESTATED CONSOLIDATED FINANCIAL STATEMENTS						
Return on Equity Ratio	Net profit after tax	Average shareholder's equity	0.28	0.30	-6.63%	
Inventory Turnover Ratio (Times)	Sales	Average inventory	3.67	4.44	-17.20%	
Trade Receivables Turnover Ratio (Times)	Net credit sales	Average accounts receivables	5.53	5.63	-1.82%	
Trade Payable Turnover Ratio (Times)	Net credit purchases	Average accounts payables	3.52	3.48	12.72%	
Net Capital Turnover ratio (Times)	Revenue from Operation	Working capital	2.24	2.59	-13.54%	
Net profit ratio	Net profit	Net sales	0.20	0.18	7.31%	
Return on capital employed	Earnings before interest and taxes	Capital employed	0.37	0.37	0.55%	
Return on Investments	Return on Investment	Avg Investments				
<p>Remarks</p> <p>a) The Company had paid its unsecured debt fund out of the surplus resulting into decrease in debt equity ratio</p> <p>b) Repayment of unsecured loans from cash accruals has resulted in higher debt servicing outflow during this period</p> <p>As at 31st March 2021</p> <p>Calculated on the basis of consolidated financial statements</p>						
Ratios	Numerator	Denominator	As on 31-Mar-21	As on 31-Mar-20	Variation with preceding year	Comments if variation is above 25%
Current Ratio	Current Assets	Current Liabilities	3.88	3.00	29.7%	Refer note (a)
Debt-Equity Ratio	Total Debt	Shareholder's Equity	0.13	0.18	-31.29%	Refer note (b)
Debt Service Coverage	Earnings available for debt service	debt service	36.83	4.00	876.12%	Refer note (c)
Return on Equity Ratio	Net profit after tax	Average shareholder's equity	0.30	0.32	-7.60%	
Inventory Turnover Ratio (Times)	Sales	Average inventory	4.44	4.62	-4.05%	
Trade Receivables Turnover Ratio (Times)	Net credit sales	Average accounts receivables	5.63	6.70	-15.89%	
Trade Payable Turnover Ratio (Times)	Net credit purchases	Average accounts payables	3.48	3.42	1.75%	
Net Capital Turnover ratio (Times)	Revenue from Operation	Working capital	2.59	3.57	-27.37%	Refer note (d)
Net profit ratio	Net profit	Net sales	0.18	0.16	22.87%	



SEALMATIC INDIA LIMITED (FORMERLY KNOWN AS SEALMATIC INDIA PRIVATE LIMITED) NOTES FORMING PART OF RESTATED CONSOLIDATED FINANCIAL STATEMENTS					
Return on capital employed	Earnings before interest and taxes	Capital employed	0.37	0.36	-3.94%
Return on Investments	Return on Investment	Avg Investments (No income on investment account)			
<p><b>Remarks</b></p> <p>a) Significant share of profits for the period retained in cash and cash equivalent, fixed deposits and increased in inventories due to increase in activity of the Company resulting in higher Current Ratio</p> <p>b) The Company had paid its unsecured debt fund out of the surplus resulting into decrease in debt equity ratio</p> <p>c) Repayment of unsecured loans from cash accruals has resulted in higher debt servicing outflow during this period</p> <p>d) Increase in current asset as compared to current liabilities resulting into higher working capital ratio where as turnover of the company not changed significantly during the year resulting into decrease in return on capital employed ratio.</p> <p>13. Effective from 01/04/2021 the Company changed its method of computing depreciation from WDV method to the Straight-Line Method for the tangible property plant and equipment. Based on Statement of Financial Accounting Standards, the Company determined that the change in depreciation method from WDV method to a straight-line method is a change in accounting estimate affected by a change in accounting principle. A change in accounting estimate affected by a change in accounting principle is to be applied prospectively. The change is considered preferable because the straight-line method will more accurately reflect the pattern of usage and the expected benefits of such assets. The net book value of assets acquired prior to 01/04/2021 with useful lives remaining will be depreciated using the straight-line method prospectively. As a result of the aforesaid change in method, depreciation has been provided for the financial year ended 31.03.2022 at Rs.85.43 Lakhs which is lower than the charge which would have been made had the old method and the old rates been applied by Rs.105.89 Lakhs. To that extent, the profit for the year and reserve &amp; surplus of the Company is increased by Rs.105.89 Lakhs.</p> <p>Consequently due to giving effect of change in method of depreciation the net block of asset of the Company is higher by Rs.105.69 lakhs.</p> <p>14. Effective from financial year 2021-22, the Company has changed its policy on inventory of stores, spares parts and loose tools. Under the prior policy, the cost of all consumables, spares and tools are fully charged to revenue account in the year of purchases. Effective from financial year 2021-22 the Company records inventory of stores and loose tools and charged to statement of profit and loss on the basis of consumption on actual basis. As a result of the aforesaid change in method of valuation of stores and loose tools the net profit for the financial year 2021-22 is higher by Rs.36.43 lakhs and inventory value by Rs.36.93 lakhs.</p> <p>15. <b>Other Statutory information:</b> As reported in financial statements for the period ended 30/09/2022 and year ended 31st March, 2022. The reporting of other statutory information was not applicable for the year ended 31st March, 2021 and 31st March 2020.</p> <p>(i) <b>Loans or Advances in the nature of Loans to promoter, directors, KMPs and the related parties</b> The Company has not granted loans or advances in the nature of loans to promoters, directors, KMPs and related parties.</p> <p>(ii) <b>Details of Benami Property held</b> The Company does not have any Benami property, as such no proceeding under the Benami Transactions (Prohibition) Act, 1988 and the Rules made thereunder has been initiated or pending against the Company for holding any Benami property.</p> <p>(iii) <b>Borrowings from banks or financial institutions on the security of current assets</b> The Company has not borrowed from banks or financial institutions on the security of its current assets hence nothing is to be disclosed.</p> <p>(iv) <b>Willful Defaulter</b> The Company has not been declared as Willful Defaulter by any bank or financial institution or other lender.</p> <p>(v) <b>Relationship with Struck off Companies</b> There were no transactions with the companies struck off under Sec. 248 of the companies Act, 2013 or Sec. 593 of the Companies Act, 1956 during the year as such there is nothing to disclose.</p> <p>(vi) <b>Registration or satisfaction of charges with Registrar of Companies</b> The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.</p>					



**SEALMATIC INDIA LIMITED**  
(FORMERLY KNOWN AS SEALMATIC INDIA PRIVATE LIMITED)  
**NOTES FORMING PART OF RESTATED CONSOLIDATED FINANCIAL STATEMENTS**

**(vi) Utilisation of Borrowed funds and share premium:**

(A) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (intermediaries) with the understanding that the intermediary shall:  
i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or  
ii) provided any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(B) 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 group shall:  
i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or  
ii) provided any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

**(vii) Crypto Currency**

The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

**(ix) Undisclosed Income**

The Company does not any transactions which are not recorded in the books of accounts that have been surrendered or disclosed as income during the year 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).

**(x) Capital Work in Progress**

The Company does not have capital work in progress as at the year end, hence nothing is to be disclosed.

(xi) Additional regulatory information's as per notification dated 24th March 2021 are reported wherever applicable. In cases where such requirements are not applicable to the Company have not been reported.

**18.** The figures have been regrouped/reclassified wherever necessary to conform to restated financial statements.



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**SEALMATIC INDIA LIMITED**  
(FORMERLY KNOWN AS SEALMATIC INDIA PRIVATE LIMITED)  
ANNEXURE –VI

Statement of Accounting & Other Ratios, As Restated Particulars	For the six months period ended on	For The Year Ended		
	30.09.2022	31.03.2022	31.03.2021	31.03.2020
Net Profit as Restated (Rs. In lakhs) (A)	543.45	841.46	649.76	494.14
Add: Depreciation (Rs. In lakhs)	46.20	85.43	150.45	135.90
Add: Interest on Loan (Rs. In lakhs)	6.95	9.14	14.21	12.23
Add: Income Tax/Deferred Tax (Rs. In lakhs)	223.51	250.62	224.45	173.64
<b>EBITDA (Rs. In lakhs)</b>	<b>822.10</b>	<b>1,226.65</b>	<b>1,038.86</b>	<b>816.12</b>
<b>EBITDA Margin (%)</b>	<b>32.00%</b>	<b>28.83%</b>	<b>29.41%</b>	<b>24.66%</b>
Net Worth as Restated (Rs. In lakhs) (B)	3,550.15	3,015.89	2,174.43	1,524.07
<b>Return on Net worth (%) as Restated (A/B)</b>	<b>15.31%</b>	<b>27.90%</b>	<b>29.88%</b>	<b>32.41%</b>
Equity Share at the end of year /period (in Nos.)	72,00,000	2,00,000	2,00,000	2,00,000
Weighted No. of Equity Shares (C)	72,00,000	2,00,000	2,00,000	2,00,000
<b>Basic &amp; Diluted Earnings per Equity Share as Restated (A/C)</b>	<b>7.55</b>	<b>420.73</b>	<b>324.68</b>	<b>247.07</b>
<b>Net Asset Value per Equity share as Restated (B/C) in Rs.</b>	<b>49.31</b>	<b>1,507.94</b>	<b>1,087.21</b>	<b>762.34</b>

Note:-

EBITDA Margin = EBITDA/Total Revenues from operation

Earnings per share = Profit available to equity shareholders / Weighted No. of shares outstanding at the end of the year

Return on Net worth (%) = Restated Profit after taxation / Net worth x 100

Net asset value/Book value per share = Net worth / No. of equity shares

The Company does not have any revaluation reserves or extra-ordinary items.

**ANNEXURE –VII**

**Statement of Capitalization, As Restated**

Particulars	Pre-Issue 30.09.2022	Post Issue*
<b>Debt</b>		
Short Term Debt (including current maturity of long term debt)	-	•
Long Term Debt (including current maturity of long term debt)	224.39	•
<b>Total Debt</b>	<b>224.39</b>	<b>-</b>
<b>Shareholders Funds</b>		
Equity Share Capital	720.00	•
Reserves and Surplus	2,830.15	•
Less: Misc. Expenditure	-	-
<b>Total Shareholders' Funds</b>	<b>3,550.15</b>	<b>•</b>
<b>Long Term Debt / Shareholders' Funds</b>	<b>0.06</b>	<b>•</b>
<b>Total Debt / Shareholders Fund</b>	<b>0.06</b>	<b>•</b>

\* Assuming Full Allotment of IPO shares

SEALMATIC INDIA LIMITED FORMERLY KNOWN AS SEALMATIC INDIA PRIVATE LIMITED ANNEXURE -VII				
Statement of Tax Shelter, As Restated				
Particulars	As At			
	30.09.2022	31.03.2022	31.03.2021	31.03.2020
Profit Before Tax, as per books of accounts (A)	785.86	1,122.88	874.21	667.88
-- Normal Tax rate	25.17%	25.17%	25.17%	25.17%
-- Minimum Alternative Tax rate	NA	NA	NA	NA
<b>Timing Differences</b>				
Depreciation as per Books of Accounts	45.20	85.43	180.48	138.50
Depreciation as per Income Tax	(79.44)	(148.54)	(127.05)	(108.41)
Difference between tax depreciation and book depreciation	(30.24)	(63.11)	53.43	30.09
Loss of JV adjustment	-	-	(2.85)	2.85
Other adjustments	-	25.76	8.74	8.74
<b>Net Adjustments</b>	<b>(30.24)</b>	<b>(43.45)</b>	<b>59.32</b>	<b>38.89</b>
<b>Total Income</b>	<b>755.62</b>	<b>1,079.43</b>	<b>933.53</b>	<b>706.77</b>
<b>Taxable Income (Loss) for the period (B+F)</b>	<b>755.62</b>	<b>1,079.43</b>	<b>933.53</b>	<b>706.77</b>
Tax Payable for the year	189.43	271.25	237.38	177.87
Tax payable as per MAT	NA	NA	NA	NA
Tax expense recognized	187.30	277.33	231.63	173.02
Tax payable as per normal rates or MAT (whichever is higher)	<b>Normal Rates</b>	<b>Normal Rates</b>	<b>Normal Rates</b>	<b>Normal Rates</b>

Note

As per amendments in Income Tax Act 1961, a new Section 115BAA has been introduced with effect from F.Y. 2019-2020 provide an option for concessional tax at the rate of 22% (effective tax rate with surcharge and cess is 25.17%). The Company has evaluated and opted for concessional tax rate from F.Y. 2019-20.



SEALMATIC INDIA LIMITED (FORMERLY KNOWN AS SEALMATIC INDIA PRIVATE LIMITED)					
ANNEXURE -IX					
<b>STATEMENT OF RELATED PARTY &amp; TRANSACTIONS:</b>					
Related party disclosures, as required by Accounting Standard (AS) 18- "Related Party Disclosures" issued by the ICAI are given below.					
The Company has identified all the related parties having transactions during the year, as per details given below:					
(a) List of related parties					
<b>Key Managerial Personnel</b>					
Mr. Umar A K Balwa	Director				
Mr. Mohamed Hanif Sharif Chaudhary	Director				
Mr. Sadik Hussain Chaudhary	Director				
Mr. Hussain Abdulkarim Balwa	Director				
Mr. Abid Sharif Chaudhary	Director				
Mr. Ismail Abdulkarim Balwa	Director				W.E.F 08/01/2020
Mr. Rafiq Hussain Balwa	Director				
Mr. Zubair Balwa	Director				Upto 01/06/2019
Mr. Imran Balwa	Director				Upto 17/03/2020
<b>Relative of Key Managerial Personnel</b>					
Mr. Waqas Hussain Hader Ali Chaudhary					
Mr. Zakir Hanif Chaudhary					
Mr. Zubair Balwa					
Mr. Imran Balwa					
Mr. Firoz Chaudhary					
<b>Enterprises over which Key Managerial Personnel are able to exercise significant influence</b>					
Isomag Sealmatic India Pvt Ltd -Joint Venture Entity					
AKBO Investments (Partnership Firm)					
A.K.Balwa Charitable Trust					
Associated Hospitality & Developers Pvt Ltd.					
Associated Hospitality & Developers LLC, USA					
Associated Hospitality Pvt Ltd.					
Associated Hospitality Company (Partnership Firm)					
Autoland India Pvt. Ltd.					
Automann India Pvt. Ltd.					
Balwa Realty & Infrastructure Pvt. Ltd.					
Micro Pneumatic Engineering & Construction Pvt. Ltd.					
Microstar India Pvt.Ltd.					
Mornil & Greenwood Developers Pvt. Ltd.					
Mornil & Greenwood India Pvt. Ltd.					
Panetteria Food Pvt Ltd					
Pastorji Foods Pvt. Ltd.					
Reeplex (AOP)					
Reeplex Hospitality & Developers Pvt. Ltd.					
Techniplex (AOP)					
Techniplex Complex Pvt. Ltd.					
Techniplex II Complex Management Pvt. Ltd.					
Valentistica Engineering Private Limited					
Transactions with Related Parties :-		For the six months period ended 30.09.2022	For the year ended 31.03.2022	For the year ended 31.03.2021	For the year ended 31.03.2020
Name of the Party	Nature of Transactions				
Zubair Ismail Balwa	Opening Balance (Cr.)	-	21.12	21.12	21.12
	Loan Taken/(Repayment)	-	(21.12)	-	-
	Closing Balance (Cr.)	-	-	21.12	21.12
Imran Ismail Balwa	Opening Balance (Cr.)	13.19	44.00	44.00	44.00
	Loan Taken/(Repayment)	(13.19)	(30.60)	-	-
	Closing Balance (Cr.)	-	13.19	44.00	44.00
Rafiq Hussain Balwa	Opening Balance (Cr.)	-	7.41	7.41	7.41
	Loan Taken/(Repayment)	-	(7.41)	-	-
	Closing Balance (Cr.)	-	-	7.41	7.41
Abid Sharif Chaudhary	Opening Balance (Cr.)	-	12.17	12.17	12.17
	Loan Taken/(Repayment)	-	(12.17)	-	-
	Closing Balance (Cr.)	-	-	12.17	12.17
	Director Remuneration	7.50	13.65	11.40	2.70
	Salary Paid	-	-	-	8.10

SEALMATIC INDIA LIMITED (FORMERLY KNOWN AS SEALMATIC INDIA PRIVATE LIMITED)		For the six months period ended 30.09.2022	For the year ended 31.03.2022	For the year ended 31.03.2021	For the year ended 31.03.2020
Mohamed Hanif Sharif Chaudhary	Opening Balance (Cr.)	-	41.00	41.00	41.00
	Loan Taken/(Repayment)	-	(41.00)	-	-
	Closing Balance (Cr.)	-	-	41.00	41.00
	Directors Remuneration	12.90	23.10	18.05	18.00
Sadik Hussain Chaudhary	Opening Balance (Cr.)	-	7.60	7.60	7.60
	Loan Taken/(Repayment)	-	(7.60)	-	-
	Closing Balance (Cr.)	-	-	7.60	7.60
	Directors Remuneration	7.50	13.55	11.40	10.80
Ismail Balwa	Opening Balance (Cr.)	-	9.18	9.18	9.18
	Loan Taken/(Repayment)	-	(9.18)	-	-
	Closing Balance (Cr.)	-	-	9.18	9.18
Umar A.K. Balwa	Opening Balance (Cr.)	-	-	-	39.08
	Loan Taken/(Repayment)	-	-	-	-
	Closing Balance (Cr.)	-	-	-	39.08
Wanishhussain Haderali Chaudhary	Salary Paid	3.03	5.37	3.90	2.81
Zakirhussain Hanif Chaudhary	Salary Paid	4.89	8.11	5.36	5.92
Firoz Hanif Chaudhary	Salary Paid	4.03	2.49	-	-
Associated Hospitality & Developers Pvt Ltd	Conference & Seminar Exp	-	3.65	-	1.36
	Business Promotion Exp	2.66	4.58	8.30	5.05
	Staff welfare	-	1.39	0.99	-
	Amount Payable	0.07	1.15	0.45	0.09
Associated Hospitality Pvt Ltd	Conference & Seminar Expense	9.09	-	-	-
	Business Promotion Expenses	1.47	-	-	-
	Loan Given	125.00	-	-	-
	Interest Income	2.68	-	-	-
	Outstanding Amount (Cr)	0.82	-	-	-
	Outstanding Loan Balance (Cr)	125.00	-	-	-
Sakina Hanif Chaudhari	Uniform Expenses	1.19	-	-	-
Jasmin Chaudhari	Commission & Brokerage	2.05	-	-	-
Resiplex Hospitality & Developers Private Limited	Business Promotion Exp	0.05	0.07	-	0.70
	Conference & Seminar Exp	-	1.32	-	-
	Amount Payable	-	-	-	0.04
A. K. Balwa Charitable Trust	Donation	-	-	-	1.50
Mumtaz & Greenwood Developers Pvt Ltd.	Rent paid	27.90	60.62	55.37	44.40
Microtext Hydraulic (India) Private Limited *	Sales of Material	-	-	1.77	-
	Service Received	-	-	0.01	-
Valvetrust Engineering Private Ltd	Purchase of Goods	-	-	-	1.20
	Closing Balance Cr.	-	-	3.97	3.97
Isomag Sealmatic India Private Limited*	Purchase of Goods & Services	-	-	3.52	1.32
	Sales of Goods & Services	19.38	39.05	15.22	0.54
	Labour Charges- Income	-	-	-	0.09
	Office Expenses Recovered	1.26	5.04	-	-
	Reimbursement	0.47	0.69	-	-
Techniplex (AGP)	Loan given	-	60.00	-	-
	Loan Refund Received	-	60.00	-	-
	Interest Received	-	0.14	-	-
	Reimbursement	-	3.05	-	-

SEALMATIC INDIA LIMITED (FORMERLY KNOWN AS SEALMATIC INDIA PRIVATE LIMITED)				
<b>ANNEXURE –X</b>				
<b>Statement of Dividends</b>				
The Company has paid Rs.2.00 Lakh as dividend during the period ended on 30th September, 2022				
<b>ANNEXURE –XI</b>				
<b>Changes in the Significant Accounting Policies</b>				
<p>Effective from 01/04/2021 the Company changed its method of computing depreciation from WDV method to the Straight-Line Method for the tangible property plant and equipment. Based on Statement of Financial Accounting Standards, the Company determined that the change in depreciation method from WDV method to a straight-line method is a change in accounting estimate affected by a change in accounting principle. A change in accounting estimate affected by a change in accounting principle is to be applied prospectively. The change is considered preferable because the straight-line method will more accurately reflect the pattern of usage over the expected benefits of such assets. The net book value of assets acquired prior to 01/04/2021 with useful lives remaining will be depreciated using the straight-line method prospectively. As a result of the aforesaid change in method, depreciation has been provided for the financial year ended 31.03.2022 at Rs.85.43 Lakhs which is lower than the charge which would have been made had the old method and the old rates been applied by Rs.105.89 Lakhs. To that extent, the profit for the year and reserve &amp; surplus of the Company is increased by Rs.105.89.</p> <p>Consequently due to giving effect of change in method of depreciation the net block of asset of the Company for the year ended 31st March, 2022 is higher by Rs.105.89 Lakhs.</p> <p>Effective from Financial Year 2021-22, the Company has changed its policy of inventory of stores, spares parts and loose tools. Under the prior policy, the cost of all consumables, spares and tools were fully charged to revenue account in the year of purchases. Effective from Financial Year 2021-22 the Company records inventory of stores and loose tools and charged to statement of profit and loss on the basis of consumption on actual basis. As a result of the aforesaid change in method of valuation of stores and loose tools the net profit for the financial year 2021-22 is higher by Rs.35.93 lakhs and inventory value by Rs.35.93 lakhs.</p>				
<b>ANNEXURE –XII</b>				
Contingent Liabilities:	Rs. in Lakhs			
	As At 30.09.2022	As At 31.03.2022	As At 31.03.2021	As At 21.03.2020
<b>Liability disputed and not provided for:</b>				
Income Tax under appeal	3.00	3.00	3.00	3.00
<b>Other Contingent Liabilities :</b>				
Bank Guarantees issued	15.79	28.68	22.14	-
Government Subsidy against Machinery Loan from SIDBI	15.00	15.00	-	-
On Letters of Guarantee	-	-	-	11.57



## OTHER FINANCIAL INFORMATION

### RESTATED STATEMENT OF ACCOUNTING RATIOS

(₹ in Lakhs except no of shares)

Particulars	As on 30.09.2022	For the year ended March 31,		
		2022	2021	2020
Restated PAT as per P & L Account	543.45	841.46	649.76	494.13
Actual Number of Equity Shares outstanding at the end of the year	72,00,000	2,00,000	2,00,000	2,00,000
Equivalent Weighted Avg number of Equity Shares at the end of the year	72,00,000	2,00,000	2,00,000	2,00,000
Share capital	720.00	20.00	20.00	20.00
Reserves & Surplus	2830.15	2995.89	2154.43	1504.67
Misc. expenses w/off	-	-	-	-
Net Worth	3550.15	3015.89	2174.43	1524.67
Earnings Per Share:				
Basic	7.55	420.73	324.88	247.06
Basic & diluted	7.55	420.73	324.88	247.06
Return on Net Worth (%)	15.31%	27.90%	29.88%	32.41%
Net Asset Value Per Share (Rs) – based on actual no. of equity shares at the end of the year	49.31	1507.94	1087.21	762.33
Nominal Value per Equity share (₹)	10.00	10.00	10.00	10.00

Notes to Accounting Ratios:

1) The Ratios have been computed as follows:

		Net Profit After Tax as restated
a) Basic Earnings Per Share (M)	-----	
		Weighted Average Number of Equity Shares outstanding during the year
		Net Profit after Tax as restated
b) Return on Net worth (%)	-----	* 100
		Net Worth
		Net Worth
c) Net Asset Value Per Equity Share (M)	-----	
		No. Of Equity shares outstanding at the end of the year

2) Weighted average number of Equity Shares is the number of Equity Shares outstanding at the beginning of the year adjusted by the number of Equity Shares issued during year multiplied by the time weighting factor. The time weighting factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the year.

3) The Calculation of Earnings Per Share (EPS) as disclosed in the Profit and Loss Account has been made in accordance with Accounting Standard (AS – 20) on Earnings Per Share issued by the Institute of Chartered Accountants of India.

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4) As there is no dilutive capital in the company, Basic and Diluted EPS are similar.

5) The above Ratios have been computed on the basis of the Restated Financial Information for the respective year.

The above statements should be read with the Notes to Restated Financial Statements.

## MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

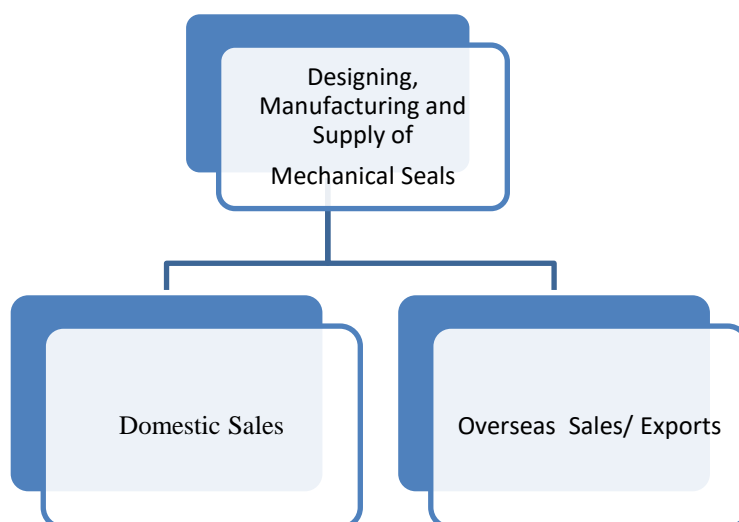
Our company was originally incorporated as Seal Matic India Private Limited on December 02, 2009 at Mumbai, Maharashtra as a private limited company under the Companies Act, 1956 with the Registrar of Companies (ROC), Mumbai, Maharashtra. Subsequently, the name of the company was changed to "Sealmatic India Private Limited" pursuant to a special resolution passed by the shareholders of the company at the Extra Ordinary General Meeting held on March 12, 2021. A fresh certificate of incorporation consequent upon change of name was issued on March 30, 2021 by the ROC, Mumbai, Maharashtra. Subsequently, the name of the company was changed to "Sealmatic India Limited" pursuant to a special resolution passed by the shareholders of the company at the Extra Ordinary General Meeting held on October 13, 2022. A fresh certificate of incorporation consequent upon change of name was issued on November 03, 2022 by the ROC, Mumbai, Maharashtra. The Corporate Identity Number of our Company is U26900MH2009PLC197524.

Our company designs and manufactures mechanical seals and associated products, sealing support systems mainly for the oil & gas, refinery, petrochemical, chemical, pharmaceutical, fertilizer, power, mining, pulp & paper, aerospace, marine and many more industrial applications. With a wide range of products and services, Sealmatic has solutions for every sealing requirement – such as Pusher Seals, Standard Cartridge Seals, Elastomer Bellows Seals, Metal Bellows Seals, Engineered Seals, Split Seals, Gas-Lubricated Seals and many more.

Sealmatic has proven itself with its heavy-duty mechanical seals with innovative and tailor made sealing solutions guaranteeing longer service. Sealmatic products are globally recognized as a trusted brand in the process industry.

"Sealmatic India Limited" are the leading Manufacturer & supplier of Mechanical Seals in India and overseas with state-of-the-art facility and world class services.

Our revenue model is summarized as below



Our Managing Director Mr. Umar A. K. Balwa and Whole Time Director Mr. Mohamed Hanif Chaudhari are actively involved in manufacturing and supplying activities of the Company. They actively participate in timely execution of the customer's orders and are the guiding force behind the growth and business strategy of our Company. Our promoters together have industry experience of many years and possess rich business

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intellect in the business circle of Maharashtra. For details about the promoter family track record of this business please see “History and Certain Corporate Matters” on page no. 137 of this Prospectus.

We operate through our factory & registered office located at 4th Floor, Techniplex - I, Techniplex Complex Off. Veer Savarkar Flyover, Goregaon (West) Mumbai Maharashtra 400062 India

Significant Developments after March 31, 2022 that may affect our Future Results of Operations

The Directors confirm that there have been no events or circumstances since the date of the last financial statements as disclosed in the Prospectus which materially or adversely affect or is likely to affect the profitability of our Company or the value of our assets, or our ability to pay liabilities within next twelve months.

## STANDALONE RESULTS OF OUR OPERATIONS

(₹ in lakhs)

Particulars	Half year Ended on		For the year ended March 31,					
	30.09.2022	% Of Total Income	2022	% Of Total Income	2021	% Of Total Income	2020	% Of Total Income
<b>INCOME:</b>								
Revenue from Operations	2,562.72	99.25%	4,254.06	99.47%	3,541.42	99.56%	3,309.13	98.52%
Other Income	19.40	0.75%	22.74	0.53%	15.60	0.44%	49.75	1.48%
<b>Total income</b>	<b>2,582.12</b>	<b>100.00%</b>	<b>4,276.80</b>	<b>100.00%</b>	<b>3,557.01</b>	<b>100.00%</b>	<b>3,358.88</b>	<b>100.00%</b>
<b>EXPENDITURE:</b>								
Cost of Material Consumed	1,346.50	52.15%	1,740.30	40.69%	1,411.90	39.69%	1,362.81	40.57%
Purchases of Stock-in-Trade	-	0.00%	3.50	0.08%	7.07	0.20%	0.27	0.01%
Changes in Inventories	(413.33)	-16.01%	(211.02)	-4.93%	(58.64)	-1.65%	32.70	0.97%
Employee Benefit Expenses	417.34	16.16%	729.56	17.06%	517.83	14.56%	501.01	14.92%
Finance Costs	6.95	0.27%	9.14	0.21%	14.21	0.40%	12.23	0.36%
Depreciation and Amortisation Expenses	48.20	1.87%	85.43	2.00%	150.45	4.23%	135.90	4.05%
Other Expenses	409.51	15.86%	787.81	18.42%	639.99	17.99%	645.98	19.23%
<b>Total expenses</b>	<b>1,760.02</b>	<b>68.16%</b>	<b>3,050.15</b>	<b>71.32%</b>	<b>2,518.15</b>	<b>70.79%</b>	<b>2,542.77</b>	<b>75.70%</b>
Net Profit / (Loss) before Tax and extra-ordinary items	<b>766.96</b>	<b>29.70%</b>	<b>1,132.08</b>	<b>26.47%</b>	<b>874.21</b>	<b>24.58%</b>	<b>667.97</b>	<b>19.89%</b>
Exceptional Items								
Net Profit / (Loss) before Tax	<b>766.96</b>	<b>29.70%</b>	<b>1,132.08</b>	<b>26.47%</b>	<b>874.21</b>	<b>24.58%</b>	<b>667.97</b>	<b>19.89%</b>
Less: Tax Expense								
Current tax	197.00	7.63%	277.33	6.48%	231.63	6.51%	173.00	5.15%
Deferred tax	26.51	1.03%	11.84	0.28%	(7.18)	-0.20%	0.46	0.01%
Total Tax Expense	223.51	8.66%	290.62	6.80%	224.45	6.31%	173.85	5.18%
<b>Net Profit / (Loss) after tax</b>	<b>543.45</b>	<b>21.05%</b>	<b>841.46</b>	<b>19.67%</b>	<b>649.76</b>	<b>18.27%</b>	<b>494.13</b>	<b>14.71%</b>

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## **Main Components of our Profit and Loss Account**

### **Fiscal 2022 compared with Fiscal 2021**

#### **Income**

##### **Revenue from Operations**

Our Revenue from Operations are from providing designing, manufacturing and supplying in India and exporting mechanical seals which as a percentage of total income were 99.25% for the half year ended September 30, 2022 and 99.47%, 99.56% and 98.52% respectively, fiscal years 2022, 2021 and 2020.

##### **Other Income**

Our other income comprises of Interest income, Dividend income, foreign exchange difference, and Miscellaneous income. Other income, as a percentage of total income were 0.75% for the half year ended September 30, 2022 and 0.53%, 0.44% and 1.48% respectively, for the fiscal years 2022, 2021 and 2020.

#### **Expenditure**

Our total expenditure primarily consists of Costs of materials consumed, Purchase of Stock in trade, Changes in Inventories, Employee Benefit Expenses, Finance Cost, Depreciation & Amortisation Expenses and Other Expenses

##### **Cost of Materials Consumed**

Cost of material consumed mainly consist of expenses mainly related to utilisation of Raw Materials and allied expenses related to our sales.

##### **Purchase of Stock in Trade**

Purchase of Stock in Trade are primarily in relation to purchases goods for trading.

##### **Changes in Inventories**

Changes in Inventories primarily consist of changes in Finished goods.

##### **Employee Benefit Expenses**

Expenses in relation to employee's remuneration and benefits include salary & wages, contribution to Provident fund, ESIC, Gratuity fund, director's remuneration and staff welfare expenses.

##### **Finance Costs**

Finance Cost primarily consists of Interest cost & Bank charges.

##### **Depreciation and Amortization Expenses**

Depreciation and Amortization Expenses primarily consist of depreciation on the fixed assets of our Company which primarily includes Plant & Machinery, Building, Furniture and Fixtures, Office equipment's, Electrical Installations and equipment, Motor Vehicles and Computers etc.

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## **Other Expenses**

Other expenses primarily include Contract Charges, Freight and Forwarding Charges, Legal and Professional Fees, Travelling and Conveyance, Foreign Exchange Loss etc.

## **Provision for Tax**

The provision for current taxation is computed in accordance with relevant tax regulation. Deferred tax is recognized on timing differences between the accounting and the taxable income for the year and quantified using the tax rates and laws enacted or subsequently enacted as on balance sheet date. Deferred tax assets are recognized and carried forward to the extent that there is a virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized in future.

## **Fiscal 2022 compared with Fiscal 2021**

### **Revenue from Operations**

In Fiscal 2022, Revenue from Operations had increased by ₹ 712.64 lakhs or 20.12%, from ₹ 3541.42 lakhs in Fiscal 2021 to ₹ 4254.06 lakhs in Fiscal 2022. The increase in the Fiscal 2022 was due to increase in the sale of products.

### **Other income**

In Fiscal 2022, Other Income had increased by ₹ 7.14 lakhs or 45.77%, from ₹ 15.60 lakhs in Fiscal 2021 to ₹ 22.74 lakhs in Fiscal 2022. The increase was due to increase in interest income and expense recovered.

### **Cost of Materials**

The cost of materials consumed in Fiscal 2022 was ₹ 1740.30 lakhs or 23.26%, an increase of ₹ 328.40 lakhs as compared to the previous year's consumption of ₹ 1411.90 lakhs in Fiscal 2021. The increase was due to the increase in Revenue from Operations.

### **Purchase of Stock in Trade**

Purchase of Stock in Trade are primarily in relation to purchases goods for trading

### **Changes in Inventories**

The changes in Inventories were negative ₹ 58.64 lakhs in Fiscal 2021, the changes in Inventories were negative ₹ 211.02 Lakhs in Fiscal 2022.

### **Employee Benefit Expenses**

Our staff cost had increased by ₹ 211.73 lakhs or 40.89% from ₹ 517.83 lakhs in Fiscal 2021 to ₹ 729.56 lakhs in Fiscal 2022. This increase was mainly due to addition in staff and inflation.

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## **Finance Cost**

Finance cost during the year had decreased by ₹ 5.07 lakhs or 35.68% from ₹ 14.21 lakhs in Fiscal 2021 to ₹ 9.14 lakhs in Fiscal 2022 due to decreased in Borrowing and Interest charges.

## **Depreciation and Amortization Expenses**

Depreciation expenses had decreased by ₹ 65.02 lakhs or 43.22% from ₹ 150.45 lakhs in Fiscal 2021 to ₹ 85.43 lakhs in Fiscal 2022. The company follows written down value (WDV) method of accounting for depreciation hence depreciation will be on a decreasing trend.

## **Other Expenses**

Other expenses had increased by ₹ 147.82 lakhs or 23.10% from ₹ 639.99 lakhs in Fiscal 2021 to ₹ 787.81 lakhs in Fiscal 2022. The increase was due to the increase in expenses.

## **Profit before Tax**

Due to increase in our revenues, our Profit before tax had increased by ₹ 257.87 lakhs or 29.50%, from ₹ 874.21 lakhs in Fiscal 2021 to ₹ 1132.08 lakhs in Fiscal 2022 .

## **Profit after Tax**

After accounting for taxes at applicable rates, our Profit after Tax had increased by ₹ 191.70 lakhs or 22.78%, from ₹ 649.76 lakhs in Fiscal 2021 to ₹ 841.46 lakhs in Fiscal 2022.

## **Fiscal 2021 compared with Fiscal 2020**

### **Revenue from Operations**

In fiscal 2021, Revenue from Operations had increased by ₹ 232.29 lakhs or 7.02%, from ₹ 3309.13 lakhs in Fiscal 2020 to ₹ 3541.42 lakhs in Fiscal 2021. The increase in the Fiscal 2021 was due to increase in the sale of products.

### **Other income**

In Fiscal 2021, Other Income had decreased by ₹ 34.15 lakhs or -218.91%, from ₹ 49.75 lakhs in Fiscal 2020 to ₹ 15.60 lakhs in Fiscal 2021. The decrease was due to the decrease in Interest income & Miscellaneous Income.

### **Cost of Materials**

The cost of materials consumed in Fiscal 2021 were ₹ 1411.90 lakhs, an increase of ₹ 49.09 lakhs or 3.60% as compared to the previous year's consumption of ₹ 1362.81 lakhs in Fiscal 2020. The increase was due to the increase in Revenue from Operations.

### **Purchase of Stock in Trade**

The purchase of Stock in Trade in Fiscal 2021 was ₹ 7.07 lakhs, an increase of ₹ 6.8 lakhs as compared to the previous years of ₹ 0.27 lakhs in Fiscal 2020. The increase was due to the increase in Revenue from Operations from Trading of Goods.

## Changes in Inventories

The changes in Inventories were negative ₹ 58.64 lakhs in Fiscal 2021, the changes in Inventories were positive ₹ 32.70 in Fiscal 2020.

## Employee Benefit Expenses

Our staff cost had increased by ₹ 16.82 lakhs or 3.36%, from ₹ 501.01 lakhs in Fiscal 2020 to ₹ 517.83 lakhs in Fiscal 2021. This increase was mainly due to the increase in the salaries of employees in FY 2020-21.

## Finance Cost

Finance cost during the year had increased by ₹ 1.98 from ₹ 12.23 lakhs in Fiscal 2020 to ₹ 14.21 Lakhs in Fiscal 2021 due to increase in Interest charges.

## Depreciation and Amortization Expenses

Depreciation expenses had increased by ₹ 14.55 lakhs from ₹ 135.90 lakhs in Fiscal 2020 to ₹ 150.45 lakhs in Fiscal 2021. This increase due to additions in the fixed assets during the year.

## Other Expenses

Other expenses had decreased by ₹ 5.99 lakhs or 0.93% from ₹ 645.98 lakhs in Fiscal 2020 to ₹ 639.99 lakhs in Fiscal 2021.

## Profit before Tax

Due to increase in our revenues, our Profit before tax had increased by ₹ 206.24 lakhs or 30.88% from ₹ 667.97 lakhs in Fiscal 2020 to ₹ 874.21 lakhs in Fiscal 2021.

## Profit after Tax

After accounting for taxes at applicable rates, our Profit after Tax had increased by ₹ 155.63 lakhs or 31.50%, from ₹ 494.13 lakhs in Fiscal 2020 to ₹ 649.76 lakhs in Fiscal 2021.

## Standalone Cash Flows

(₹ in lakhs)

Particulars	Six months Ended on	For the year ended March 31,		
	30.09.2022	2022	2021	2020
Net Cash from Operating Activities	16.92	374.21	491.94	444.54
Net Cash from Investing Activities	(136.59)	(236.92)	(286.44)	(309.99)
Net Cash used in Financing Activities	121.87	(188.20)	(19.89)	(35.98)

<b>Net Increase / (Decrease) in Cash and Cash equivalents</b>	<b>2.21</b>	<b>(50.91)</b>	<b>185.61</b>	<b>98.56</b>
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### **Cash Flows from Operating Activities**

Net cash from operating activities in fiscal year 2021 was ₹ 491.94 lakhs as compared to the PBT of ₹ 869 lakhs for the same period. This difference is primarily on account of changes in trade receivables, trade payables, short term provisions, Inventories & Other Current Liabilities.

Net cash from operating activities in fiscal year 2020 was ₹ 444.55 lakhs as compared to the PBT of ₹ 671.46 lakhs for the same period. This difference is primarily on account of changes in trade receivables, trade payables, short term provisions, Inventories & Other Current Liabilities.

Net cash from operating activities in fiscal year 2019 was ₹ 106.23 lakhs as compared to the PBT of ₹ 120.56 lakhs for the same period. This difference is primarily on account of changes in trade receivables, trade payables, Interest Income, Interest Expenses & Depreciation and amortization.

### **Cash Flows from Investment Activities**

In fiscal year 2021, the net cash invested in Investing Activities was ₹ 286.44 lakhs. This was on account of purchase of purchase of fixed assets, Interest Income & Dividend Income.

In fiscal year 2020, the net cash invested in Investing Activities was ₹ 310 lakhs. This was on account of purchase of fixed assets, Interest Income and Dividend Income.

In fiscal year 2019, the net cash invested in Investing Activities was ₹ 15.66 lakhs. This was on account of purchase of fixed assets, Interest Income & Dividend Income.

### **Cash Flows from Financing Activities**

Net cash from financing activities in fiscal year 2021 was ₹ 19.88 lakhs. This was on account of Proceeds from long term / short term borrowings, payment of dividend & Payment of interest.

Net cash from financing activities in fiscal year 2020 was ₹ 35.98 lakhs. This was on account of Proceeds from long term / short term borrowings & Payment of interest

Net cash from financing activities in fiscal year 2019 was negative ₹ 51.34 lakhs. This was on account of Payment of interest & Proceeds from long term / short term borrowings.

### **OTHER MATTERS**

- Unusual or infrequent events or transactions

Except as described in this Prospectus, during the periods 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

Other than as described in the Section titled “Financial Information” and chapter titled “Management’s Discussion and Analysis of Financial Conditions and Results of Operations”, beginning on page nos. 171 and 210 of this Prospectus respectively, to our knowledge, there are no significant economic changes that materially affected or are likely to affect income from continuing Operations.

- 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 chapter titled “Risk Factors” and “Management’s Discussion and Analysis of Financial Conditions and Result of Operations”, beginning on page no’s 34 and 203 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 chapter titled “Risk Factors” beginning on page no. 35 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

Increases in revenues are by and large linked to increases in introduction of new projects and volume of business activity carried out by the Company.

- Total turnover of each major industry segment in which our Company operates.

Our company designs and manufactures mechanical seals and associated products, sealing support systems mainly for the oil & gas, refinery, petrochemical, chemical, pharmaceutical, fertilizer, power, mining, pulp & paper, aerospace, marine and many more industrial applications. Relevant industry data, as available, has been included in the chapter titled “Industry Overview” beginning on page no. 110 of this Prospectus.

- Status of any publicly announced new products or business segments

Please refer to the chapter titled “Our Business” beginning on page no. 118 of this Prospectus.

- The extent to which the business is seasonal.

Our business is not seasonal in nature

- The following table illustrates the concentration of our revenues among our top ten customers and suppliers (expenses & goods) on a standalone basis.

(₹ in lakhs)

Particulars	FY 2021-22		FY 2020-21		FY 2019-20	
	Amount	% Of Total Revenue	Amount	% Of Total Revenue	Amount	% Of Total Revenue
Top 10 Customers	1694.83	40.27	1294.32	36.80	1393.97	43.04

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(₹ in lakhs)

Particulars	FY 2021-22	FY 2020-21	FY 2019-20
	Amount	Amount	Amount
Top 10 Suppliers	1489.00	1032.65	1089.57

## CAPITALIZATION STATEMENT

### RESTATED STATEMENT OF CAPITALIZATION

(₹.in lakhs)

Particular	Pre-Issue (As at Sept 30, 2022)	Post Issue
<b>Borrowing</b>		
Long Term Debt*	35.98	35.98
Short Term Debt	188.41	188.41
<b>Total Debts (A)</b>	<b>224.39</b>	<b>224.39</b>
<b>Equity (Shareholder's funds)</b>		
Equity Share capital	720.00	905.00
Reserve and Surplus, as restated	2,830.15	6807.65
<b>Total Equity (B)</b>	<b>-</b>	<b>-</b>
	3,550.15	7712.65
<b>Long Term Debt / Equity Shareholder's funds</b>	<b>0.05</b>	<b>0.04</b>
<b>Total Debts / Equity Shareholder's funds</b>	<b>0.06</b>	<b>0.03</b>

\* Includes Current maturities of long-term borrowings.

Note:

The above has been computed on the basis of Restated Financials of the Company.

## FINANCIAL INDEBTEDNESS

### R. R. SHAH & ASSOCIATES

CHARTERED ACCOUNTANTS

207 Kshamalaya, 37 Marg, New Marine Lines, Mumbai 400020  
Tel No. 022-22033160 Email: info@rrshahassociates.com

#### STATEMENT OF FINANCIAL INDEBTNESS

Based on the independent examination of Books of Accounts, Audited Standalone Financial Statements, Audited Consolidated Financial Statements and other documents of the issuer Company, Sealmatic India Limited (formerly known as Sealmatic India Private Limited) and further explanations and information provided by the management of the Companies, which we believe to be true and correct to the best of our information and belief, the financial indebtedness of the company as at March 31, 2022 and September 30, 2022 are as mentioned below:

(Rs. In Lakhs)		
Nature of Borrowing	Outstanding as on March 31, 2022 <i>[Latest completed 12 months FY]</i>	Outstanding as on September 30, 2022 <i>(Six months period ended)</i>
Secured Loans	80.38	224.39
Unsecured Loans	13.19	0.00
<b>Total</b>	<b>93.56</b>	<b>224.39</b>

#### A. Secured Loans

(Rs. In Lakhs)				
Name of Lender	Purpose	Sanctioned Amount	Outstanding as on March 31, 2022	Outstanding as on September 30, 2022
Term Loan under SPEED Scheme (SIDBI)	Purchase of Machineries and Equipment	100.00	39.05	30.25
Term Loan under PRATHAM Scheme (SIDBI)	Purchase of Machineries and Equipment	41.50	24.62	19.87
Term Loan under TWARIT Scheme (SIDBI)	Purchase of Machineries and Equipment	27.50	16.71	13.19
Term Loan under ARISE Scheme (SIDBI)	Purchase of Machineries and Equipment	161.30	0.00	161.08
			<b>80.38</b>	<b>224.39</b>

#### B. Unsecured Loans:

(Rs. In Lakhs)					
Name of Lender	Purpose	Re-Payment Terms	Outstanding as on March 31, 2022	Outstanding as on September 30, 2022	Rate of Interest
Imran.I. Balwa	Old loan for day to day business requirements	Repaid	13.19	0.00	Nil
<b>Subtotal</b>			<b>13.19</b>	<b>0.00</b>	

For, R. R. Shah & Associates  
Chartered Accountants  
Firm Reg. No: 112007W

(Rajesh S. Shah)  
[Partner]  
Membership No: 017844  
Place: Mumbai  
Date: - 2 JAN 2023

UDIN: 23017244 BGQQDX5653



## SECTION VIII – LEGAL AND OTHER INFORMATION

### OUTSTANDING LITIGATIONS AND MATERIAL DEVELOPMENTS

Except as stated in this section, there are no:

A. outstanding (i) criminal proceedings; (ii) actions by statutory or regulatory authorities; (iii) claims relating to direct and indirect taxes; or (iv) Material Litigation (as defined below); involving our Company, Directors and Promoters. Our Board, in its meeting held on January 03, 2023 has inter-alia adopted the materiality policy for purposes of disclosure of litigations in the Prospectus and has determined that outstanding legal proceedings involving the Company, Directors and Promoters where the aggregate amount involved, in such individual litigation exceeds ₹ 1,00,000/- will be considered as material litigation ("Material Litigation").

As per the materiality policy adopted by the Board of our Company in its meeting held on January 03, 2023 creditors of our Company to whom an amount in excess of ₹ 1,00,000/- as per the last audited financial statements was outstanding, were considered 'material creditors. Details of outstanding dues to creditors (including micro and small enterprises as defined under the Micro, Small and Medium Enterprises Development Act, 2006) as required under the SEBI Regulations have been disclosed on our website at [www.sealmaticindia.com](http://www.sealmaticindia.com)

Our Company, Directors and Promoters have not been declared as wilful defaulters by the RBI or any government authority and there have been no violations of securities laws in the past or pending against them.

#### A. LITIGATION INVOLVING OUR COMPANY

##### CONTINGENT LIABILITIES OF OUR COMPANY (Other than Tax)

NIL

##### LITIGATION / PROCEEDINGS AGAINST OUR COMPANY

###### Criminal matters

NIL

###### Litigation / Proceedings Involving Actions by Statutory / Regulatory Authorities

NIL

###### Litigation involving Tax Liabilities

###### Direct Tax Liabilities

Assessment Year	Section	Amount	Particulars
NIL			

###### Indirect Taxes Liabilities

NIL

###### Other Pending Litigations

NIL

## **CASES FILED BY OUR COMPANY**

### **Litigation Involving Criminal matters**

NIL

### **Litigation Involving Actions by Statutory/Regulatory Authorities**

NIL

### **Litigation involving Tax Liabilities**

#### **Direct Tax Liabilities**

<b>Provision of Law</b>	<b>Forum</b>	<b>Amount Concerned</b>	<b>Particulars of Proceedings</b>
Appeal under section 246A of the Income Tax Act, 1961  (Acknowledgement number - 269440341091219)	Commissioner of Income Tax (Appeals)	Rs. 79,620/-	The dispute pertains to whether there was an error in assessment of the income of our company for AY 2018-2019. The assessed income of our company was Rs. 32561928/- as against returned income of Rs 3,23,02,603/-. The same resulted in addition of income of Rs. 2,59,325/- resulting in a disputed amount of Rs. 79,620/- in income tax.
Appeal under section 246A of the Income Tax Act, 1961  (Acknowledgement number - 339627511210520)	Commissioner of Income Tax (Appeals)	Rs. 2,80,680/-	The dispute pertains to whether there was an error in assessment of the income of our company for AY 2019-2020. The assessed income of our company was Rs. 6,78,08,300/- as against returned income of Rs 6,69,70,440/-. The same resulted in addition of income of Rs. 8,37,860/- resulting in a disputed amount of Rs. 2,80,680/- in income tax.

#### **Indirect Tax Liabilities**

NIL

#### **Other Pending Litigations**

NIL

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**B. LITIGATION INVOLVING OUR DIRECTORS****LITIGATION AGAINST OUR DIRECTORS****Criminal matters**

NIL

**Litigation / Proceedings Involving Actions by Statutory/Regulatory Authorities**

NIL

**Litigation involving Tax Liabilities****Direct Tax Liabilities**

NIL

**Indirect Taxes Liabilities**

NIL

**Other Pending Litigations**

NIL

**LITIGATION FILED BY OUR DIRECTORS****Litigation Involving Criminal matters**

NIL

**Litigation Involving Actions by Statutory/Regulatory Authorities**

NIL

**Litigation involving Tax Liabilities****Direct Tax Liabilities**

NIL

**Indirect Taxes Liabilities**

NIL

**Other Pending Litigations**

NIL

**LITIGATION INVOLVING OUR PROMOTERS AND PROMOTER GROUP****LITIGATION AGAINST OUR PROMOTERS****Litigation Involving Criminal matters**

NIL

**Litigation / Proceedings Involving Actions by Statutory/Regulatory Authorities**

NIL

## **Litigation involving Tax Liabilities**

### **Direct Tax Liabilities**

NIL

## **LITIGATION AGAINST OUR PROMOTER GROUP:**

### **Direct Tax Liabilities**

<b>Provision of Law</b>	<b>Forum</b>	<b>Amount Concerned</b>	<b>Particulars of Proceedings</b>
Appeal under section 246A of the Income Tax Act, 1961 filed by Ismail A. Balwa  (Acknowledgement number - 115847210060121)	Commissioner of Income Tax (Appeals)	Rs. 4,92,059/- (being the amount of disputed demand)	The dispute pertains to whether there was an error in not granting the full credit for tax deducted at source for assessment year 2018-2019.
Appeal under section 246A of the Income Tax Act, 1961 filed by Ismail A. Balwa  (Acknowledgement number - 747230280050722)	Commissioner of Income Tax (Appeals)	Rs. 2,35,010/- (being the amount of disputed demand)	The dispute pertains to a computation error while calculating the NAV of house / residential property in respect of income tax for assessment year 2020-2021.

### **Indirect Taxes Liabilities**

NIL

### **Other Pending Litigations:**

<b>Provision of Law</b>	<b>Forum</b>	<b>Amount Concerned / Particulars</b>	<b>Particulars of Proceedings</b>
Civil Suit as per the Code of Civil Procedure, 1908  Special Civil Suit No. 123 of 2009 filed against Mr. Ismail Balwa	Court of the Civil Judge, Thane	Survey No. 36, Hissa No. 4 of village Ghodbunder, Thane admeasuring 6897 sq. yards.	The suit has been filed for specific performance of alleged agreement to sell in respect of the premises.
Civil Suit as per the Code of Civil Procedure, 1908	Court of the Civil Judge, Thane	Survey No. 36, Hissa No. 4 of village Ghodbunder, Thane	The applicant alleges that defends have committed contempt by violating an

Miscellaneous Application No. 133 of 2014 in Special Civil Suit No. 123 of 2009 filed against Mr. Ismail Balwa		admeasuring 6897 sq. yards.	order of status quo passed by the civil court.
Civil Suit as per the Code of Civil Procedure, 1908  Civil Suit No. 558 of 2019 filed against Mr. Ismail Balwa	Court of the Civil Judge, Thane	Survey No. 36, Hissa No. 4 of village Ghodbunder, Thane admeasuring 6897 sq. yards.	The suit has been filed for specific performance of alleged agreement to sell in respect of the premises.

#### **LITIGATION FILED BY OUR PROMOTERS AND PROMOTER GROUP**

##### **Litigation Involving Criminal matters**

NIL

##### **Litigation Involving Actions by Statutory/Regulatory Authorities**

NIL

##### **Litigation involving Tax Liabilities**

##### **Direct Tax Liabilities**

NIL

##### **Indirect Taxes Liabilities**

NIL

##### **Other Pending Litigations**

NIL

#### **LITIGATION INVOLVING PROMOTERS GROUP ENTITIES**

##### **Litigation Involving Criminal matters**

NIL

##### **Litigation Involving Actions by Statutory/Regulatory Authorities**

NIL

## **Litigation involving Tax Liabilities**

### **Direct Tax Liabilities**

<b>Provision of Law</b>	<b>Forum</b>	<b>Amount Concerned</b>	<b>Particulars of Proceedings</b>
Appeal under section 246A of the Income Tax Act, 1961 filed by Resiplex  (Acknowledgement number - 410988841210119)	Commissioner of Income Tax (Appeals)	Rs. 4,00,000/- (being the amount added to returned income)	The dispute pertains to action by the assessing officer in assessing the income of the company at Rs. 21,32,845/- against returned income of Rs. 17,32,845/- by reopening assessment for AY 2011-2012.
Appeal under section 246A of the Income Tax Act, 1961 filed by Techniplex  (Acknowledgement number - 319003281070320)	Commissioner of Income Tax (Appeals)	Rs. 5,43,000/- (being the amount of pending credit not granted towards tax deducted at source)	The dispute pertains to whether there was an error in not granting the full credit for tax deducted at source.
ITXA/146 of 2020 filed by Associated Hospitality and Developers Private Limited	Bombay High Court		An appeal was filed by Associated Hospitality and Developers Private Limited against the Assessment Order in respect of AY 2013-14 with before the Income Tax Appellate Tribunal. Against the observations of the Tribunal disallowing the claim of interest expense, appeal is preferred.
ITXA/835 of 2020 Before the Bombay High Court filed by Associated Hospitality and Developers Private Limited	Bombay High Court		An appeal was filed by Associated Hospitality and Developers Private Limited against the Assessment Order in respect of AY 2013-14 with before the Income Tax Appellate Tribunal. The Tribunal allowed contentions with respect to the Deemed Dividend u/s 2(22)(e) of the Income Tax Act, 1961. Against the said observations, appeal is preferred by the department.

## Indirect Taxes Liabilities

Provision of Law	Forum	Amount Concerned	Particulars of Proceedings
Appeal under section 26 of the Maharashtra Value Added Tax Act, 2006 filed by Techniplex	Deputy Commissioner of State Tax (Appeal)	Rs. 16,14,294/- (being amount of set off denied, interest levied and penalty imposed)	The dispute pertains to value added tax liability assessed for the period 01.04.2008 to 31.03.2009
Appeal under section 26 of the Maharashtra Value Added Tax Act, 2006 filed by Techniplex	Deputy Commissioner of Sales Tax (Appeal)	Rs. 3,27,67,242/- (being amount of set off denied, interest levied and penalty imposed)	The dispute pertains to value added tax liability assessed for the period 01.04.2009 to 31.03.2010.
Appeal under section 26 of the Maharashtra Value Added Tax Act, 2006 filed by Techniplex	Deputy Commissioner of Sales Tax (Appeal)	Rs. 4,05,55,820/- (being amount of set off denied, interest levied and penalty imposed)	The dispute pertains to value added tax liability assessed for the period 01.04.2010 to 31.03.2011.

## Other Pending Litigations

NIL

**There are no litigations or legal actions, pending or taken, by any Ministry or Department of the Government or a statutory authority against our Promoters since incorporation of the Company.**

There are no litigations or legal actions, pending or taken, by any Ministry or Department of the Government or a statutory authority against our Promoters since incorporation of the Company.

## Pending proceedings initiated against our Company for economic offences.

There are no pending proceedings initiated against our Company for economic offences.

## Inquiries, investigations etc. instituted under the Companies Act, 2013 or any previous companies' enactment against our Company.

There are no inquiries, investigations etc. instituted under the Companies Act or any previous companies' enactment since incorporation against our Company.

## Material Fraud against our Company since incorporation

There has been no material fraud committed against our Company since incorporation.

## Fines imposed or compounding of offences for default

There are no fines imposed or compounding of offences done immediately preceding the year of the Prospectus for the Company for default or outstanding defaults.

#### **Non-Payment of Statutory Dues**

There have been no defaults or outstanding defaults in the payment of statutory dues payable by the Company as of the date of the last audited financial statements of the Company except in respect of income tax liabilities, in respect of which proceedings are pending, as disclosed hereinabove.

#### **Outstanding Dues to Creditors**

There are no disputes with such entities in relation to payments to be made to our Creditors. The details pertaining to amounts due towards such creditors are available on the website of our Company:

(₹ in Lakhs)

<b>Particulars</b>	<b>Balance as on 30<sup>th</sup> September, 2022</b>
Total Outstanding dues to Micro, Small and Medium Enterprises	13.76
Total Outstanding dues to Creditors other than Micro and Small & Medium Enterprises	1015.96

#### **Material developments occurring after last balance sheet date**

Except as disclosed elsewhere in this Prospectus, there have been no material developments that have occurred after the Last Balance Sheet Date.

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## GOVERNMENT AND OTHER KEY APPROVALS

*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 other objects clause, enable our Company to carry out its activities.*

### **I. APPROVALS FOR THE ISSUE**

1. The Board of Directors have, pursuant to Section 62(1)(c) and other applicable provisions of the Companies Act, 2013, by a resolution passed at its meeting held on November 28, 2022 authorized the Issue, subject to the approval of the shareholders and such other authorities as may be necessary.
2. The shareholders of our Company have, pursuant to Section 62(1) (c) of the Companies Act, 2013, by special resolution passed in the extra ordinary general meeting held on December 21, 2022 authorized the Issue.
3. Approval dated January 24, 2023 from the BSE for listing of the Equity Shares issued by our Company pursuant to the Issue.
4. Our Company's International Securities Identification Number ("ISIN") is INE0O4601016

### **II. APPROVALS PERTAINING TO INCORPORATION, NAME AND CONSTITUTION OF OUR COMPANY**

1. Certificate of Incorporation, dated December 02, 2009 issued by the Registrar of Companies, Mumbai, in the name of "Sealmatic India Private Limited".
2. Fresh Certificate of Incorporation Consequent upon Conversion from Private Company to Public Company dated 03<sup>rd</sup> November, 2022 issued to our Company by the Registrar of Companies, Mumbai consequent upon change of name of our Company from "Sealmatic India Private Limited" to "Sealmatic India Limited".
3. The Corporate Identity Number of the Company is U26900MH2009PLC197524

## TAX RELATED APPROVALS

Sr. No.	Description	Registration/ Approval/ Certificate Number	Issuing Authority	Date of Expiry
1.	Permanent Account Number (PAN)	AANCS6788D	Income Tax Department, Government of India	Valid until cancelled
2.	Tax Deduction Account Number (TAN)	MUMS70649F	Income Tax Department, Government of India	Valid until cancelled
3.	Certificate of Registration under the Maharashtra State Tax on Professions, Trades, Callings and Employments Act, 1976.	P.T.E.C Number- 99461864690P	Profession Tax Officer, Registrar-Maharashtra State Tax Dept, GOI	Valid until cancelled
4.	Goods and Service Tax Act, 2017	27AANCS6788D1ZQ	Government of India	Valid Until Cancelled
5.	Certificate of Importer/Exporter Code (IEC)	0311016715	Ministry of Commerce and Industry	Valid Until Cancelled
<b>Other Approvals / Registrations</b>				
6.	NOC from Maharashtra Pollution Control Board.	MPCB/SRO-Thane II/Consent/O/1703000228	Maharashtra Pollution Control Board	31/03/2029

## INTELLECTUAL PROPERTY RIGHTS RELATED APPROVALS


### Intellectual Property Rights in India and Overseas:

As on the date of the Prospectus, our Company is using following IPR registered in the name of the Company.


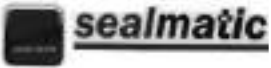
#### Indian Copyright Registration:

Sr. No.	Title Work	Issuing Authority	Date of Issuance	Registration No.	Class	Status
1	Catalogue 2.0 for Mechanical Seals	Copyright Office, Govt of India	05/02/2019	L- 80631/2019	Literary/ Dramatic work	Registered

#### Indian Trademark Registration:

Sr. No.	Logo	Issuing Authority	Date of Issuance	Trade Mark No.	Class	Status
1.		Trade Marks Registry, Government of India	13/04/2011 and renewed on 20/03/2021	2129449	07	Registered in the name of Microtact Hydraulic (India Pvt Ltd) (Assignor) and assigned in favor of Sealmatic India Limited (Assignee)

#### Foreign Trademark Registrations:

Sr. No.	Logo	Issuing Authority	Date of Issuance	Trade Mark No.	Class	Status
1.		European Union Intellectual Property Office	06/06/2018	017811571		Registered
2.		United States Patent and Trademark Office	01/10/2013	4409360	07	Registered

## **Authority for the Issue**

Our Board of Directors have vide resolution dated November 28, 2022 authorized the Issue, subject to the approval by the shareholders of our Company under Section 62(1)(C) of the Companies Act, 2013.

The shareholders have authorized the Issue, by passing a Special Resolution at the Extra-Ordinary General Meeting held on December 21, 2022 in accordance with the provisions of Section 62(1)(C) of the Companies Act, 2013.

The Company has obtained approval from BSE vide letter dated January 24, 2023 to use the name of BSE in this Issue Document for listing of equity shares on the SME platform of the BSE. BSE is the designated stock exchange for the purpose of this Issue.

## **Prohibition by SEBI or Other Governmental Authorities**

We confirm that our Company, Directors, Promoters, Promoter Group, person in control of our Company, are not prohibited from accessing or operating in the capital markets or debarred from buying, selling or dealing in securities under any order or direction passed by the SEBI or any securities market regulator in any other jurisdiction or any other authority / court as on the date of this Prospectus.

Neither our Promoters, nor any of our directors or persons in control of our Company were or is a promoter, director or person in control of any other company which is debarred from accessing the capital market under any order or directions made by the SEBI or any other governmental authorities as on the date of this Prospectus.

Further, there has been no violation of any securities law committed by any of them in the past and no such proceedings are currently pending against any of them.

Further, none of our Promoters or Directors are declared as fugitive economic offenders under Fugitive Economic Offenders Act, 2018.

## **Prohibition by RBI**

Neither our Company nor any of our Promoters or Directors or the Selling Shareholders has been declared as wilful defaulter(s) by the RBI or any other governmental authority.

## **Compliance with the Companies (Significant Beneficial Ownership) Rules, 2018**

Our Company, its Promoters and the Selling Shareholders are in compliance with the Companies (Significant Beneficial Ownership) Rules, 2018 (“SBO Rules”), to the extent applicable, as on the date of the Prospectus.

## **Association with Securities Market**

None of our Directors are, in any manner, associated with the securities market and there has been no action initiated by SEBI against the Directors of our Company in the five years preceding the date of this Prospectus.

## **Eligibility for the Issue**

1. Our Company is an “Unlisted Issuer” in terms of the SEBI (ICDR) Regulation; and this Issue is an “Initial Public Issue” in terms of the SEBI (ICDR) Regulations.

2. Further, our Company confirms that it is not ineligible to make the Issue in terms of Regulation 228 of the SEBI ICDR Regulations, to the extent applicable. The details of our compliance with Regulation 228 of the SEBI ICDR Regulations are as follows:
  - i. Neither our Company nor our Promoters, members of our Promoter Group or our Directors are debarred from accessing the capital markets by the SEBI.
  - ii. None of our Promoters or Directors is Promoters or Directors of companies which are debarred from accessing the capital markets by the SEBI.
  - iii. Neither our Company nor our Promoters or Directors is a wilful defaulter.
  - iv. None of our Promoters or Directors is a fugitive economic offender.
3. This Issue is being made in terms of Regulation 229(1) of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time, whereby, an issuer whose post Issue face value capital does not exceed ten crores rupees, shall issue shares to the public and propose to list the same on the Small and Medium Enterprise Exchange ("SME Exchange", in this case being the SME Platform of BSE).
4. In accordance with regulation 260 of the SEBI (ICDR) Regulations, this Issue will be 100% underwritten and shall not restrict to the minimum subscription level. The BRLM shall underwrite at least 15% of the total issue size. For further details pertaining to underwriting please refer to chapter titled "General Information" beginning on page 60 of this Prospectus.
5. In accordance with Regulation 268(1) of the SEBI (ICDR) Regulations, we shall ensure that the total number of proposed allottees in the Issue is greater than or equal to fifty, otherwise, the entire application money will be refunded forthwith. If such money is not repaid within eight days from the date our company becomes liable to repay it, then our company and every officer in default shall, on and from expiry of eight days, be liable to repay such application money, with interest as prescribed under section 40 of the Companies Act, 2013.
6. In accordance with Regulation 246 of the SEBI (ICDR) Regulations, we have filed draft offer document with SEBI as well as stock exchange (s). However, Board shall not issue any observation pursuant to Regulation 246(2) of the SEBI (ICDR) Regulations.
7. In accordance with Regulation 261 of the SEBI ICDR Regulations, we have entered into an agreement with the Lead Manager and Market Maker to ensure compulsory market making for the minimum period of three years from the date of listing of equity shares offered in this issue. For further details of the as per Regulation 229 (3) of the SEBI ICDR Regulations, our Company satisfies track record and/or other eligibility conditions of SME platform of the BSE in accordance with the Restated Standalone Financial Statements, prepared in accordance with the Companies Act and restated in accordance with the SEBI ICDR Regulations as below:

The Net worth and Cash accruals (Earnings before depreciation and tax) from operation of the Company as per the Standalone Restated Financial statements for the Half year ended September 30, 2022 & for the year ended March 31, 2022 is as set forth below:

(₹. In lakhs)		
Particulars	For the Half year ended September 30, 2022	For the Financial year ended March 31, 2022
Net Worth*	3550.15	3015.89
Cash Accruals**	7.33	(42.94)
Net Tangible Assets	909.99	818.98

\*\*\* Net Worth has been defined as the aggregate of the paid-up share capital, share application money (excluding the portion included in other current liabilities) and reserves and surplus excluding miscellaneous expenditure, if any.)

\*\*Cash accruals has been defined as the Earnings before depreciation and tax.

10. The track record of the Company as per the Restated financial statements for the Half year ended on Sept 30, 2022 and financial year ended March 31, 2022, 2021 and 2020 is as set forth below:

(₹. In lakhs)

Particulars	For the Half year ended	For the financial year ended 31st March		
	September 30, 2022	2022	2021	2020
Profit After Tax	543.45	841.46	649.76	494.13

- 1) Our Company has not been referred to the Board for Industrial and Financial Reconstruction (BIFR).
- 2) There is no winding up petition against the company, which has been admitted by a Court of competent jurisdiction or a liquidator has not been appointed.
- 3) There has been no change in the Promoters of the Company in the preceding one year from date of filing application to BSE for listing on SME segment.
- 4) Our company has entered into an agreement with both the depositories in order to facilitate mandatory trading of securities in demat form.
- 5) No material regulatory or disciplinary action has been taken by any stock exchange or regulatory authority in the past three years against the Company.
- 6) We have a website: [www.sealmaticindia.com](http://www.sealmaticindia.com)

8. As per Regulation 230 (1) of the SEBI ICDR Regulations, our Company has ensured that:

- The Company has obtained approval from BSE vide letter dated January 24, 2023 to use the name of BSE in this Issue Document for listing of equity shares on the SME platform of the BSE. BSE is the Designated Stock Exchange.
- Our Company has entered into an agreement dated December 14, 2022 with NSDL and agreement dated November 28, 2022 with CDSL for dematerialization of its Equity Shares already issued and proposed to be issued.
- The entire pre-Issue capital of our Company has shares fully paid-up Equity Shares and the Equity Shares proposed to be issued pursuant to this IPO will be fully paid-up.
- The entire Equity Shares held by the Promoters are in dematerialized form.

The entire fund requirements are to be financed from the Net Issue Proceeds, and there is no requirement to make firm arrangements of finance under Regulation 230(1)(e) of the SEBI Regulations through verifiable means towards at least 75% of the stated means of finance, excluding the amounts to be raised through the Issue. For details, please refer the chapter “Objects of the Issue” on page no. 94 of this Prospectus

Our Company confirms that it will ensure compliance with the conditions specified in Regulation 230 (2) of the SEBI ICDR Regulations, to the extent applicable.

We further confirm that we shall be complying with all other requirements as laid down for such offer under Chapter IX of SEBI (ICDR) Regulations, as amended from time to time and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

#### **DISCLAIMER CLAUSE OF SEBI**

**IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THE 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 OFFER DOCUMENT. THE LEAD MERCHANT BANKER ISK ADVISORS PRIVATE LIMITED, HAVE CERTIFIED THAT THE DISCLOSURES MADE IN THE OFFER DOCUMENT 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 THE ISSUER IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS PROSPECTUS, THE LEAD MERCHANT BANKER ARE EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE LEAD MERCHANT BANKER, ISK ADVISORS PRIVATE LIMITED HAVE FURNISHED TO SEBI, A DUE DILIGENCE CERTIFICATE DATED JANUARY 04, 2023 IN THE FORMAT PRESCRIBED UNDER SCHEDULE V(A) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018**

**THE FILING OF THIS 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 LEAD MANAGER ANY IRREGULARITIES OR LAPSES IN THIS PROSPECTUS.**

#### **Note:**

All legal requirements pertaining to the Issue will be complied with at the time of registration of the Prospectus with the RoC in terms of section 26 and 30 of the Companies Act, 2013.

#### **Disclaimer from our Company and the Lead Manager**

Our Company, the Directors and the Lead Manager accept no responsibility for statements made otherwise than those contained in this Prospectus or, in case of the Company, in any advertisements or any other material issued by or at our Company's instance and anyone placing reliance on any other source of information would be doing so at his or her own risk.

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### **Disclaimer in respect of Jurisdiction**

This Issue is being made in India to persons resident in India including Indian nationals resident in India (who are not minors, except through their legal guardian), Hindu Undivided Families (HUFs), companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in shares, Mutual Funds, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), Trusts registered under the Societies Registration Act, 1860, as amended from time to time, or any other trust law and who are authorised under their constitution to hold and invest in shares, permitted insurance companies and pension funds and to non-residents including NRIs and FIIs. The Prospectus does not, however, constitute an offer to sell or an invitation to subscribe to Equity Shares offered hereby in any other jurisdiction to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession the Prospectus comes is required to inform himself or herself about, and to observe, any such restrictions. Any dispute arising out of this issue will be subject to the jurisdiction of appropriate court(s) in Mumbai only.

No action has been or will be taken to permit a public offering in any jurisdiction where action would be required for that purpose. Accordingly, the Equity Shares represented thereby may not be offered or sold, directly or indirectly, and the Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of the Prospectus nor any sale hereunder shall, under any circumstances, create any implication that there has been any change in the affairs of our Company since the date hereof or that the information contained herein is correct as of any time subsequent to this date.

### **Disclaimer Clause under Rule 144A of the U.S. Securities Act**

The Equity Shares have not been and will not be registered under the U.S. Securities Act 1933, as amended (the “Securities Act”) or any state securities laws in the United States and may not be offered or sold within the United States or to, or for the account or benefit of, “U.S. persons” (as defined in Regulation S of the Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Equity Shares will be offered and sold (i) in the United States only to “qualified institutional buyers”, as defined in Rule 144A of the Securities Act, and (ii) outside the United States in offshore transactions in reliance on Regulation S under the Securities Act and in compliance with the applicable laws of the jurisdiction where those offers and sales occur.

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 Applicants may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

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## Disclaimer Clause of the BSE

"BSE Limited ("BSE") has vide its letter dated January 24, 2023 given permission to "Sealmatic India Limited" to use its name in the Draft Red Herring Prospectus/Red Herring Prospectus/Prospectus/ Offer Document as the Stock Exchange on whose Small and Medium Enterprises Platform ("SME platform") the Company's securities are proposed to be listed. BSE has scrutinized this offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to the Company. BSE does not in any manner:

- i. warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; or
- ii. warrant that this Company's securities will be listed on completion of Initial Public Offering or will continue to be listed on BSE; or
- iii. take any responsibility for the financial or other soundness of this Company, its promoters, its management or any scheme or project of this Company;
- iv. warrant, certify or endorse the validity, correctness or reasonableness of the price at which the equity shares are offered by the Company and investors are informed to take the decision to invest in the equity shares of the Company only after making their own independent enquiries, investigation and analysis. The price at which the equity shares are offered by the Company is determined by the Company in consultation with the Merchant Banker (s) to the issue and the Exchange has no role to play in the same and it should not for any reason be deemed or construed that the contents of this offer document have been cleared or approved by BSE. Every person who desires to apply for or otherwise acquire any securities of this Company may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against BSE whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription/acquisition whether by reason of anything stated or omitted to be stated herein or for any other reason whatsoever.
- v. be liable for any direct, indirect, consequential or other losses or damages including loss of profits incurred by any investor or any third party that may arise from any reliance on this offer document or for the reliability, accuracy, completeness, truthfulness or timeliness thereof.
- vi. The Company has chosen the SME platform on its own initiative and at its own risk, and is responsible for complying with all local laws, rules, regulations, and other statutory or regulatory requirements stipulated by BSE/other regulatory authority. Any use of the SME platform and the related services are subject to Indian laws and Courts exclusively situated in Mumbai".

## Listing

Application have been made to SME Platform of BSE for obtaining permission for listing of the Equity Shares being offered and sold in the issue on its SME Platform after the allotment in the Issue. BSE is the Designated Stock Exchange, with which the Basis of Allotment will be finalized for the Issue.

If the permission to deal in and for an official quotation of the Equity Shares on the SME Platform is not granted by BSE, our Company shall forthwith repay, without interest, all moneys received from the applicants in pursuance of the prospectus. The allotment letters shall be issued or application money shall be refunded / unblocked within fifteen days from the closure of the Issue or such lesser time as may be specified by Securities and Exchange Board or else the application money shall be refunded to the applicants forthwith, failing which interest shall be due to be paid to the applicants at the rate of fifteen per cent per annum for the delayed period as prescribed under Companies Act, 2013, the SEBI (ICDR) Regulations and other applicable law.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the SME Platform of BSE mentioned above are taken within 6 Working Days of the Issue Closing Date.

The Company has obtained approval from BSE vide letter dated January 24, 2023 to use the name of BSE in this Offer document for listing of equity shares on SME Platform of BSE.

## **Consents**

Consents in writing of: (a) the Directors, the Chief Financial Officer, Company Secretary & Compliance Officer and the Statutory Auditor; and (b) the Lead Manager, Registrar to the Issue, the Legal Advisor to the Issue, Banker to the Company, Banker to the Issue\*, Market Maker and Underwriters to act in their respective capacities, have been obtained and shall be filed along with a copy of the Prospectus with the RoC, as required under Section 26 of the Companies Act, 2013 and such consents shall not be withdrawn up to the time of delivery of the Prospectus for registration with the RoC.

*\*The aforesaid will be appointed prior to filing of the Prospectus with RoC and their consents as above would be obtained prior to the filing of the Prospectus with RoC.*

In accordance with the Companies Act, 2013 and the SEBI (ICDR) Regulations, R.R. Shah & Associates, Chartered Accountants has provided their written consent to the inclusion of their reports dated December 06, 2021 on Restated Financial Statements and to the inclusion of their reports dated December 06, 2021 on Statement of Tax Benefits, which may be available to the Company and its shareholders, included in this Prospectus in the form and context in which they appear therein and such consents and reports have not been withdrawn up to the time of filing of this Prospectus.

## **Expert Opinion**

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

Our Company has received written consent from the Statutory Auditor R.R. Shah & Associates, Chartered Accountants has to include their name as required under Section 26(1)(a)(v) of the Companies Act, 2013 in this Prospectus and as "Expert" as defined under section 2(38) of the Companies Act, 2013 in respect of the reports on the Statement of Tax Benefits dated January 02, 2023, and on the Restated Financial Statements dated January 02, 2023 and issued by them, included in this Prospectus and such consent has not been withdrawn as on the date of this Prospectus.

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

## **CAPITAL ISSUE DURING THE LAST FIVE YEARS**

### **Previous Public and Rights Issues**

We have not made any rights and public issues in the past, and we are an "Unlisted Company" in terms of the SEBI (ICDR) Regulations and this Issue is an "Initial Public Offering" in terms of the SEBI (ICDR) Regulations.

### **Previous Issues of Equity Shares otherwise than for Cash**

Except as stated in the chapter titled "Capital Structure" beginning on page no. 78 of this Prospectus, we have not issued any Equity Shares for consideration other than for cash.

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**Commission and Brokerage Paid on Previous Issues of our Equity Shares**

Since this is an Initial Public Offer of the Company, no sum has been paid or has been payable as commission or brokerage for subscribing to or procuring or agreeing to procure subscription for any of the Equity Shares since inception of the Company.

**Capital Issues in the last three (3) years by Listed Group Companies / Subsidiaries / Associates**

None of our Group Companies / Associates that are listed on any Stock Exchange has made any Capital Issue in the last three (3) years.

We do not have any subsidiary as on date of this Prospectus

**PERFORMANCE VIS-À-VIS OBJECTS****Issuer Company**

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

**Listed Subsidiaries / Promoters**

None of our Subsidiaries / Promoters is listed on any Stock Exchange and not made any rights and public issues in the past five (5) years.

**OUTSTANDING DEBENTURES, BONDS, REDEEMABLE PREFERENCE SHARES AND OTHER INSTRUMENTS ISSUED BY THE COMPANY**

The Company has no outstanding debentures or bonds. The Company has not issued any redeemable preference shares or other instruments in the past.

## Price Information of past issues handled by the Book Running Lead Manager

Sr. No.	Issuer Name	Issue Size (In Cr.)	Issue Price (₹)	Listing Date	Opening Price on Listing Date	+/- % change in closing price, [+/- % change in closing benchmark k]- 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark k]- 90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark k]- 180th calendar days from listing	Price as on the date of RHP Friday, February 10, 2023
1	Advait Infratech Limited	6.89	51	Sept 28, 2020	51.95	0.2%, (+4.67%)	1.02%, (+19.78%)	1%, (32.02%)	₹ 319.40 *
2	Maruti Interior Products Limited	11	55	Feb 16, 2022	71.90	7.93%, (-2.03%)	32.73%, (-8.65%)	173%, (+3.18%)	₹ 166.00
3	Technopack Polymers Limited	7.865	55	Nov 16, 2022	77.70	79.45% (-0.01%)	-	-	₹ 105.00

\* Post 1:1 Bonus Issue

### Note

- The respective Designated Stock Exchange for each Issue has been considered as the Benchmark index for each of the above Issues.
- In the event any day falls on a holiday, the price/index of the immediately preceding working day has been considered. If the stock was not traded on the said calendar days from the date of listing, the share price is taken of the immediately preceding trading day.

### Summary Statement of Disclosure

FY	Total No. of IPO's	Total amount of funds raised (Rs. In Lakhs)	No. of IPOs trading at discount- 30 <sup>th</sup> calendar days from listing			No. of IPOs trading at premium- 30 <sup>th</sup> calendar days from listing			No. of IPOs trading at discount- 180 <sup>th</sup> calendar days from listing			No. of IPOs trading at premium- 180 <sup>th</sup> calendar days from listing		
			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%
2020-2021	1	688.50	-	-	-	-	-	1	-	-	-	-	-	1
2021-2022	1	1100	-	-	-	-	-	1	-	-	-	1	-	-
2022-2023	1	786.5	-	-	-	1	-	-	-	-	-	-	-	-

\*upto date of this Prospectus

## Track record of past issues handled by the Lead Manager

For details regarding the track record of the ISK Advisors Private Limited, as specified under Circular reference CIR/MIRSD/1/2012 dated January 10, 2012 issued by the SEBI, please refer to the website of ISK Advisors Private Limited at [www.iskadvisors.com](http://www.iskadvisors.com)

## DISPOSAL OF INVESTOR GRIEVANCES

### Mechanism for Redressal of Investor Grievances

The agreement between the Registrar to the Issue and our Company provides for retention of records with the Registrar to the Issue for a period of at least three years from the last date of dispatch of the letters of allotment and demat credit to enable the investors to approach the Registrar to the Issue for redressal of their grievances.

The Company has appointed Bigshare Services Private Limited as the Registrar to the Issue, to handle the investor grievances in co-ordination with the Compliance Officer of the Company. All grievances relating to the present Issue may be addressed to the Registrar with a copy to the Compliance Officer, giving full details such as name, address of the applicant, number of Equity Shares applied for, amount paid on application and name of bank and branch. The Company would monitor the work of the Registrar to ensure that the investor grievances are settled expeditiously and satisfactorily.

The Registrar to the Issue will handle investor's grievances pertaining to the Issue. A fortnightly status report of the complaints received and redressed by them would be forwarded to the Company. The Company would also be co-coordinating with the Registrar to the Issue in attending to the grievances to the investor.

All grievances relating to the ASBA process may be addressed to the SCSBs, giving full details such as name, address of the applicant, number of Equity Shares applied for, amount paid on application and the Designated Branch of the SCSB where the Application Form was submitted by the ASBA Applicant. We estimate that the average time required by us or the Registrar to the Issue or the SCSBs for the redressal of routine investor grievances will be seven working days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, we will seek to redress these complaints as expeditiously as possible.

The Company shall obtain authentication on the SCORES and comply with the SEBI circular (CIR/OIAE/1/2013) dated April 17, 2013 in relation to redressal of investor grievances through SCORES

Our Board by a resolution on December 26, 2022 constituted a Stakeholders Relationship Committee. The composition of the Stakeholders Relationship Committee is as follows:

Name of the Member	Nature of Directorship	Designation in Committee
Mr Deepak Anant Ghangurde	Non-Executive Independent Director	Chairman
Ms. Sania U. Balwa	Non-Executive Director	Member
Mr Ajoy Balkrishna	Non-Executive Independent Director	Member

For further details, please see the chapter titled "Our Management" beginning on page no. 140 of this Prospectus.

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Our Company has also appointed Ms. Neha Pinak Chheda, as the Compliance Officer for the Issue and he may be contacted at the Registered Office of our Company

**Ms. Neha Pinak Chheda**

**Address:** 4TH Floor, Techniplex - I, Techniplex Complex OFF. Veer Savarkar Flyover, Goregaon (West) Mumbai MH 400062 IN.

**Tel No:** +91 9867058592

**Email:** [compliance@sealmaticindia.com](mailto:compliance@sealmaticindia.com)

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

Investors can contact the Compliance Officer or the Registrar to the Issue or the Book Running Lead Manager in case of any pre-Issue or post Issue related problems, such as non-receipt of letters of Allotment, credit of Allotted Equity Shares in the respective beneficiary accounts and refund orders.

**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.

We do not have any group company or subsidiary therefore; our Group Companies and our Subsidiaries are not listed on any stock exchange.

**DISPOSAL OF INVESTOR GRIEVANCES BY LISTED COMPANIES UNDER THE SAME MANAGEMENT**

As on the date of this Prospectus, we do not have any listed Group Companies.

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## SECTION X

### ISSUE RELATED INFORMATION

#### TERMS OF THE ISSUE

*The Equity Shares being issued are subject to the provisions of the Companies Act, SEBI (ICDR) Regulations, SEBI Listing Regulations, SCRA, SCRR, our Memorandum and Articles of Association, the terms of this Draft Prospectus, Prospectus, the Prospectus, the Application Form, the Revision Form, the Confirmation of Allocation Note and other terms and conditions as may be incorporated in the allotment advices and other documents/certificates that may be executed in respect of this Issue. The Equity Shares shall also be subject to laws as applicable, guidelines, notifications and regulations relating to the issue of capital and listing and trading of securities issued from time to time by SEBI, the Government of India, the Stock Exchanges, the RBI, ROC and/or other authorities, as in force on the date of the Issue and to the extent applicable or such other conditions as may be prescribed by SEBI, RBI, the Government of India, the Stock Exchanges, the RoC and/or any other authorities while granting its approval for the Issue.*

*Please note that, in terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, all the investors applying in a public issue shall use only Application Supported by Blocked Amount (ASBA) facility for making payment. Further vide the said circular Registrar to the Issue and Depository Participants have been also authorised to collect the Application forms. Investors may visit the official websites of the concerned stock exchanges for any information on operationalization of this facility of form collection by Registrar to the Issue and DPs as and when the same is made available.*

*Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 08, 2019, Retail Individual Investors applying in public issue may use either Application Supported by Blocked Amount (ASBA) process or UPI payment mechanism by providing UPI-ID in the Application Form which is linked from bank account of the Applicant*

#### **Authority for the Present Issue**

This Issue has been authorized by a resolution of our Board passed at their meeting held on November 28, 2022 subject to the approval of shareholders through a special resolution to be passed pursuant to Section 62 (1) (c) of the Companies Act, 2013. The shareholders have authorized the Issue by a special resolution in accordance with Section 62 (1) (c) of the Companies Act, 2013 passed at the EGM of our Company held on December 21, 2022

#### **Ranking of Equity Shares**

The Equity Shares being issued shall be subject to the provisions of the Companies Act, our Memorandum and Articles of Association, SEBI ICDR Regulations, SCRA and shall rank Pari-passu in all respects including dividend with the existing Equity Shares including in respect of the rights to receive dividends and other corporate benefits, if any, declared by us after the date of Allotment.

For further details, please see the section titled "Main Provisions of the Articles of Association" beginning on page no. 289 of this Prospectus.

#### **Mode of Payment of Dividend**

Our Company shall pay dividends, if declared, to the Shareholders in accordance with the provisions of the Companies Act, the Memorandum and Articles of Association and provisions of the SEBI Listing Regulations and any other guidelines or directions which may be issued by the Government in this regard. Dividends, if any, declared by our Company after the date of Allotment (pursuant to the transfer of Equity Shares from the Offer for Sale), will be payable to the Applicants who have been Allotted Equity Shares in the Issue, for the entire year, in accordance with applicable laws. For further details, in relation to dividends, see “*Dividend Policy*” and “*Main Provisions of the Articles of Association*” beginning on page nos. 170 and 289 of this Prospectus.

### **Face Value and Issue Price**

The face value of each Equity Shares is ₹ 10/- and the Issue Price at the lower end of the Price Band is ₹ 220 per equity share (“**Floor Price**”) and at the higher end of the Price Band is ₹ 225 per equity share (“**Cap Price**”).

The Price Band and the minimum Bid Lot as decided by our Company in consultation with the BRLM and is justified under the chapter titled “*Basis for Issue Price*” beginning on page no. 104 of this Prospectus. At any given point of time there shall be only one denomination of the Equity Shares of our Company, subject to applicable laws.

### **Compliance with SEBI (ICDR) Regulations**

Our Company shall comply with all requirements of the SEBI (ICDR) Regulations, 2018. Our Company shall comply with all disclosure and accounting norms as specified by SEBI from time to time.

### **Rights of the Equity Shareholders**

Subject to applicable laws, rules, regulations and guidelines and the Articles of Association, the equity shareholders shall have the following rights:

- ✓ Right to receive dividend, if declared;
- ✓ Right to attend general meetings and exercise voting rights, unless prohibited by law;
- ✓ Right to vote on a poll either in person or by proxy and e-voting, in accordance with the provisions of the Companies Act;
- ✓ Right to receive offer for rights shares and be allotted bonus shares, if announced;
- ✓ Right to receive surplus on liquidation, subject to any statutory and preferential claim being satisfied;
- ✓ Right of free transferability of the Equity Shares, subject to applicable laws including any RBI rules and regulations; and
- ✓ Such other rights, as may be available to a shareholder of a listed Public Limited Company under the Companies Act, terms of the listing agreements with the Stock Exchange and the Memorandum and Articles of Association of our Company.

For a detailed description of the main provision of the Articles of Association of our Company relating to voting rights, dividend, forfeiture and lien and / or consolidation / splitting, etc., please see the section titled “*Main Provisions of Articles of Association*” beginning on page no. 289 of this Prospectus.

### **Allotment only in Dematerialised Form**

In terms of Section 29 of Companies Act, 2013, the Equity Shares shall be allotted only in dematerialised form. As per the SEBI Regulations, the trading of the Equity Shares shall only be in dematerialised form. In this context, two agreements have been signed among our Company, the respective Depositories and the Registrar and Share Transfer Agent to the Issue:

- 1) Tripartite agreement dated December 14, 2022 between our Company, NSDL and the Registrar and Share Transfer Agent to the Issue.
- 2) Tripartite agreement dated November 28, 2022 between our Company, CDSL and the Registrar and Share Transfer Agent to the Issue.

### **Market Lot and Trading Lot**

Trading of the Equity Shares will happen in the minimum contract size of 600 Equity Shares in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012 and the same may be modified by BSE 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 600 Equity Shares subject to a minimum allotment of 600 Equity Shares to the successful Applicants.

### **Minimum Number of Allottees**

The minimum number of allottees in this Issue shall be 50 shareholders. In case the minimum number of prospective allottees is less than 50, no allotment will be made pursuant to this Issue and the monies collected shall be refunded within 6 Working days of closure of issue.

### **Joint Holders**

Where two or more persons are registered as the holders of any Equity Shares, they will be deemed to hold such Equity Shares as joint-holders with benefits of survivorship.

### **Nomination Facility to Investor**

In accordance with Section 72 of the Companies Act, 2013 and the rules made thereunder, the sole or first applicant, along with other joint applicant, may nominate any one person in whom, in the event of the death of sole applicant or in case of joint applicant, death of all the applicants, as the case may be, the Equity Shares allotted, if any, shall vest. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall in accordance with Section 72 (3) of the Companies Act, 2013, be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in accordance to Section 72 (4) of the Companies Act, 2013, any person to become entitled to Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale of equity share(s) by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at the Registered Office of our Company or to the Registrar and Transfer Agents of our Company.

In accordance with Articles of Association of the Company, any Person who becomes a nominee by virtue of Section 72 of the Companies Act, 2013, shall upon the production of such evidence as may be required by the Board, elect either:

- ✓ to register himself or herself as the holder of the Equity Shares; or
- ✓ to make such transfer of the Equity Shares, as the deceased holder could have made

Further, the Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of ninety

days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

In case the allotment of Equity Shares is in dematerialized form, there is no need to make a separate nomination with us. Nominations registered with the respective depository participant of the applicant would prevail. If the investors require changing the nomination, they are requested to inform their respective depository participant.

### Withdrawal of the Issue

Our Company in consultation with the Book Running Lead Managers, 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 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 Lead Managers, through the Registrar to the Issue, shall notify the SCSBs to unblock the bank accounts of the ASBA Applicants within one day of receipt of such notification. Our Company shall also promptly inform the Stock Exchange on which the Equity Shares were proposed to be listed. Notwithstanding the foregoing, the Issue is also subject to obtaining the final listing and trading approvals of the Stock Exchange, which our Company shall apply for after Allotment. If our Company 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 Draft Prospectus.

### ISSUE PROGRAMME

An indicative timetable in respect of the Issue is set out below:

Event	Indicative Date
Issue Opening Date	February 17, 2023
Issue Closing Date	February 21, 2023
Finalisation of Basis of Allotment with the Designated Stock Exchange	February 24, 2023
Initiation of Allotment / Refunds / Unblocking of Funds	February 27, 2023
Credit of Equity Shares to demat accounts of Allottees	February 28, 2023
Commencement of trading of the Equity Shares on the Stock Exchange	March 1, 2023

The above timetable is indicative and does not constitute any obligation on our Company or the Lead Managers. Whilst our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchange are taken within 6 Working Days of the Issue Closing Date, the timetable may change due to various factors, such as extension of the Issue Period by our Company, or any delays in receiving the final listing and trading approval from the Stock Exchange. The Commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchange and in accordance with the applicable laws.

Applications and any revision to the same shall be accepted **only between 10.00 a. m. and 5.00 p. m.** (IST) during the Issue Period (except for the Issue Closing Date). On the Issue Closing Date, the Applications and any revision to the same shall be accepted **only between 10.00 a. m. and 3.00 p. m.** (IST) or such extended time as permitted by the Stock Exchanges, in case of Applications by Retail Individual Applicants after taking into account the total number of applications received up to the closure of timings and reported by the Lead Managers to the Stock Exchanges. It is clarified that Applications not uploaded on the electronic system would

be rejected. Applications will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holiday).

Due to limitation of time available for uploading the Applications on the Issue Closing Date, the Applicants are advised to submit their applications one day prior to the Issue Closing Date and, in any case, no later than 3.00 p.m. (IST) on the Issue Closing Date. All times mentioned in this Prospectus are Indian Standard Times. Applicants are cautioned that in the event a large number of Applications are received on the Issue Closing Date, as is typically experienced in public offerings, some Applications may not get uploaded due to lack of sufficient time. Such Applications that cannot be uploaded will not be considered for allocation under the Issue. Applications will be accepted only on working days. Neither our Company nor the Lead Managers is liable for any failure in uploading the Applications due to faults in any software/hardware system or otherwise.

In accordance with the SEBI Regulations, QIBs and Non-Institutional Applicants are not allowed to withdraw or lower the size of their applications (in terms of the quantity of the Equity Shares or the Applications Amount) at any stage. Retail Individual Applicants can revise or withdraw their Applications prior to the Issue Closing Date. Except Allocation to Retail Individual Investors, Allocation in the Issue will be on a proportionate basis.

In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical Application Form, for a particular Applicant, the details as per the file received from the Stock Exchange may be taken as the final data for the purpose of Allotment. In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical or electronic Application Form, for a particular ASBA Applicant, the Registrar to the Issue shall ask the relevant SCSBs / RTAs / DPs / Stock Brokers, as the case may be, for rectified data.

### **Minimum Subscription**

The requirement for 90% minimum subscription is not applicable to Issues under chapter IX of the SEBI ICDR Regulations.

In accordance with Regulation 260 (1) of the SEBI ICDR Regulations, our Issue shall be hundred percent underwritten. Thus, the underwriting obligations shall be for the entire hundred percent of the Issue through the Prospectus and shall not be restricted to the minimum subscription level. Further, in accordance with Regulation 267 (2) of the SEBI ICDR Regulations, our Company shall ensure that the minimum application size shall not be less than ₹ 1,00,000 (Rupees One Lac) per application.

As per Section 39 of the Companies Act, 2013, if the minimum stated 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 including devolvment of Underwriter, if any, our Company shall forthwith refund the entire subscription amount received. If there is a delay beyond eight (8) working days after our Company becomes liable to pay the amount, our Company and every officer in default will, on and from the expiry of this period, be jointly and severally liable to repay the money, with interest or other penalty as prescribed under the SEBI ICDR Regulations, the Companies Act 2013 and applicable law.

### **Arrangements for Disposal of Odd Lots**

The trading of the Equity Shares will happen in the minimum contract size of 600 shares. However, the Market Maker shall buy the entire shareholding of a shareholder in one lot, where value of such shareholding is less than the minimum contract size allowed for trading on the SME Platform of BSE Limited.

**Restrictions, if any, on transfer and transmission of shares or debentures and on their consolidation or splitting**

Except for the lock-in of the pre-Issue capital of our Company, Promoter' Contribution and the public lock-in as provided in "*Capital Structure*" beginning on page no. 78 of this Prospectus and except as provided in our Articles of Association there are no restrictions on transfer of Equity Shares. Further, there are no restrictions on the transmission of shares/debentures and on their consolidation/splitting, except as provided in the Articles of Association. For details, see "*Main Provisions of the Articles of Association*" beginning on page no. 289 of this Prospectus.

**New Financial Instruments**

As on the date of this Prospectus, there are no outstanding warrants, new financial instruments or any rights, which would entitle the shareholders of our Company, including our Promoter, to acquire or receive any Equity Shares after the Issue.

**Allotment of Securities in Dematerialised Form**

In accordance with the SEBI ICDR Regulations, Allotment of Equity Shares to successful applicants will only be in the dematerialized form. Applicants will not have the option of Allotment of the Equity Shares in physical form. The Equity Shares on Allotment will be traded only on the dematerialized segment of the Stock Exchange.

**Migration to Main Board**

As per the provisions of the Chapter IX of the SEBI (ICDR) Regulation, 2018, Our Company may migrate to the main board from the BSE SME Platform on a later date subject to the following:

a) If the Paid up Capital of the company is likely to increase above ₹ 25 Crores by virtue of any further issue of capital by way of rights, preferential issue, bonus issue etc. (which has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the promoters in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal and for which the company has obtained in-principal approval from the main board), we shall have to apply to BSE for listing our shares on its Main Board subject to the fulfilment of the eligibility criteria for listing of specified securities laid down by the Main Board.

OR

b) If the Paid-up Capital of the company is more than ₹ 10 Crores but below ₹ 25 Crores, we may still apply for migration to the main board if the same has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the promoters 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.

In accordance with the BSE Circular dated August 10, 2018, our Company will have to be mandatorily listed and traded on the BSE SME Platform for a minimum period of two years from the date of listing and only after that it can migrate to the Main Board as per the guidelines specified by SEBI and as per the procedures laid down under Chapter IX of the SEBI (ICDR) Regulations.

## **Market Making**

The shares issued through this Issue are proposed to be listed on the SME Platform of BSE (SME Exchange), wherein the Lead Manager to this Issue shall ensure compulsory Market Making through the registered Market Maker of the SME Exchange for a minimum period of three years from the date of listing on the SME Platform of BSE.

For further details of the agreement entered into between our Company, the Lead Manager and the Market Maker, please see the chapter titled *"General Information - Details of the Market Making Arrangement for this Issue"* beginning on page no. 64 of this Prospectus.

## ISSUE STRUCTURE

This Issue is being made in terms of Regulation 229(1) of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time, whereby, an issuer whose post issue face value capital does not exceed more than ten crore rupees, shall issue shares to the public and propose to list the same on the Small and Medium Enterprise Exchange ("SME Exchange", in this case being the SME Platform of BSE). For further details regarding the salient features and terms of such this Issue, please see the chapters titled "*Terms of the Issue*" and "*Issue Procedure*" beginning on page nos. 244 and 255 respectively, of this Prospectus.

### Following is the issue structure:

Initial Public Issue / Offer of upto **24,99,600** Equity Shares of ₹ 10 each (the "Equity Shares") for cash at a price of ₹ 225 per Equity Share (including a Share premium of ₹ 215 per Equity Share) aggregating to ₹ 5624.1 lakhs ("the Issue"). The offer comprising a fresh issue of upto **18,50,000** Equity shares aggregating to ₹ 4162.5 lakhs and an Offer for Sale of upto **6,49,600** Equity Shares aggregating to ₹ 1461.6 lakhs by the Selling Shareholders ("Offer")

The Issue comprises a reservation of **1,26,000** equity Shares of ₹ 10 each for subscription by the designated Market Maker ("the Market Maker Reservation Portion") and Net Issue to Public of **22,73,600** equity Shares of ₹ 10 each ("the Net Issue"). The Issue and the Net Issue will constitute 27.62 % and 26.23 %, respectively of the post issue paid up equity share capital of the company.

The Issue is being made through the Book Building Process:

Particulars of the Issue	Market Maker Reservation Portion	QIBs	Non-Institutional Applicants/ Bidders (NIB)	Retail Individual Investors
Number of Equity Shares available for allocation	Up to 1,26,000 equity Shares	Upto 9,49,200 Equity Shares	Upto 4,27,200 Equity Shares of ₹ 10 each at a price of ₹ 225 (including a Share premium of ₹ 215 per Equity Share) per share aggregating ₹ 961.2 lakhs will be available for allocation to Investors above ₹ 2.00 lakhs	Upto 9,97,200 Equity Shares
Percentage of Issue Size available for allocation	5.04% of the Issue Size	Not more than 40% of the net offer size shall be available for allocation to QIBs. However, 5% of net QIB Portion (excluding the Anchor Investor portion) will be available for allocation proportionately to Mutual Funds only. Mutual Funds participating in the Mutual	Not less than 15% of the Net Issue	Not less than 35% of the Net Issue

Particulars of the Issue	Market Maker Reservation Portion	QIBs	Non-Institutional Applicants/ Bidders (NIB)	Retail Individual Investors
		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.		
Basis of Allotment	Firm Allotment	<p>Proportionate as follows: (Excluding Anchor Investor Portion)</p> <p>a) Upto 18,600 Equity Shares shall be available for allocation on a proportionate basis to Mutual Funds only; and</p> <p>b) Up to 3,61,200 Equity Shares shall be available for allocation on a proportionate basis to all QIBs including Mutual Funds receiving allocation as per (a) above.</p> <p>Upto 5,69,400 Equity Shares may be allocated on a discretionary basis to Anchor Investors of which one-third shall be available for allocation to Domestic Mutual Funds only, subject to valid bids received from Mutual Funds at or above the Anchor Investor allocation Price.</p>	Proportionate	Proportionate
Mode of Application/ Bid	Only through the ASBA Process	Only through the ASBA Process	Through ASBA process through banks or by using UPI ID for payment	Through ASBA process through banks or by using UPI ID for payment
Mode of Allotment	Compulsory in Dematerialized Form			
Minimum Application / Bid Size	1,26,000 Equity Shares in multiple of 600 Equity Shares	Such number of Equity Shares and in multiples of 600 Equity Shares that the Bid Amount exceeds ₹ 2,00,000	Such number of Equity Shares and in multiples of 600 Equity Shares that the Bid Amount exceeds ₹ 2,00,000	Such number of Equity Shares and in multiples of 600 Equity Shares that the Bid Amount does not exceed ₹ 2,00,000

Particulars of the Issue	Market Maker Reservation Portion	QIBs	Non-Institutional Applicants/ Bidders (NIB)	Retail Individual Investors
Maximum Application / Bid Size	1,26,000 equity Shares	Such number of Equity Shares in multiples of 600 Equity Shares not exceeding the size of the Net Issue, subject to applicable limits	Such number of Equity Shares in multiples of 600 Equity Shares not exceeding the size of the Issue (excluding the QIB portion), subject to applicable limits	Such number of Equity Shares in multiples of 600 Equity Shares so that the Bid Amount does not exceed ₹ 2,00,000
Trading Lot	600 Equity Shares, however the Market Maker may accept odd lots if any in the market as required under the SEBI ICDR Regulations	600 Equity Shares and in multiples thereof	600 Equity Shares and in multiples thereof	600 Equity Shares
Terms of Payment	Full Bid/ Application Amount shall be blocked by the SCSBs in the bank account of the ASBA Bidder (other than Anchor Investors) or by the Sponsor Bank through the UPI Mechanism, that is specified in the ASBA Form at the time of submission of the ASBA Application Form.			

**Note:**

- 1) The 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
- 3) Since present issue is a Book Building price issue, the allocation in the net issue to the public category in terms of Regulation 253 of the SEBI (ICDR) Regulations, 2018 shall be made as follows:
  - c) Not less than thirty-five per cent to retail individual investors;
  - d) Not less than fifteen percent to non-institutional investors
  - e) Not more than fifty percent to qualified institutional buyers, five percent of which shall be allocated to mutual funds:

Provided that the unsubscribed portion in either of the categories specified in (a) or (b) above may be allocated to the applicants in the other category.

Provided further that in addition to five percent allocation available in terms of clause (c), mutual funds shall be eligible for allocation under the balance available for qualified institutional buyers.

- In case of joint Applications, the Application Form should contain only the name of the First Applicant whose name should also appear as the first holder of the beneficiary account held in joint names. The

signature of only such First Applicant would be required in the Application Form and such First Applicant would be deemed to have signed on behalf of the joint holders.

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

## Lot Size

SEBI vide circular CIR/MRD/DSA/06/2012 dated February 21, 2012 (the “Circular”) standardized the lot size for Initial Public Offer proposing to list on SME exchange/platform and for the secondary market trading on such exchange/platform, as under:

Issue Price (in K)	Lot Size (No. of shares)
Up to 14	10,000
More than 14 up to 18	8,000
More than 18 up to 25	6,000
More than 25 up to 35	4,000
More than 35 up to 50	3,000
More than 50 up to 70	2,000
More than 70 up to 90	1,600
More than 90 up to 120	1,200
More than 120 up to 150	1,000
More than 150 up to 180	800
More than 180 up to 250	600
More than 250 up to 350	400
More than 350 up to 500	300
More than 500 up to 600	240
More than 600 up to 750	200
More than 750 up to 1,000	160
Above 1,000	100

Further to the Circular, at the Initial Public Offer stage the Registrar to Issue in consultation with Lead Managers, our Company and BSE shall ensure to finalize the basis of allotment in minimum lots and in multiples of minimum lot size, as per the above given table. The secondary market trading lot size shall be the same, as shall be the IPO Lot Size at the application/allotment stage, facilitating secondary market trading.

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## ISSUE PROCEDURE

All bidders should read the General Information Document for Investing in Public Issues prepared and issued in accordance with the circular (CIR/CFD/DIL/12/2013) dated October 23, 2013 notified by SEBI and updated pursuant to the circular CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, the circular SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016, circular (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 and recently updated with the circular (SEBI/HO/CFD/DIL1/CIR/P/2020/37) dated March 17, 2020 notified by SEBI (the “General Information Document”) and SEBI Circular No. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 08, 2019, which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, the Securities contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957, and the SEBI Regulations. The General Information Document is available on the websites of the Stock Exchanges and the BRLM. Please refer to the relevant provisions of the General Information Document which are applicable to the Issue.

Additionally, all Bidders may refer to the General Information Document for information in relation to (i) category of investors eligible to participate in the Issue; (ii) maximum and minimum Bid size; (iii) price discovery and allocation; (iv) payment instructions for ASBA Bidders; (v) issuance of CAN and Allotment in the Issue; (vi) general instructions (limited to instructions for completing the Bid cum Application Form); (vii) designated date; (viii) disposal of applications; (ix) submission of Bid cum Application Form; (x) other instructions (limited to joint bids in cases of individual, multiple bids and instances when an application would be rejected on technical grounds); (xi) applicable provisions of the Companies Act relating to punishment for fictitious applications; (xii) mode of making refunds, and (xiii) interest in case of delay in Allotment or refund.

The General Information Documents to be included will be updated to reflect the enactments and regulations including the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019, SEBI Listing Regulations and certain notified provisions of the Companies Act, 2013, to the extent applicable to a public issue. The General Information Document will also be available on the websites of the Stock Exchange and the Lead Manager. Please refer to the relevant provisions of the General Information Document which are applicable to the 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/DIL/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 01, 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 03, 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, Retail Individual Investors applying in public issue may use either Application Supported by Blocked Amount (ASBA) process or UPI payment mechanism by providing UPI-ID in the Application Form which is linked from bank account of the Applicant.

With effect from July 01, 2019, with respect to Applications by RIIs 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 Applications with existing timeline of T+6 days will continue for a period of three months or launch of five main board public issues, whichever is later (“UPI Phase II”), Further pursuant to SEBI Circular SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 08, 2019 UPI Phase II was extended till March 31, 2020. Further, pursuant to SEBI Circular SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020 UPI Phase II was extended till further notice by SEBI.

Please note that the information stated/covered in this section may not be complete and/or accurate and as such would be subject to modification/change. Our Company and Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated in this section and the General Information Document. Our Company and Lead Manager would not be able to include any amendment, modification or change in applicable law, which may occur after the date of the Prospectus. Applicants are advised to make their independent investigations and ensure that their application do not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or as specified in this Prospectus.

This section applies to all the Applicants, please note that all the Applicants are required to make payment of the full Application Amount along with the Application Form.

### ***Phased implementation of Unified Payments Interface***

SEBI has issued a circular bearing number SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 and 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, circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 08, 2019 and circular no. SEBI Circular SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020 (collectively the “UPI Circulars”) in relation to streamlining the process of public issue of equity shares and convertibles. Pursuant to the UPI Circulars, UPI will be introduced in a phased manner as a payment mechanism (in addition to mechanism of blocking funds in the account maintained with SCSBs under the ASBA) for applications by RIBs through intermediaries with the objective to reduce the time duration from public issue closure to listing from six working days to up to three working days. Considering the time required for making necessary changes to the systems and to ensure complete and smooth transition to the UPI Mechanism.

Phase I: This phase has become applicable from January 1, 2019 and was continue till June 30, 2019. Under this phase, a Retail Individual Applicant would also have the option to submit the Application Form with any of the intermediary and use his / her UPI ID for the purpose of blocking of funds. The time duration from public issue closure to listing would continue to be six Working Days.

Phase II: This phase will commence upon completion of Phase I i.e., with effect from July 01, 2019 and will continue for a period of three months or floating of five main board public issues, whichever is later. Under this phase, submission of the Application Form by a Retail Individual Applicant through intermediaries to SCSBs for blocking of funds will be discontinued and will be replaced by the UPI Mechanism. However, the time duration from public issue closure to listing would continue to be six Working Days during this phase. This Phase is further extended till March 31, 2020. As per SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2 dated March 30, 2020, the UPI Phase II will continue until further notice by SEBI.

Phase III: Subsequently, the time duration from public issue closure to listing would be reduced to be three Working Days under this Phase and the implementation of this phase is yet to be notified by SEBI. All SCSBs offering facility of making application in public issues shall also provide facility to make application using the UPI Mechanism. The Issuers are to appoint one of the SCSBs as a sponsor bank to act as a conduit between the Stock Exchanges and NPCI in order to facilitate collection of requests and / or payment instructions of the Retail Individual Applicants into the UPI mechanism.

For further details, refer to the General Information Document available on the websites of the Stock Exchanges and the Lead Manager.

## BOOK BUILDING ISSUE 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 Issue shall be allocated on a proportionate basis to QIBs. Further, 5.00% of the QIB Portion shall be available for allocation on a proportionate basis only to Mutual Funds, and spill-over from the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIBs, including Mutual Funds, subject to valid Bids being received at or above the Issue Price. Further, not less than 15.00% of the Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35.00% of the Issue shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Issue Price.

Under-subscription, if any, in any category, except in the QIB Portion, would be allowed to be met with spill over from any other category or combination of categories of Bidders at the discretion of our Company, 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 according to section 29(1) of the Companies Act, 2013, allotment of Equity Shares to all successful Applicants will only be in the dematerialised form. The Application Forms which do not have the details of the Applicant's depository account including DP ID, PAN and Beneficiary Account Number shall be treated as incomplete and rejected. In case DP ID, Client ID and PAN mentioned in the Application Form and entered into the electronic system of the stock exchanges, do not match with the DP ID, Client ID and PAN available in the depository database, the application is liable to be rejected. Applicants will not have the option of getting allotment of the Equity Shares in physical form. The Equity Shares on allotment shall be traded only in the dematerialised segment of the Stock Exchanges.**

## BID CUM APPLICATION FORM

Copies of the Bid cum Application Form and the abridged prospectus will be available at the offices of the Lead Managers, the Designated Intermediaries, and the Registered Office of our Company. An electronic copy of the Application Form will also be available for download on the websites of the BSE ([www.bseindia.com](http://www.bseindia.com)), the SCSBs, the Registered Brokers, the RTAs and the CDPs at least one day prior to the Issue Opening Date

All Bidders (other than Retail Applicants using the UPI Mechanism) shall mandatorily participate in the Issue only through the ASBA process. ASBA Applicants must provide bank account details and authorisation to block funds in the relevant space provided in the Application Form and the Application Forms that do not contain such details are liable to be rejected. Further Retail Individual Applicants may participate in the Issue through UPI by providing details about the bank account in the relevant space provided in the Application Form and the Application Forms that do not contain the UPI ID are liable to be rejected.

ASBA Applicants shall ensure that the Applications are made on Application Forms bearing the stamp of the Designated Intermediary, submitted at the Collection Centres only (except in case of electronic Application Forms) and the Application Forms not bearing such specified stamp are liable to be rejected.

The prescribed colour of the Application Form for various categories is as follows:

Category	Colour of the Application Form*
Anchor Investor**	White
Resident Indians, including resident QIBs, Non-Institutional Investors, Retail Individual Investors and Eligible NRIs applying on a non-repatriation basis	White
Non-Residents and Eligible NRIs, FIIs, FVCIs, etc. applying on a repatriation basis	Blue

\* Electronic Bid cum Application Forms will also be available for download on the website of the BSE ([www.bseindia.com](http://www.bseindia.com))

\*\* Bid cum application for Anchor Investor shall be made available at the office of the BRLM.

**Designated Intermediaries (other than SCSBs) after accepting Bid Cum Application Form submitted by RIIs (without using UPI for payment), NIIs and QIBs shall capture and upload the relevant details in the electronic bidding system of stock exchange(s) and shall submit/deliver the Bid Cum Application Forms to respective SCSBs where the Bidders has a bank account and shall not submit it to any non-SCSB Bank. Further, for applications submitted to designated intermediaries (other than SCSBs), with use of UPI for payment, after accepting the Bid Cum Application Form, respective intermediary shall capture and upload the relevant application details, including UPI ID, in the electronic bidding system of stock exchange(s).**

**Bidders/ Applicants shall only use the specified Application Form for the purpose of making an application in terms of the Prospectus.**

**The Bid cum Application Form shall contain information about the Bidder/ Applicant and the price and the number of Equity Shares that the Bidder/ Applicants wish to apply for. The Bid cum Application Form downloaded and printed from the websites of the Stock Exchange shall bear a system generated unique application number. ASBA Applicants 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 at the time of submitting the Application**

**Applicants are required to submit their applications only through any of the following Application Collecting Intermediaries:**

- i) an SCSB, with whom the bank account to be blocked, is maintained
- ii) a syndicate member (or sub-syndicate member)
- iii) 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')
- iv) a depository participant ('DP') (whose name is mentioned on the website of the stock exchange as eligible for this activity)
- v) a registrar to the issue and share transfer agent ('RTA ') (whose name is mentioned on the website of the stock exchange as eligible for this activity)

The aforesaid intermediaries shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the application form, in physical or electronic mode, respectively.

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(s) and may begin blocking funds available in the bank account specified in the form, to the extent of the application money specified.
<b>For Applications submitted by investors to intermediaries other than SCSBs:</b>	After accepting the application form, respective intermediary shall capture and upload the relevant details in the electronic bidding system of stock exchange(s). Post uploading, they shall forward a schedule as per prescribed format along with the application forms to designated branches of the respective SCSBs for blocking of funds within one day of closure of Issue.
<b>For Applications submitted by investors to intermediaries other than SCSBs with use of UPI for payment:</b>	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 the 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.

Upon completion and submission of the Application Form to Application Collecting intermediaries, the Applicants have deemed to have authorized our Company to make the necessary changes in the Prospectus, without prior or subsequent notice of such changes to the Applicants.

For RIBs using UPI Mechanism, the Stock Exchange shall share the Bid details (including UPI ID) with the Sponsor Bank on a continuous basis to enable the Sponsor Bank to initiate UPI Mandate Request to RIBs for blocking of funds. The Sponsor Bank shall initiate request for blocking of funds through NPCI to RIBs, who shall accept the UPI Mandate Request for blocking of funds on their respective mobile applications associated with UPI ID linked bank account. For all pending UPI Mandate Requests, the Sponsor Bank shall initiate requests for blocking of funds in the ASBA Accounts of relevant Bidders with a confirmation cut-off time of 12:00 pm on the first Working Day after the Bid Issue Closing Date ("Cut- Off Time"). Accordingly, RIBs should accept UPI Mandate Requests for blocking off funds prior to the Cut-Off Time and all pending UPI Mandate Requests at the Cut-Off Time shall lapse. The NPCI shall maintain an audit trail for every bid entered in the Stock Exchange bidding platform, and the liability to compensate RIBs (using the UPI Mechanism) in case of failed transactions shall be with the concerned entity (i.e., the Sponsor Bank, NPCI or the bankers to an issue) at whose end the lifecycle of the transaction has come to a halt. The NPCI shall share the audit trail of all disputed transactions/ investor complaints to the Sponsor Banks and the Bankers to an issue. The BRLM shall also be required to obtain the audit trail from the Sponsor Banks and the Bankers to the Issue for analysing the same and fixing liability.

## WHO CAN BID?

Each Bidder should check whether it is eligible to apply under applicable law, rules, regulations, guidelines and policies. Furthermore, certain categories of Bidders, such as NRIs, FPIs and FVCIs may not be allowed to apply in the Issue or to hold Equity Shares, in excess of certain limits specified under applicable law. Bidders are requested to refer to the Prospectus for more details.

Subject to the above, an illustrative list of Bidders is as follows:

1. Indian nationals' resident in India, who are not minors (except through their Legal Guardians), in single or joint names (not more than three);

2. Hindu Undivided Families or HUFs, in the individual name of the Karta. The Applicant should specify that the Application is being made in the name of the HUF in the Application Form as follows: — Name of Sole or First Applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta. Applications by HUFs would be considered at par with those from individuals;
3. Companies, Corporate Bodies and Societies registered under the applicable laws in India and authorised to invest in equity shares under their respective constitutional and charter documents;
4. Mutual Funds registered with SEBI;
5. Eligible NRIs on a repatriation basis or on a non-repatriation basis subject to applicable laws. NRIs other than Eligible NRIs are not eligible to participate in this Issue;
6. Indian financial institutions, scheduled commercial banks (excluding foreign banks), regional rural banks, co-operative banks (subject to RBI regulations and the SEBI Regulations and other laws, as applicable);
7. FPIs other than Category III FPI; VCFs and FVCIs registered with SEBI
8. Limited Liability Partnerships (LLPs) registered in India and authorized to invest in equity shares
9. State Industrial Development Corporations;
10. Trusts/societies registered under the Societies Registration Act, 1860, as amended, or under any other law relating to trusts/societies and who are authorised under their respective constitutions to hold and invest in equity shares;
11. Scientific and/or industrial research organizations authorized in India to invest in equity shares;
12. Insurance companies registered with Insurance Regulatory and Development Authority;
13. Provident Funds with a minimum corpus of ₹ 250 million and who are authorised under their constitution to hold and invest in equity shares;
14. Multilateral and Bilateral Development Financial Institutions;
15. National Investment Fund set up by resolution no. F.NO.2/3/2005-DDII dated November 23, 2005 of the GoI, published in the Gazette of India;
16. Insurance funds set up and managed by the army, navy or air force of the Union of India and by the Department of Posts, India
17. Any other person eligible to Apply in this Issue, under the laws, rules, regulations, guidelines and policies applicable to them and under Indian laws.

As per the existing regulations, OCBs cannot participate in this Issue.

In addition to the category of Applicants set forth *above*, the following persons are also eligible to invest in the Equity Shares under all applicable laws, regulations and guidelines, including:

- i. FPIs and sub-accounts registered with SEBI other than Category III foreign portfolio investor;

- ii. Category III foreign portfolio investors, which are foreign corporates or foreign individuals only under the Non-Institutional Investors (NIIs) category;
- iii. Scientific and / or industrial research organizations authorized in India to invest in the Equity Shares.

### **Maximum and Minimum Application Size**

The applications in this Issue, being a Book Building Issue, will be categorized into two;

#### ***a) For Retail Individual Applicants:***

The Application must be for a minimum of 600 Equity Shares and in multiples of 600 Equity Shares thereafter, so as to ensure that the Application Amount payable by the Applicant does not exceed ₹ 2,00,000. In case of revision of the Application, the Retail Individual Applicants have to ensure that the Application Amount does not exceed ₹ 2,00,000.

#### ***b) For Other Applicants (Non-Institutional Applicants and QIBs):***

The Application must be for a minimum of such number of Equity Shares such that the Application Amount exceeds ₹ 2,00,000 and in multiples of 600 Equity Shares thereafter. Application cannot be submitted for more than the Issue Size. However, the maximum application size by a QIB investor should not exceed the investment limits prescribed for them by applicable laws. **A QIB and a Non-Institutional Applicant cannot withdraw or lower the size of their Application at any stage and are required to pay the entire Application Amount upon submission of the Application.**

The identity of QIBs applying in the Net Issue shall not be made public during the Issue Period. In case of revision in Application, the Non-Institutional Applicants, who are individuals, have to ensure that the Application Amount is greater than ₹ 2,00,000 for being considered for allocation in the Non-Institutional Portion.

### **Information for the Applicants**

- a) Our Company shall file the Prospectus with the RoC at least three working days before the Issue Opening Date.
- b) Our Company shall, after registering the Prospectus with the RoC, make a pre-Issue advertisement, in the form prescribed under the ICDR Regulations, in English and Hindi national newspapers and one regional newspaper with wide circulation. In the pre- Issue advertisement, our Company and the Lead Managers shall advertise the Issue Opening Date, the Issue Closing Date. This advertisement, subject to the provisions of the Companies Act, shall be in the format prescribed in Part A of Schedule X of the ICDR Regulations.
- c) Copies of the Application Form and the abridged prospectus will be available at the offices of the Lead Managers, the Designated Intermediaries, and Registered Office of our Company. An electronic copy of the Application Form will also be available for download on the websites of the BSE ([www.bseindia.com](http://www.bseindia.com)), the SCSBs, the Registered Brokers, the RTAs and the CDPs at least one day prior to the Issue Opening Date.
- d) Applicants who are interested in subscribing to the Equity Shares should approach any of the Application Collecting Intermediaries or their authorized agent(s).

- e) Application should be submitted in the prescribed Application Form only. Application Forms submitted to the SCSBs should bear the stamp of the respective intermediary to whom the application form is submitted. Application Forms submitted directly to the SCSBs should bear the stamp of the SCSBs and / or the Designated Branch.
- f) The Application Form can be submitted either in physical or electronic mode, to the Application Collecting Intermediaries. Further Application Collecting Intermediary 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 Applicants should note that in case the PAN, the DP ID and Client ID mentioned in the Application Form and entered into the electronic system of the Stock Exchanges does not match with the PAN, DP ID and Client ID available in the database of Depositories, the Application Form is liable to be rejected.**

#### **Participation by associates and affiliates of the Lead Managers**

The Lead Managers shall not be allowed to subscribe to this Issue in any manner except towards fulfilling their underwriting obligations. However, the associates and affiliates of the Lead Managers may subscribe to Equity Shares in the Issue in non-Retail Portion, where the allocation is on a proportionate basis.

#### **Applications by Mutual Funds**

With respect to Applications by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Application Form. Failing this, our Company reserves the right to reject the Application without assigning any reason thereof.

Applications made by asset management companies or custodians of Mutual Funds shall specifically state names of the concerned schemes for which such Applications are made.

**In case of a Mutual Fund, a separate Application can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Applications in respect of more than one scheme of the Mutual Fund will not be treated as multiple Applications provided that the Applications clearly indicate the scheme concerned for which the Application has been made.**

**No Mutual Fund scheme shall invest more than 10% of its net asset value in equity shares or equity related instruments of any single company provided that the limit of 10% shall not be applicable for investments in case of index funds or sector or industry specific schemes. No Mutual Fund under all its schemes should own more than 10% of any company's paid-up share capital carrying voting rights.**

#### **Applications by Eligible NRIs**

NRIs may obtain copies of Application Form from the offices of the Lead Managers and the Designated Intermediaries. Eligible NRI Applicants applying on a repatriation basis by using the Non-Resident Forms should authorize their SCSB to block their Non-Resident External ("NRE") accounts, or Foreign Currency Non-Resident ("FCNR") ASBA Accounts, and eligible NRI Applicants applying on a non-repatriation basis by using Resident Forms should authorize their SCSB to block their Non-Resident Ordinary ("NRO") accounts for the full Application Amount, at the time of the submission of the Application Form.

Eligible NRIs applying on non-repatriation basis are advised to use the Application Form for residents (white in colour).

Eligible NRIs applying on a repatriation basis are advised to use the Application Form meant for Non-Residents (blue in colour).

### **Applications by FPI and FIIs**

In terms of the SEBI FPI Regulations, any qualified foreign investor or FII who holds a valid certificate of registration from SEBI shall be deemed to be an FPI until the expiry of the block of three years for which fees have been paid as per the SEBI FII Regulations. An FII or a sub-account may participate in this Issue, in accordance with Schedule 2 of the FEMA Regulations, until the expiry of its registration with SEBI as an FII or a sub-account. An FII shall not be eligible to invest as an FII after registering as an FPI under the SEBI FPI Regulations. Further, a qualified foreign investor who had not obtained a certificate of registration as an FPI could only continue to buy, sell or otherwise deal in securities until January 6, 2015. Hence, such qualified foreign investors who have not registered as FPIs under the SEBI FPI Regulations shall not be eligible to participate in this Issue.

In case of Applications made by FPIs, a certified copy of the certificate of registration issued by the designated depository participant under the FPI Regulations is required to be attached to the Application Form, failing which our Company reserves the right to reject any application without assigning any reason. An FII or sub account may, subject to payment of conversion fees under the SEBI FPI Regulations, participate in the Issue, until the expiry of its registration as a FII or sub-account, or until it obtains a certificate of registration as FPI, whichever is earlier. Further, in case of Applications made by SEBI-registered FIIs or sub-accounts, which are not registered as FPIs, a certified copy of the certificate of registration as an FII issued by SEBI is required to be attached to the Application Form, failing which our Company reserves the right to reject any Application without assigning any reason.

In terms of the SEBI FPI Regulations, the Issue of Equity Shares to a single FPI or an investor group (which means the same set of ultimate beneficial owner(s) investing through multiple entities) must be below 10.00% of our post-Issue Equity Share capital. Further, in terms of the FEMA Regulations, the total holding by each FPI shall be below 10.00% of the total paid-up Equity Share capital of our Company and the total holdings of all FPIs put together shall not exceed 24.00% of the paid-up Equity Share capital of our Company. The aggregate limit of 24.00% may be increased up to the sectorial cap by way of a resolution passed by the Board of Directors followed by a special resolution passed by the Shareholder of our Company and subject to prior intimation to RBI. In terms of the FEMA Regulations, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs as well as holding of FIIs (being deemed FPIs) shall be included. The existing individual and aggregate investment limit an FII or sub account in our Company is 10.00% and 24.00% of the total paid-up Equity Share capital of our Company, respectively.

FPIs are permitted to participate in the Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 22 of the SEBI FPI Regulations, an FPI, other than Category III foreign portfolio and unregulated broad based funds, which are classified as Category II foreign portfolio investor by virtue of their investment manager being appropriately regulated, may issue or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by an FPI against securities held by it that are listed or proposed to be listed on any recognized stock exchange in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only to persons who are regulated by an appropriate regulatory authority; and (ii) such offshore derivative instruments are issued after compliance with know your client' norms. An FPI is also required to ensure that no further issue or transfer of any offshore derivative instrument is made by or on behalf of it to any persons that are not regulated by an appropriate foreign regulatory authority.

FPIs who wish to participate in the Issue are advised to use the Application Form for Non-Residents (blue in colour).

### **Applications by SEBI registered VCFs, AIFs and FVCIs**

The SEBI FVCI Regulations and the SEBI AIF Regulations inter-alia prescribe the investment restrictions on the VCFs, FVCIs and AIFs registered with SEBI. Further, the SEBI AIF Regulations prescribe, among others, the investment restrictions on AIFs.

The holding by any individual VCF registered with SEBI in one venture capital undertaking should not exceed 25% of the corpus of the VCF. Further, VCFs and FVCIs can invest only up to 33.33% of the investible funds by way of subscription to an initial public offering.

The category I and II AIFs cannot invest more than 25% of the corpus in one Investee Company. A category III AIF cannot invest more than 10% of the corpus in one Investee Company. A venture capital fund registered as a category I AIF, as defined in the SEBI AIF Regulations, cannot invest more than 1/3rd of its corpus by way of subscription to an initial public offering of a venture capital undertaking. Additionally, the VCFs which have not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the VCF Regulation 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.

All FIIs and FVCIs should note that refunds, dividends and other distributions, if any, will be payable in Indian Rupees only and net of Bank charges and commission.

**Our Company or the Lead Managers will not be responsible for loss, if any, incurred by the Applicant on account of conversion of foreign currency.**

**There is no reservation for Eligible NRIs, FPIs and FVCIs and all Applicants will be treated on the same basis with other categories for the purpose of allocation.**

**All non-resident investors should note that refunds, dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and commission.**

### **Applications by Limited Liability Partnerships**

In case of Applications made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Application Form. Failing this, our Company reserves the right to reject any Application without assigning any reason thereof.

### **Applications by Insurance Companies**

In case of Applications made by insurance companies registered with the IRDA, a certified copy of certificate of registration issued by IRDA must be attached to the Application Form. Failing this, our Company reserves the right to reject any Application without assigning any reason thereof. The exposure norms for insurers, prescribed under the Insurance Regulatory and Development Authority (Investment) Regulations, 2000, as amended, are broadly set forth below:

- 1) equity shares of a company: the least of 10.00% of the investee company's subscribed capital (face value) or 10.00% of the respective fund in case of life insurer or 10.00% of investment assets in case of general insurer or reinsurer;

- 2) 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
- 3) the industry sector in which the investee company belong to: not more than 15% of the fund of a life insurer or a general insurer or a reinsurer or 15% of the investment asset, whichever is lower.

The maximum exposure limit, in the case of an investment in equity shares, cannot exceed the lower of an amount of 10% of the investment assets of a life insurer or general insurer and the amount calculated under (1), (2) and (3) above, as the case may be.

Insurance companies participating in this Issue shall comply with all applicable regulations, guidelines and circulars issued by IRDAI from time to time.

### **Applications by Provident Funds / Pension Funds**

In case of Applications made by provident funds/pension funds, subject to applicable laws, with minimum corpus of ₹ 250.00 million, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/ pension fund must be attached to the Application Form. Failing this, our Company reserves the right to reject any Application, without assigning any reason thereof.

### **Applications by Banking Companies**

In case of Applications made by banking companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, and (ii) the approval of such banking company's investment committee are required to be attached to the Application Form, failing which our Company reserve the right to reject any Application without assigning any reason.

Application Form, failing which our Company reserve the right to reject any Application by a banking company without assigning any reason.

The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, 1949, as amended ("Banking Regulation Act"), and the Reserve Bank of India ("Financial Services provided by Banks") Directions, 2016, is 10% of the paid-up share capital of the investee company not being its subsidiary engaged in non-financial services or 10% of the banks own paid-up share capital and reserves, whichever is lower. However, a banking company would be permitted to invest in excess of 10% but not exceeding 30% of the paid up share capital of such investee company if (i) the investee company is engaged in non-financial activities permitted for banks in terms of Section 6(1) of the Banking Regulation Act, or (ii) the additional acquisition is through restructuring of debt / corporate debt restructuring / strategic debt restructuring, or to protect the banks' interest on loans / investments made to a company. The bank is required to submit a time bound action plan for disposal of such shares within a specified period to RBI. A banking company would require a prior approval of RBI to make (i) investment in a subsidiary and a financial services company that is not a subsidiary (with certain exception prescribed), and (ii) investment in a non-financial services company in excess of 10% of such investee company's paid-up share capital as stated in 5(a)(v)(c)(i) of the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016.

### **Applications by SCSBs**

SCSBs participating in the Issue are required to comply with the terms of the SEBI circulars dated September 13, 2012 and January 2, 2013. 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.

### **Applications under Power of Attorney**

In case of Applications made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, FIIs, Mutual Funds, insurance companies and provident funds with a minimum corpus of ₹ 250 million (subject to applicable law) and pension funds with a minimum corpus of ₹ 250 million, 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 Application Form. Failing this, our Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reasons thereof. In addition to the above, certain additional documents are required to be submitted by the following entities:

- a) With respect to Applications by FIIs and Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Application Form.
- b) With respect to Applications by insurance companies registered with the Insurance Regulatory and Development Authority, in addition to the above, a certified copy of the certificate of registration issued by the Insurance Regulatory and Development Authority must be lodged along with the Application Form.
- c) With respect to Applications made by provident funds with a minimum corpus of ₹ 250 million (subject to applicable law) and pension funds with a minimum corpus of ₹ 250 million, a certified copy of a certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be lodged along with the Application Form.
- d) With respect to Applications made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Application Form.
- e) Our Company in its absolute discretion, reserves the right to relax the above condition of simultaneous lodging of the power of attorney along with the Application form, subject to such terms and conditions that our Company and the Lead Managers may deem fit.

**The above information is given for the benefit of the Applicants. Our Company and the Lead Managers are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Prospectus. Applicants are advised to make their independent investigations and Applicants are advised to ensure that any single Application from them does not exceed the applicable investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Prospectus.**

### **ISSUE PROCEDURE FOR ASBA (APPLICATION SUPPORTED BY BLOCKED ACCOUNT) APPLICANTS**

In accordance with the SEBI circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the Applicants has to compulsorily apply through the ASBA Process. Our Company and the Lead Managers are not liable for any amendments, modifications, or changes in applicable laws or regulations, which may occur after the date of the Prospectus. ASBA Applicants are advised to make their independent investigations and to ensure that the ASBA Application Form is correctly filled up, as described in this section.

Lists of banks that have been notified by SEBI to act as SCSB (Self Certified Syndicate Banks) for the ASBA Process are provided on [www.sebi.gov.in](http://www.sebi.gov.in). For details on designated branches of SCSB collecting the Application Form, please refer the below mentioned SEBI link.

<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35> and <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34>

## **ASBA PROCESS**

A Resident Retail Individual Investor shall submit his Application through an Application Form, either in physical or electronic mode, to the SCSB with whom the bank account of the ASBA Applicant or bank account utilized by the ASBA Applicant ("ASBA Account") is maintained. The SCSB shall block an amount equal to the Application Amount in the bank account specified in the ASBA Application Form, physical or electronic, on the basis of an authorization to this effect given by the account holder at the time of submitting the Application.

The Application Amount shall remain blocked in the aforesaid ASBA Account until finalization of the Basis of Allotment in the Issue and consequent transfer of the Application Amount against the allocated shares to the ASBA Public Issue Account, or until withdrawal/failure of the Issue or until withdrawal/rejection of the ASBA Application, as the case may be.

The ASBA data shall thereafter be uploaded by the SCSB in the electronic IPO system of the Stock Exchange. Once the Basis of Allotment is finalized, the Registrar to the Issue shall send an appropriate request to the Controlling Branch of the SCSB for unblocking the relevant bank accounts and for transferring the amount allocable to the successful ASBA Applicants to the ASBA Public Issue Account. In case of withdrawal/failure of the Issue, the blocked amount shall be unblocked on receipt of such information from the Lead Managers.

ASBA Applicants are required to submit their applications, either in physical or electronic mode. In case of application in physical mode, the ASBA Applicant shall submit the ASBA Application Form at the Designated Branch of the SCSB or Registered Brokers or Registered RTA's or DPs registered with SEBI. In case of application in electronic form, the ASBA Applicant shall submit the Application Form either through the internet banking facility available with the SCSB, or such other electronically enabled mechanism for applying and blocking funds in the ASBA account held with SCSB, and accordingly registering such Applications.

## **HOW TO APPLY?**

In accordance with the SEBI circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the Applicants has to compulsorily apply through the ASBA Process.

## **MODE OF PAYMENT**

Upon submission of an Application Form with the SCSB, whether in physical or electronic mode, each ASBA Applicant shall be deemed to have agreed to block the entire Application Amount and authorized the Designated Branch of the SCSB to block the Application Amount, in the bank account maintained with the SCSB.

Application Amount paid in cash, by money order or by postal order or by stock invest, or ASBA Application Form accompanied by cash, draft, money order, postal order or any mode of payment other than blocked amounts in the SCSB bank accounts, shall not be accepted.

After verifying that sufficient funds are available in the ASBA Account, the SCSB shall block an amount equivalent to the Application Amount mentioned in the ASBA Application Form till the Designated Date.

On the Designated Date, the SCSBs shall transfer the amounts allocable to the ASBA Applicants from the respective ASBA Account, in terms of the SEBI Regulations, into the ASBA Public Issue Account. The balance amount, if any against the said Application in the ASBA Accounts shall then be unblocked by the SCSBs on the basis of the instructions issued in this regard by the Registrar to the Issue.

The entire Application Amount, as per the Application Form submitted by the respective ASBA Applicants, would be required to be blocked in the respective ASBA Accounts until finalization of the Basis of Allotment in the Issue and consequent transfer of the Application Amount against allocated shares to the ASBA Public Issue Account, or until withdrawal/failure of the Issue or until rejection of the ASBA Application, as the case may be.

### **UNBLOCKING OF ASBA ACCOUNT**

On the basis of instructions from the Registrar to the Issue, the SCSBs shall transfer the requisite amount against each successful ASBA Applicant to the ASBA Public Issue Account as per section 40(3) of the Companies Act, 2013 and shall unblock excess amount, if any in the ASBA Account.

However, the Application Amount may be unblocked in the ASBA Account prior to receipt of intimation from the Registrar to the Issue by the Controlling Branch of the SCSB regarding finalization of the Basis of Allotment in the Issue, in the event of withdrawal/failure of the Issue or rejection of the ASBA Application, as the case may be.

### **Payment instructions**

The entire issue price of ₹ 225 (including a Share premium of ₹ 215 per Equity Share) per Equity Share is payable on Application. In case of allotment of lesser number of Equity Shares than the number applied, then the Registrar shall instruct the SCSBs to unblock the excess amount paid on Application to the Applicants.

SCSBs will transfer the amount as per the instruction received by the Registrar to the Public Issue Bank Account. The balance amount after transfer to the Public Issue Account shall be unblocked by the SCSBs.

The Applicants shall specify the bank account details in the Application Form and the SCSBs shall block an amount equivalent to the Application Amount in the bank account specified in the Application Form. The SCSB shall keep the Application Amount in the relevant bank account blocked until withdrawal / rejection of the application or receipt of instructions from the Registrar to unblock the Application Amount. However, Not Retails Applicants shall neither withdraw nor lower the size of their applications at any stage. In the event of withdrawal or rejection of the Application Form or for unsuccessful Application Forms, the Registrar to the Issue shall give instruction to the SCSBs to unblock the application money in the relevant bank account within one day of receipt of such instruction. The Application Amount shall remain blocked in the ASBA Account until finalisation of the Basis of Allotment in the Issue and consequent transfer of the Application Amount to the Public issue Account, or until withdrawal / failure of the Issue or until rejection of the application, as the case may be.

Pursuant to the SEBI (Issue of Capital and Disclosure Requirements) (Fifth Amendment) Regulations, 2015, the ASBA process become mandatory for all investors w.e.f. January 1, 2016 and it allows the registrar, share transfer agents, depository participants and stock brokers to accept application forms.

### **Electronic Registration of Applications**

- 1) The Application Collecting Intermediary will register the applications using the on-line facilities of the Stock Exchange.

- 2) The Application Collecting Intermediary will undertake modification of selected fields in the application details already uploaded before 1.00 p.m. of the next Working day from the Issue Closing Date.
- 3) The Application Collecting Intermediary shall be responsible for any acts, mistakes or errors or omission 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) In case the applications accepted and uploaded by any Application Collecting Intermediary other than SCSBs, the 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 Lead Managers nor the Company, shall be responsible for any acts, mistakes or errors or omission and commissions in relation to, (i) the applications accepted by any Application Collecting Intermediaries, (ii) the applications uploaded by any Application Collecting Intermediaries or (iii) the applications accepted but not uploaded by the Application Collecting Intermediaries.
- 5) The Stock Exchange will Issue an electronic facility for registering applications for the Issue. This facility will be available at the terminals of the Application Collecting Intermediaries and their authorised agents during the Issue Period. On the Issue Closing Date, the Application Collecting Intermediaries shall upload the applications till such time as may be permitted by the Stock Exchange.
- 6) With respect to applications by Applicants, at the time of registering such applications, the Application Collecting Intermediaries shall enter the following information pertaining to the Applicants into the on-line system:
  - Name of the Applicant;
  - IPO Name;
  - Application Form Number;
  - Investor Category;
  - PAN Number
  - DP ID & Client ID
  - Numbers of Equity Shares Applied for;
  - Amount;
  - Location of the Banker to the Issue or Designated Branch, as applicable;
  - Bank Account Number and
  - Such other information as may be required.
- 7) In case of submission of the Application by an Applicant through the Electronic Mode, the Applicant shall complete the above-mentioned details and mentioned the bank account number, except the Electronic Application Form number which shall be system generated.
- 8) 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 or having accepted the application form, in physical or electronic mode, respectively. The registration of the Application by the Application Collecting Intermediaries does not guarantee that the Equity Shares shall be allocated / allotted either by our Company.
- 9) Such acknowledgment will be non-negotiable and by itself will not create any obligation of any kind.

- 10) The Application Collecting Intermediaries shall have no right to reject the applications, except on technical grounds.
- 11) The permission given by the Stock Exchanges to use their network and software of the Online IPO system should not in any way deemed or construed to mean the compliance with various statutory and other requirements by our Company and / or the Lead Managers are cleared or approved by the Stock Exchanges; nor does it in any manner warrant, certify or endorse the correctness or completeness or any of the compliance with the statutory and other requirements nor does it take any responsibility for the financial or other soundness of our Company, our Promoter, our management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Prospectus; nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchange.
- 12) The Application Collecting Intermediaries will be given time till 1.00 p.m. on the next working day after the Issue Closing Date to verify the PAN No., DP ID and Client ID uploaded in the online IPO system during the Issue Period, after which the Registrar to the Issue will receive this data from the Stock Exchange and will validate the electronic application details with the 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.
- 13) The details uploaded in the online IPO system shall be considered as final and Allotment will be based on such details for ASBA Applicants.

#### **Allocation of Equity Shares**

- 1) The Issue is being made through the Book Building Method Process wherein 1,26,000 equity Shares shall be reserved for the Market Maker, 9,49,200 Equity Shares shall be reserved for Qualified Institutional Buyers, 9,97,200 equity Shares will be allocated on a proportionate basis to Retail Individual Applicants, subject to valid applications being received from the Retail Individual Applicants at the Issue Price. The balance of the Net Issue which is 4,27,200 equity shares will be available for allocation on a proportionate basis to Non-Institutional Investors.
- 2) Under-subscription, if any, in any category, would be allowed to be met with spill-over from any other category or combination of categories at the discretion of our Company in consultation with the Lead Managers and the Stock Exchange.
- 3) Allocation to Non-Residents, including Eligible NRIs, FIIs and FVCIs registered with SEBI, applying on repatriation basis will be subject to applicable law, rules, regulations, guidelines and approvals.
- 4) In terms of SEBI Regulations, Non-Retails Applicants shall not be allowed to either withdraw or lower the size of their application at any stage.
- 5) Allotment status details shall be available on the website of the Registrar to the Issue.

#### **Pre-Issue Advertisement**

Subject to Section 30 of the Companies Act, our Company shall, after registering the Prospectus with the RoC, publish a pre-issue advertisement, in the form prescribed by the SEBI Regulations, in one English language national daily newspaper, one Hindi language national daily newspaper and one regional language daily newspaper, each with wide circulation. In the pre-issue advertisement, we shall state the Issue Opening Date and the Issue Closing Date. This advertisement, subject to the provisions of Section 30 of the Companies Act, 2013, shall be in the format prescribed in Part A of Schedule XIII of the SEBI Regulations.

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## Signing of the Underwriting Agreement and the RoC Filing

- a) Our Company, the Book Running Lead Managers and the Market Maker have entered into an Underwriting Agreement on January 20, 2023.
- b) For terms of the Underwriting Agreement please see chapter titled “General Information” beginning on page no. 64 of this Prospectus.
- c) We will file a copy of the Prospectus with the RoC in terms of Section 26 and all other provision applicable as per Companies Act.

## FILING OF THE PROSPECTUS WITH THE ROC

The Company will file a copy of the Prospectus with the RoC in terms of Section 26 of Companies Act, 2013.

- a) **Designated Date and Allotment of Equity Shares Designated Date:** On the Designated date, the SCSBs shall transfers the funds represented by allocations of the Equity Shares into Public Issue Account with the Bankers to the Issue.
- b) **Issuance of Allotment Advice:** Upon approval of the Basis of Allotment by the designated stock exchange, the Registrar shall upload on its website. On the basis of approved basis of allotment, the Issuer shall pass necessary corporate action to facilitate the allotment and credit of equity shares. Applicants are advised to instruct their Depository Participants to accept the Equity Shares that may be allotted to them pursuant to the issue.
- c) Pursuant to confirmation of such corporate actions, the Registrar will dispatch Allotment Advice to the Applicants who have been allotted Equity Shares in the Issue. The dispatch of allotment advice shall be deemed a valid, binding and irrevocable contract.
- d) Issuer will make the allotment of the equity shares and initiate corporate action for credit of shares to the successful applicants Depository Account within 4 working days of the Issue Closing date. The Issuer also ensures the credit of shares to the successful Applicants Depository Account is completed within one working Day from the date of allotment, after the funds are transferred from ASBA Public Issue Account to Public Issue account of the issuer.

**Designated Date:** On the Designated date, the SCSBs shall transfers the funds represented by allocations of the Equity Shares into Public Issue Account with the Bankers to the Issue.

The Company will issue and dispatch letters of allotment/ or letters of regret along with refund order or credit the allotted securities to the respective beneficiary accounts, if any within a period of 6 working days of the Issue Closing Date. The Company will intimate the details of allotment of securities to Depository immediately on allotment of securities under Section 56 of the Companies Act, 2013 or other applicable provisions, if any.

## INTEREST AND REFUNDS

## COMPLETION OF FORMALITIES FOR LISTING & COMMENCEMENT OF TRADING

The Issuer may ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges are taken within 6 Working Days of the Issue Closing Date. The Registrar to the Issue may give instruction for credit to Equity Shares the beneficiary account with DPs, and dispatch the allotment Advise within 6 Working Days of the Issue Closing Date.

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## **GROUND FOR REFUND**

### **NON-RECEIPT OF LISTING PERMISSION**

An Issuer makes an Application to the Stock Exchange(s) for permission to deal in/list and for an official quotation of the Equity Shares. All the Stock Exchanges from where such permission is sought are disclosed in Prospectus. The designated Stock Exchange may be as disclosed in the Prospectus with which the Basis of Allotment may be finalised.

If the permission to deal in and official quotation of the Equity Shares are not granted by any of the Stock Exchange(s), the Issuer may forthwith repay, without interest, all money received from the Applicants in pursuance of the Prospectus.

In the event that the listing of the Equity Shares does not occur in the manner described in this Prospectus, the Lead Managers and Registrar to the Issue shall intimate Public Issue bank/Bankers to the Issue and Public Issue Bank/Bankers to the Issue shall transfer the funds from Public Issue account to Refund Account as per the written instruction from lead Managers and the Registrar for further payment to the beneficiary Applicants.

If such money is not repaid within eight days after the Issuer becomes liable to repay it, then the Issuer and every director of the Issuer who is an officer in default may, on and from such expiry of eight days, be liable to repay the money, with interest at such rate as disclosed in the Prospectus.

### **MINIMUM NUMBER OF ALLOTTEES**

The Issuer may ensure that the number of proposed Allottees to whom Equity Shares may be allotted shall not be less than 50 (Fifty), failing which the entire application monies may be refunded forthwith.

### **MODE OF REFUND**

#### **IN CASE OF ASBA APPLICATION**

Within 6 working days of the Issue Closing Date, the Registrar to the Issue may give instruction to SCSBs for unblocking the amount in ASBA Account on unsuccessful Application and also for any excess amount blocked on Application.

#### **MODE OF MAKING REFUND FOR ASBA APPLICANTS**

In case of ASBA Application, the registrar of the issue may instruct the controlling branch of the SCSB to unblock the funds in the relevant ASBA Account for any withdrawn, rejected or unsuccessful ASBA applications or in the event of withdrawal or failure of the Issue.

### **INTEREST IN CASE OF DELAY IN ALLOTMENT OR REFUND:**

The issuer shall allot securities offered to the public shall be made within the period prescribed by the Board. The issuer shall also pay interest at the rate of fifteen per cent. per annum if the allotment letters or refund orders have not been dispatched to the applicants or if, in a case where the refund or portion thereof is made in electronic manner, the refund instructions have not been given to the clearing system in the disclosed manner within eight days from the date of the closure of the issue. However, applications received after the closure of issue in fulfilment of underwriting obligations to meet the minimum subscription requirement, shall not be entitled for the said interest.

1. **Issuance of Allotment Advice:** Upon approval of the Basis of Allotment by the Designated Stock Exchange, the Lead Managers or the Registrar to the Issue shall send to the Bankers to the Issue a list of their Applicants who have been allocated/Allotted Equity Shares in this Issue.
2. Pursuant to confirmation of corporate actions with respect to Allotment of Equity Shares, the Registrar to the Issue will dispatch Allotment Advice to the Applicants who have been Allotted Equity Shares in the Issue.
3. Approval of the Basis of Allotment by the Designated Stock Exchange. As described above shall be deemed a valid, binding and irrevocable contract for the Applicant.

## **General Instructions**

### **Do's:**

- 1) Check if you are eligible to apply as per the terms of this Prospectus and under applicable law, rules, regulations, guidelines and approvals;
- 2) Read all the instructions carefully and complete the Application Form in the prescribed form;
- 3) Ensure that the details about the PAN, DP ID and Client ID are correct and the Applicants depository account is active, as Allotment of the Equity Shares will be in the dematerialised form only;
- 4) Ensure that your Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary;
- 5) If the first applicant is not the account holder, ensure that the Application Form is signed by the account holder. Ensure that you have mentioned the correct bank account number in the Application Form;
- 6) Ensure that the signature of the First Applicant in case of joint Applications, is included in the Application Forms;
- 7) Ensure that the name(s) given in the Application Form is/are exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case of joint Applications, the Application Form should contain only the name of the First Applicant whose name should also appear as the first holder of the beneficiary account held in joint names;
- 8) Ensure that you request for and receive a stamped acknowledgement of your application;
- 9) Retail Applicants using the UPI mechanism should ensure that the correct UPI ID is mentioned in the Application Form;
- 10) Retail Applicants shall ensure that the bank, with which such Retail Applicants has a bank account, where the funds equivalent to the application amount are available for blocking is UPI 2.0 certified by the NPCI;
- 11) Ensure that you have funds equal to the Application Amount in the ASBA Account maintained with the SCSB before submitting the Application Form under the ASBA process to the respective member of the SCSBs, the Registered Broker (at the Broker Centres), the RTA (at the Designated RTA Locations) or CDP (at the Designated CDP Locations);
- 12) Submit revised Applications to the same Designated Intermediary, through whom the original Application was placed and obtain a revised acknowledgment;

- 13) Except for Applications (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of a SEBI circular dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, and (ii) Applications by persons resident in the state of Sikkim, who, in terms of a SEBI circular dated July 20, 2006, may be exempted from specifying their PAN for transacting in the securities market, all Applicants should mention their PAN allotted under the IT Act. The exemption for the Central or the State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the Demographic Details received from the respective depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in “active status”; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same. All other applications in which PAN is not mentioned will be rejected;
- 14) Ensure that the Demographic Details are updated, true and correct in all respects;
- 15) 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;
- 16) Ensure that the category and the investor status is indicated;
- 17) Ensure that in case of Applications under power of attorney or by limited companies, corporates, trust etc., relevant documents are submitted;
- 18) Ensure that Applications submitted by any person outside India should be in compliance with applicable foreign and Indian laws;
- 19) Applicants should note that in case the DP ID, Client ID and the PAN mentioned in their Application Form and entered into the online IPO system of the Stock Exchanges by the relevant Designated Intermediary, as the case may be, do not match with the DP ID, Client ID and PAN available in the Depository database, then such Applications are liable to be rejected. Where the Application Form is submitted in joint names, ensure that the beneficiary account is also held in the same joint names and such names are in the same sequence in which they appear in the Application Form;
- 20) Ensure that the Application Forms are delivered by the Applicants within the time prescribed as per the Application Form and the Prospectus;
- 21) For Retail Applicants using the UPI mechanism, ensure that you approve the request generated by the Sponsor Bank to authorize blocking of funds equivalent to application amount and subsequent debit of funds in case of allotment, in a timely manner;
- 22) Retail Applicants shall ensure that details of the Applications are reviewed and verified by opening the attachment in the UPI mandate request and then proceed to authorize the UPI request using his/her UPI PIN. Upon the authorization of the mandate using his/her UPI PIN, a Retail Applicant may be deemed to have verified the attachment containing the application details of the Retail Applicant in the UPI mandate request and have agreed to block the entire Application Amount and authorized the Sponsor Bank to block the Application Amount mentioned in the Application Form;
- 23) Retail Applicants using the UPI mechanism should mention valid UPI ID of only the Applicant (in case of single account) and of the first Applicant (in case of joint account) in the Application Form;
- 24) Retail Applicants using the UPI mechanism, who have revised their application subsequent to making the initial Application, should also approve the revised request generated by the Sponsor Bank to

authorise blocking of funds equivalent to the revised Application Amount and subsequent debit of funds in case of allotment in a timely manner;

- 25) Ensure that you have mentioned the correct ASBA Account number in the Application Form;
- 26) Ensure that you have correctly signed the authorisation/undertaking box in the Application Form, or have otherwise provided an authorisation to the SCSB via the electronic mode, for blocking funds in the ASBA Account equivalent to the Application Amount mentioned in the Application Form at the time of submission of the Application;
- 27) Ensure that you receive an acknowledgement from the concerned Designated Intermediary, for the submission of your Application Form; and
- 28) The Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

**Don'ts:**

- 1) Do not apply for lower than the minimum Application size;
- 2) Do not apply at a Price different from the Price mentioned herein or in the Application Form;
- 3) Do not pay the Application Amount in cash, by money order, cheques or demand drafts or by postal order or by stock invest;
- 4) Do not send Application Forms by post; instead submit the same to the Designated Intermediary only;
- 5) Do not submit the Application Forms to any non-SCSB bank or our Company;
- 6) Do not apply on an Application Form that does not have the stamp of the relevant Designated Intermediary;
- 7) Do not instruct your respective Banks to release the funds blocked in the ASBA Account under the ASBA process;
- 8) Do not apply for an Application Amount exceeding ₹ 200,000 (for Applications by Retail Individual Applicants);
- 9) Do not fill up the Application Form such that the Equity Shares applied for exceeds the Issue size and / or investment limit or maximum number of the Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations or under the terms of the Prospectus;
- 10) Do not submit the General Index Register number instead of the PAN;
- 11) Do not submit the Application without ensuring that funds equivalent to the entire Application Amount are blocked in the relevant ASBA Account;
- 12) Do not submit more than 1 Application Form for each UPI ID in case of Retail Applicants Applying through the Designated Intermediary using the UPI Mechanism;

- 13) Do not submit Applications on plain paper or on incomplete or illegible Application Forms or on Application Forms in a colour prescribed for another category of Applicant;
- 14) Do not submit an application in case you are not eligible to acquire Equity Shares under applicable law or your relevant constitutional documents or otherwise;
- 15) Do not apply if you are not competent to contract under the Indian Contract Act, 1872 (other than minors having valid depository accounts as per Demographic Details provided by the depository);
- 16) Do not make applications using third party bank accounts or using third party linked bank account UPI IDs;
- 17) Do not link the UPI ID with a bank account maintained with a bank that is not UPI 2.0 certified by the NPCI in case of Applications submitted by Retail Applicants using the UPI mechanism;
- 18) Do not submit incorrect UPI ID details, if you are a Retail Applicants bidding through UPI Mechanism;
- 19) Do not submit more than five Application Forms per ASBA Account;
- 20) Do not submit an application in case you are not eligible to acquire Equity Shares under applicable law or your relevant constitutional documents or otherwise;
- 21) If you are a Non-Institutional Applicant or Retail Individual Applicant, do not submit your application after 3.00 p.m. on the Issue Closing Date;

The Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

#### **INSTRUCTIONS FOR COMPLETING THE APPLICATION FORM**

The Applications should be submitted on the prescribed Application Form and in BLOCK LETTERS in ENGLISH only in accordance with the instructions contained herein and in the Application Form. Applications not so made are liable to be rejected. Application forms submitted to the SCSBs should bear the stamp of respective intermediaries to whom the application form submitted. Application form submitted directly to the SCSBs should bear the stamp of the SCSBs and/or the Designated Branch. Application forms submitted by Applicants whose beneficiary account is inactive shall be rejected. SEBI, vide Circular No. CIR/CFD/14/2012 dated October 4, 2012 has introduced an additional mechanism for investors to submit application forms in public issues using the stock broker ("broker") network of Stock Exchanges, who may not be syndicate members in an issue with effect from January 01, 2013. The list of Broker's Centre is available on the websites of BSE i.e., [www.bseindia.com](http://www.bseindia.com).

#### **APPLICANT'S DEPOSITORY ACCOUNT AND BANK DETAILS**

*Please note that, providing bank account details in the space provided in the Application Form is mandatory and applications that do not contain such details are liable to be rejected.*

*Please note that, furnishing the details of depository account is mandatory and applications without depository account shall be treated as incomplete and rejected.*

Applicants should note that on the basis of name of the Applicants, Depository Participant's name, Depository Participant

Identification number and Beneficiary Account Number provided by them in the Application Form, the Registrar to the Issue will obtain from the Depository the demographic details including address, Applicants bank account details, MICR code and occupation (hereinafter referred to as 'Demographic Details'). These Bank Account details would be used for giving refunds to the Applicants. Hence, Applicants are advised to immediately update their Bank Account details as appearing on the records of the depository participant. Please note that failure to do so could result in delays in dispatch/ credit of refunds to Applicants at the Applicants' sole risk and neither the Lead Managers nor the Registrar to the Issue or the Escrow Collection Banks or the SCSB nor the Company shall have any responsibility and undertake any liability for the same. Hence, Applicants should carefully fill in their Depository Account details in the Application Form. These Demographic Details would be used for all correspondence with the Applicants including mailing of the CANs / Allocation Advice and printing of Bank particulars on the refund orders or for refunds through electronic transfer of funds, as applicable. The Demographic Details given by Applicants in the Application Form would not be used for any other purpose by the Registrar to the Issue. By signing the Application Form, the Applicant would be deemed to have authorized the depositories to provide, upon request, to the Registrar to the Issue, the required Demographic Details as available on its records.

## **PAYMENT BY STOCK INVEST**

In terms of the Reserve Bank of India Circular No. DBOD No. FSC BC 42/ 24.47.00/ 2003-04 dated November 5, 2003; the option to use the stock invest instrument in lieu of cheques or bank drafts for payment of Application money has been withdrawn. Hence, payment through stock invest would not be accepted in this Issue.

## **OTHER INSTRUCTIONS**

### **Submission of Bids**

- a) During the Bid/ Issue Period, Bidders may approach any of the Designated Intermediaries to register their Bids.
- b) In case of Bidders (excluding Non-Retail Bidders) bidding at Cut-off Price, the ASBA Bidders may instruct the SCSBs to block Bid Amount based on the Cap Price less discount (if applicable).
- c) For Details of the timing on acceptance and upload of Bids in the Stock Exchanges Platform Bidders are requested to refer to the Prospectus.

## **JOINT APPLICATIONS IN THE CASE OF INDIVIDUALS**

Applications may be made in single or joint names (not more than three). In the case of joint Applications, all payments will be made out in favour of the Applicant whose name appears first in the Application Form or Revision Form. All communications will be addressed to the First Applicant and will be dispatched to his or her address as per the Demographic Details received from the Depository.

## **MULTIPLE APPLICATIONS**

An Applicant should submit only one Application (and not more than one). Two or more Applications will be deemed to be multiple Applications if the sole or First Applicant is one and the same.

In this regard, the procedures which would be followed by the Registrar to the Issue to detect multiple applications are given below:

- All applications are electronically strung on first name, address (1st line) and applicant's status. Further, these applications are electronically matched for common first name and address and if matched, these are checked manually for age, signature and father/ husband's name to determine if they are multiple applications;
- Applications which do not qualify as multiple applications as per above procedure are further checked for common DP ID/ beneficiary ID. In case of applications with common DP ID/ beneficiary ID, are manually checked to eliminate possibility of data entry error to determine if they are multiple applications.
- Applications which do not qualify as multiple applications as per above procedure are further checked for common PAN. All such matched applications with common PAN are manually checked to eliminate possibility of data capture error to determine if they are multiple applications.

In case of a mutual fund, a separate Application can be made in respect of each scheme of the mutual fund registered with SEBI and such Applications in respect of more than one scheme of the mutual fund will not be treated as multiple Applications provided that the Applications clearly indicate the scheme concerned for which the Application has been made.

In cases where there are more than 20 (Twenty) valid applications having a common address, such shares will be kept in abeyance, post allotment and released on confirmation of "know your client" norms by the depositories. The Company reserves the right to reject, in its absolute discretion, all or any multiple Applications in any or all categories.

After submitting an ASBA Application either in physical or electronic mode, an ASBA Applicant cannot apply (either in physical or electronic mode) to either the same or another Designated Branch of the SCSB. Submission of a second Application in such manner will be deemed a multiple Application and would be rejected. More than one ASBA Applicant may apply for Equity Shares using the same ASBA Account, provided that the SCSBs will not accept a total of more than five Application Forms with respect to any single ASBA Account.

Duplicate copies of Application Forms downloaded and printed from the website of the Stock Exchange bearing the same application number shall be treated as multiple applications and are liable to be rejected. The Company, in consultation with the Lead Managers reserves the right to reject, in its absolute discretion, all or any multiple applications in any or all categories. In this regard, the procedure which would be followed by the Registrar to the Issue to detect multiple applications is given below:

1. All Applications will be checked for common PAN. For Applicants other than Mutual Funds and FII sub-accounts, Applications bearing the same PAN will be treated as multiple Applications and will be rejected.
2. For Applications from Mutual Funds and FII sub-accounts, submitted under the same PAN, as well as Applications on behalf of the Applicants for whom submission of PAN is not mandatory such as the Central or State Government, an official liquidator or receiver appointed by a court and residents of Sikkim, the Application Forms will be checked for common DP ID and Client ID.

#### **PERMANENT ACCOUNT NUMBER OR PAN**

Pursuant to the circular MRD/DoP/Circ 05/2007 dated April 27, 2007, SEBI has mandated Permanent Account Number ("PAN") to be the sole identification number for all participants transacting in the securities market, irrespective of the amount of the transaction w.e.f. July 2, 2007. Each of the Applicants should mention his/her PAN allotted under the Income Tax Act, 1961. Applications without the PAN will be considered incomplete

and are liable to be rejected. It is to be specifically noted that Applicants should not submit the General Index Registration ("GIR") number instead of the PAN, as the Application is liable to be rejected on this ground.

**Our Company/ Registrar to the Issue/ Lead Managers can, however, accept the Application(s) in which PAN is wrongly entered into by ASBA SCSB's in the ASBA system, without any fault on the part of Applicant.**

### **Minimum Subscription**

The requirement for 90% minimum subscription is not applicable to Issues under chapter IX of the SEBI ICDR Regulations.

As per Section 39 (1) of the Companies Act, 2013, if the minimum stated 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 including devolvement of Underwriter, if any, our Company shall forthwith refund the entire subscription amount received. If there is a delay beyond eight (8) working days after our Company becomes liable to pay the amount, our Company and every officer in default will, on and from the expiry of this period, be jointly and severally liable to repay the money, with interest or other penalty as prescribed under the SEBI ICDR Regulations, the Companies Act 2013 and applicable law.

In accordance with Regulation 260 (1) of the SEBI ICDR Regulations, our Issue shall be hundred percent underwritten. Thus, the underwriting obligations shall be for the entire hundred percent of the Issue through the Prospectus and shall not be restricted to the minimum subscription level. Further, in accordance with Regulation 267 (2) of the SEBI ICDR Regulations, our Company shall ensure that the minimum application size shall not be less than ₹1,00,000 (Rupees One Lakh) per application.

### **RIGHT TO REJECT APPLICATIONS**

In case of QIB Applicants, the Company in consultation with the Lead Managers may reject Applications provided that the reasons for rejecting the same shall be provided to such Applicant in writing. In case of Non-Institutional Applicants, Retail Individual Applicants who applied, the Company has a right to reject Applications based on technical grounds.

### **GROUND FOR REJECTIONS**

Applicants are advised to note that Applications are liable to be rejected inter alia on the following technical grounds:

- Amount paid does not tally with the amount payable for the highest value of Equity Shares applied for;
- In case of partnership firms, Equity Shares may be registered in the names of the individual partners and no firm as such shall be entitled to apply;
- Application by persons not competent to contract under the Indian Contract Act, 1872 including minors, insane persons;
- PAN not mentioned in the Application Form;
- GIR number furnished instead of PAN;

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- Applications for lower number of Equity Shares than specified for that category of investors;
  - Applications at a price other than the Book Building Method Price of the Issue;
  - Applications for number of Equity Shares which are not in multiples of 600;
  - Category not ticked;
  - Multiple Applications as defined in the Prospectus;
  - ASBA Form by the Retail Individual Applicants by using third party bank accounts or using third party linked bank account UPI IDs;
  - In case of Application under power of attorney or by limited companies, corporate, trust etc., where relevant documents are not submitted;
  - Applications accompanied by Stock invest/ money order/ postal order/ cash;
  - Signature of sole Applicant is missing;
  - Application Forms are not delivered by the Applicant within the time prescribed as per the Application Forms, Issue Opening Date advertisement and the Prospectus and as per the instructions in the Prospectus and the Application Forms;
  - In case no corresponding record is available with the Depositories that matches three parameters namely, names of the Applicants (including the order of names of joint holders), the Depository Participant's identity (DP ID) and the beneficiary's account number;
  - Applications for amounts greater than the maximum permissible amounts prescribed by the regulations;
  - Applications by OCBs;
  - Applications by US persons other than in reliance on Regulations or "qualified institutional buyers" as defined in Rule 144A under the Securities Act;
  - Applications not duly signed;
  - Applications by any persons outside India if not in compliance with applicable foreign and Indian laws;
  - Applications by any person that do not comply with the securities laws of their respective jurisdictions are liable to be rejected;
  - Applications by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority;
  - Applications by persons who are not eligible to acquire Equity Shares of the Company in terms of all applicable laws, rules, regulations, guidelines, and approvals;
  - Applications or revisions thereof by QIB Applicants, Non-Institutional Applicants where the Application Amount is in excess of ₹ 2,00,000, received after 3.00 pm on the Issue Closing Date;
  - Applications not containing the details of Bank Account and/or Depositories Account.

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## **EQUITY SHARES IN DEMATERIALIZED FORM WITH NSDL OR CDSL**

To enable all shareholders of the Company to have their shareholding in electronic form, the Company had signed the following tripartite agreements with the Depositories and the Registrar and Share Transfer Agent:

- Tripartite agreement dated December 14, 2022 with NSDL, our Company and Registrar to the Issue;
- Tripartite agreement dated November 28, 2022 with CDSL, our Company and Registrar to the Issue;
- The Company's shares bear an ISIN: INE004601016.

## **BASIS OF ALLOTMENT**

Allotment will be made in consultation with BSE (The Designated Stock Exchange). In the event of over subscription, the allotment will be made on a proportionate basis in marketable lots as set forth here:

1. The total number of Shares to be allocated to each category as a whole shall be arrived at on a proportionate basis i.e., the total number of Shares applied for in that category multiplied by the inverse of the over subscription ratio (number of applicants in the category x number of Shares applied for).
2. The number of Shares to be allocated to the successful applicants will be arrived at on a proportionate basis in marketable lots (i.e., Total number of Shares applied for into the inverse of the over subscription ratio).
3. For applications where the proportionate allotment works out to less than 600 equity shares the allotment will be made as follows:
  - a) Each successful applicant shall be allotted 600 equity shares; and
  - b) The successful applicants out of the total applicants for that category shall be determined by the drawl of lots in such a manner that the total number of Shares allotted in that category is equal to the number of Shares worked out as per (2) above.
4. If the proportionate allotment to an applicant works out to a number that is not a multiple of 600 equity shares, the applicant would be allotted Shares by rounding off to the lower nearest multiple of 600 equity shares subject to a minimum allotment of 600 equity shares.
5. If the Shares allocated on a proportionate basis to any category is more than the Shares allotted to the applicants in that category, the balance available Shares for allocation shall be first adjusted against any category, where the allotted Shares are not sufficient for proportionate allotment to the successful applicants in that category, the balance Shares, if any, remaining after such adjustment will be added to the category comprising of applicants applying for the minimum number of Shares.
6. Since present issue is a Book Building Method issue, 1,26,000 Equity shares shall be reserved for Market Maker and 23,73,600 Equity shares (Net Issue) will be allocated on a proportionate basis to Qualified Institutional Buyers, Retail Individual Applicants and Non- Institutional Investors in terms of Regulation 253 of the SEBI (ICDR) Regulations, 2018 as follows:
  - a) 949200 equity shares shall be made available for allotment to Qualified Institutional Buyers including Mutual Funds
  - b) 9,97,200 equity Shares shall be made available for allotment to Retail Individual Investors; and

- c) The balance net issue of shares to the public i.e., 4,27,200 equity Shares shall be made available for allotment to Non-Institutional Investors, Corporate Bodies/ Institutions.
- d) The unsubscribed portion in either of the categories specified in (b) or (c) above may be allocated to the applicants in the other category.

Explanation: If the retails individual investor category is entitled to more than allocated portion on proportionate basis, the retails individual investors shall be allocated that higher percentage.

Our Company shall ensure that out of total allocated shares to the Category “Non-Institutional Investors, including Qualified Institution Buyers, Corporate Bodies/ Institutions”, at least 15% of net issue of shares to the public shall be allocated to Non-Institutional Investors and not more than 50% shall be allocated to Qualified Institution Buyers including allocation of 5% to Mutual Funds.

Please note that the Allotment to each Retail Individual Investor shall not be less than the minimum application lot, subject to availability of Equity Shares in the Retail portion. The remaining available Equity Shares, if any in Retail portion shall be allotted on a proportionate basis to Retail individual Investor in the manner in this para titled “*Basis of Allotment*” on page no. 104 of this Prospectus.

“Retail Individual Investor” means an investor who applies for shares of value of not more than ₹ 2,00,000. Investors may note that in case of over subscription allotment shall be on proportionate basis and will be finalized in consultation with the SME Platform of NSE.

#### **BASIS OF ALLOTMENT IN THE EVENT OF UNDER SUBSCRIPTION**

In the event of under subscription in the Issue, the obligations of the Underwriter shall get triggered in terms of the Underwriting Agreement. The Minimum subscription of 100% of the Issue size shall be achieved before our company proceeds to get the basis of allotment approved by the Designated Stock Exchange.

The Executive Director/Managing Director of the SME Platform of BSE – the Designated Stock Exchange in addition to Lead Managers and Registrar to the Public Issue shall be responsible to ensure that the basis of allotment is finalized in a fair and proper manner in accordance with the SEBI (ICDR) Regulations, 2018.

#### **Issuance of a Confirmation of Allocation Note (“CAN”) and Allotment in the Issue**

1. Upon approval of the basis of allotment by the Designated Stock Exchange, the Lead Managers or Registrar to the Issue shall send to the SCSBs a list of their Applicants who have been allocated Equity Shares in the Issue.
2. The Registrar will then dispatch a CAN to their Applicants who have been allocated Equity Shares in the Issue. The dispatch of a CAN shall be deemed a valid, binding and irrevocable contract for the Applicant.

#### **Communications**

All future communications in connection with Applications made in this Issue should be addressed to the Registrar 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 SCSB / Designated Intermediary, where the Application was submitted and bank account number in which the amount equivalent to the Application Amount was blocked.

Applicants 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 Allotment, credit of allotted shares in the respective beneficiary accounts, refund orders etc. In case of ASBA Applications submitted to the Designated Branches of the SCSBs, the Applicants can contact the Designated Branches of the SCSBs.

### **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”**

**Section 447 of the Companies Act, 2013, is reproduced as below:**

*Without prejudice to any liability including repayment of any debt under this Act or any other law for the time being in force, any person who is found to be guilty of fraud involving an amount of at least ten lakh rupees or one per cent. Of the turnover of the company, whichever is lower shall be punishable with imprisonment for a term which shall not be less than six months but which may extend to ten years and shall also be liable to fine which shall not be less than the amount involved in the fraud, but which may extend to three times the amount involved in the fraud:*

*Provided that where the fraud in question involves public interest, the term of imprisonment shall not be less than three years.*

*Provided further that where the fraud involves an amount less than ten lakh rupees or one per cent. of the turnover of the company, whichever is lower, and does not involve public interest, any person guilty of such fraud shall be punishable with imprisonment for a term which may extend to five years or with fine which may extend to twenty lakh rupees or with both.*

### **Names of entities responsible for finalising the basis of allotment in a fair and proper manner**

The authorised employees of the Stock Exchanges, 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.

### **Procedure and Time of Schedule for Allotment and Demat Credit**

Upon approval of the Basis of Allotment by the Designated Stock Exchange, the Registrar shall upload the same on its website. On the basis of the 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 Participant to accept the Equity Shares that may be allotted to them pursuant to the Issue.**

Pursuant to confirmation of such corporate actions, the Registrar will dispatch Allotment Advice to the Bidders who have been Allotted Equity Shares in the Issue.

Issuer will ensure that the Allotment of Equity Shares and corporate action for credit of shares to the successful Bidders Depository Account will be completed within 6 Working Days of the Issue Closing Date. The Issuer also ensures the credit of shares to the successful Bidder depository account is completed within one Working Day from the date of Allotment, after the funds are transferred from the Public Issue Account on the Designated Date.

#### **Method of allotment as may be prescribed by SEBI from time to time**

Our Company will not make any allotment in excess of the Equity Shares offered through the Issue through the offer document except in case of over subscription for the purpose of rounding off to make allotment, in consultation with the Designated Stock Exchange. Further, upon over subscription, an allotment of not more than 1% of the net Issue to public may be made for the purpose of making allotment in minimum lots.

The allotment of Equity Shares to applicants other than to the Retail Individual Investors shall be on a proportionate basis within the respective investor categories and the number of securities allotted shall be rounded off to the nearest integer, subject to minimum allotment being equal to the minimum application size as determined and disclosed.

The allotment of Equity Shares to each Retail Individual Investor shall not be less than the minimum bid lot, subject to the availability of shares in Retail Individual Investor category, and the remaining available shares, if any, shall be allotted on a proportionate basis.

#### **Letters of Allotment or Refund Orders or Instructions to the SCSBs**

The Registrar to the Issue shall give instructions for credit to the beneficiary account with depository participants within 6 Working Days from the Bid/ Issue Closing Date. the Registrar shall instruct the relevant SCSBs to, on the receipt of such instructions from the Registrar, unblock the funds in the relevant ASBA Account to the extent of the Bid Amount specified in the Bid cum Application Form or the relevant part thereof, for withdrawn, rejected or unsuccessful or partially successful ASBA Bids within 6 Working Days of the Bid/ Issue Closing Date.

#### **Mode of Refund**

Within 6 Working Days of the Bid/ Issue Closing Date, the Registrar to the Issue may give instructions to SCSBs for unblocking the amount in ASBA Account on unsuccessful Bid and also for any excess amount blocked on Bidding.

#### **Interest in Case of Delay in Allotment or Refund**

The Issuer shall allot the equity shares offered to the public within the period prescribed by the Board. The Issuer may pay interest at the rate of 15% per annum in case demat credits are not made to Bidders or instructions for unblocking of funds in the ASBA Account are not dispatched within the 6 Working days of the Bid/ Issue Closing Date.

#### **Undertaking by our Company**

We undertake the following:

- 1) If our Company does not proceed with the Issue after the 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 Issue Closing Date. The public notice shall be issued in the same newspapers where the Pre-Issue

advertisements were published. The stock exchanges on which the Equity Shares are proposed to be listed shall also be informed promptly;

- 2) If our Company withdraw the Issue after the Issue Closing Date, our Company shall be required to file a fresh offer document with the RoC/SEBI, in the event our Company subsequently decides to proceed with the Issue;
- 3) The complaints received in respect of the Issue shall be attended to by our Company expeditiously and satisfactorily;
- 4) All steps for completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges where the Equity Shares are proposed to be listed are taken within six Working Days of the Issue Closing Date;
- 5) Where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within 15 days from the Issue Closing Date, or such time period as specified by SEBI, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;
- 6) The funds required for making refunds to unsuccessful applicants as per the mode(s) disclosed shall be made available to the Registrar and Share Transfer Agent to the Issue by our Company;
- 7) 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;
- 8) The certificates of the securities/refund orders to Eligible NRIs shall be dispatched within specified time;
- 9) No further Issue of Equity Shares shall be made till the Equity Shares offered through this Issue Document are listed or until the Application monies are refunded on account of non-listing, under-subscription etc;
- 10) Adequate arrangements shall be made to collect all Application Forms.

### **Undertaking by Selling Shareholder**

Only statements and undertakings which are specifically “confirmed” or “undertaken” by the Selling Shareholder in this Prospectus shall be deemed to be “statements and undertakings made by the Selling Shareholder”. All other statements and/ or undertakings in this Prospectus shall be statements and undertakings made by our Company even if the same relates to the Selling Shareholder. The Selling Shareholder severally and not jointly, specifically confirms and undertakes the following in respect of itself and the Equity Shares being offered by it pursuant to the Offer for Sale:

- 1) The portion of the offered Shares shall be transferred in the offer free and clear of any pre-emptive rights, liens, mortgages, charges, pledges, trusts or any other encumbrance or transfer restrictions, both present and future, in a manner prescribed under Applicable Law in relation to the Issue, and without any objection by it and in accordance with the instructions of the Registrar to the Issue.
- 2) The portion of the offered Shares have been held by such Selling Shareholder for a minimum period of one year prior to the date of filing this Prospectus.
- 3) It is the Legal and Beneficial owner and has full title of its respective portion of the offered Shares.

- 4) That it shall provide all reasonable co-operation as requested by our Company and the BRLM in relation to the completion of the Allotment and dispatch of the Allotment Advice and CAN, if required, and refund orders (as applicable) to the requisite extent of its respective portion of the offered Shares.
- 5) It will not have recourse to the proceeds of the Offer for Sale, until approval for final listing and trading of the Equity Shares is received from the Stock Exchanges.
- 6) It will deposit its respective portion of the offered Shares in an escrow account opened with the Share Escrow Agent prior to filing of the Prospectus with the RoC.
- 7) It shall not offer any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise, to any person for making an Application in the Issue, and shall not make any payment, whether direct or indirect, whether in the nature of discounts, commission, allowance or otherwise, to any person who makes an application in the Issue.
- 8) That it will provide such reasonable support and extend such reasonable cooperation as may be required by our Company and the BRLM in redressal of such investor grievances that pertain to the Equity Shares held by it and being offered pursuant to the Issue, except as permitted under applicable law.
- 9) The Selling Shareholder has authorized the Company Secretary and Compliance Officer of our Company and the Registrar to the Issue to redress any complaints received from Applicants in respect of the Offer for Sale.

#### **Utilization of Issue Proceeds**

The Board of Directors of our Company certifies that:

- 1) All monies received out of the Issue shall be credited/ transferred to a separate bank account other than the bank account referred to in sub section (3) of Section 40 of the Companies Act, 2013;
- 2) Details of all monies utilized out of the Issue shall be disclosed under an appropriate head in our balance sheet indicating the purpose for which such monies have been utilized under an appropriate separate head in the balance sheet of our Company indicating the purpose for which such monies have been utilised;
- 3) Details of all unutilized monies out of the Issue, if any shall be disclosed under the appropriate head in the balance sheet indicating the form in which such unutilized monies have been invested and
- 4) Our Company shall comply with the requirements of the SEBI (Listing Obligations and Disclosures Requirements) 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.

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## RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and FEMA. While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Under the Industrial Policy, unless specifically restricted, foreign investment is freely permitted in all sectors of Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. The government bodies responsible for granting foreign investment approvals are FIPB and the RBI.

The Government has from time to time made policy pronouncements on FDI through press notes and press releases. The Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India ("DIPP"), issued the Consolidated FDI Policy Circular of 2017 ("FDI Policy") with effect from August 28 2017, consolidates and supersedes all previous press notes, press releases and clarifications on FDI issued by the DIPP that were in force and effect as on August 28, 2017. The Government proposes to update the consolidated circular on FDI Policy once every year and therefore, the Consolidation FDI Policy will be valid until the DIPP issues an updated circular.

The transfer of shares by an Indian resident to a Non-Resident does not require the prior approval of the FIPB or the RBI, provided that (i) the activities of the investee Company are under the automatic route under the Consolidated FDI Policy and transfer does not attract the provisions of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; (ii) the non-resident shareholding is within the sectoral limits under the Consolidated FDI Policy; and (iii) the pricing is in accordance with the guidelines prescribed by SEBI/RBI.

### Foreign Exchange Laws

The foreign investment in our Company is governed by, inter alia, the FEMA, as amended, the Foreign Exchange Management (Transfer or Issue of Securities by a Person Resident Outside India) Regulations, 2017 as amended, the FDI Policy issued and amended by way of press notes, and the SEBI FPI Regulations. In terms of the FDI Policy, foreign investment is permitted (except in the prohibited sectors) in Indian companies either through the automatic route or the Government route, depending upon the sector in which the foreign investment is sought to be made. In terms of the FDI Policy, the work of granting government approval for foreign investment under the FDI Policy and FEMA has now been entrusted to the concerned administrative ministries/departments.

RBI has also issued Master Direction on Foreign Investment in India dated January 4, 2018 (updated until March 8, 2019) ("Master Directions"). In terms of the Master Directions, an Indian company may issue fresh shares to persons resident outside India (who are eligible to make investments in India, for which the eligibility criteria are as prescribed).

**The Equity Shares Issued in the Issue have not been and will not be registered under the Securities Act, and may not be Issued or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable U.S. state securities laws. Accordingly, the Equity Shares are being offered and sold (i) within the United States to persons reasonably believed to be "qualified institutional investors" (as defined in Rule 144A under the Securities Act) pursuant to Rule 144A under the Securities Act or other applicable exemption under the Securities Act and (ii) outside the United States in offshore transactions in reliance on Regulations under the Securities Act and the applicable laws of the jurisdictions where such offers and sales occur.**

**The above information is given for the benefit of the Applicants. Our Company and the LM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after**

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the date of this Prospectus. Applicants are advised to make their independent investigations and ensure that the Applications are not in violation of laws or regulations applicable to them.

**Revised Policy for Investment by Non-Resident Entities in India amid current COVID-19 Pandemic Conditions:**

In order to curb opportunistic takeover / acquisition of Indian Companies due to current COVID-19 pandemic conditions, the Government of India has vide Press Note No. 3(2020 Series) have amended the extant FDI Policy, 2017 according to which a non-resident entity can invest in India, subject to the FDI Policy except in those sectors/activities which are prohibited. However, an entity 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, can invest only under the Government route. Further In the event of the transfer of ownership of any existing or future FDI in an entity in India, directly or indirectly, resulting in the beneficial ownership falling within the restriction/purview as mentioned herein, such subsequent change in beneficial ownership will also require Government approval.

## SECTION XI

### MAIN PROVISIONS OF ARTICLES OF ASSOCIATION

#### ARTICLES OF ASSOCIATION Of SEALMATIC INDIA LIMITED

COMPANY LIMITED BY SHARES  
(Incorporated under the Companies Act, 1956)

The following regulations comprised in the Articles of Association were adopted pursuant to the member's resolution passed at the Extra Ordinary General Meeting held on December 21, 2022. In substitution for, and to the entire exclusion of, the earlier regulation comprised in the extant Articles of Association of the Company.

		<b>PRELIMINARY</b>	
1	a)	The Regulations contained in 'Table F' in the First Schedule to the Companies Act, 2013 shall not apply to the company except in so far as they are embodied in the following Articles, which shall be the regulations for the Management of the company.	
	b)	The regulations for the management of the Company and for the observance by the members thereto and their representatives, shall, subject to any exercise of the statutory powers of the Company with reference to the deletion or alteration of or addition to its regulations by resolution as prescribed or permitted by the Companies Act, 2013, be such as are contained in these Articles.	
		<b>INTERPRETATION</b>	
2	(i)	in these Articles:	
	a)	"Act" means the Companies Act, 2013 and the Rules made there under or any statutory modification or re-enactment thereof for the time being in force and the term shall be deemed to refer to the applicable section thereof which is relatable to the relevant Article in which the said term appears in these Articles and any previous company law, so far as may be applicable.	<i>Act</i>
	b)	"Articles" means these Articles of Association of the Company or as altered from time to time.	<i>Articles</i>
	c)	"Board" or "Board of Directors" means the Board of Directors of the Company or the Directors of the Company collectively. The Board of Directors shall include committees of the Board made thereon.	<i>Board of Directors or Board</i>
	d)	"Beneficial Owner" shall mean beneficial owner of the Shares or Debentures, whose name is recorded as such with a Depository.	<i>Beneficial Owner</i>
	e)	"By- Laws" means bye-laws made by a Depository the Depository Act, 1996.	<i>Bye Laws</i>
	f)	"Company" means the Company above named.	<i>Company</i>
	g)	"Depositories Act, 1996" shall also include any statutory modification or enactment thereof.	<i>Depositories Act, 1996</i>
	h)	"Depository" shall mean a company formed and registered under the Companies Act, 1956 and the Act, 2013 which has been granted a certificate of registration to act as a depository under the Securities & Exchanges Board of India Act, 1992.	<i>Depository</i>

	i)	"Document" includes summons, notice, requisition, order, declaration, form and register, whether issued, sent or kept in pursuance of this Act or under any other law for the time being in force or otherwise, maintained on paper or electronic form	<i>Document</i>
	j)	"Executor" or "Administrator" means a person who has obtained probate or Letters of Administration, as the case may be, from a competent court, and shall include the holder of a succession Certificate authorizing the holder thereof to negotiate or transfer the share or shares of the deceased members, and shall also include the holder of a certificate granted by the Administrator General of any State in India.	<i>Executor or Administrator</i>
	k)	"Global Depository Receipt" means any instrument in the form of a depository receipt, by whatever name called, created by a foreign depository outside India and authorized by a company making an issue of such depository receipts.	<i>Global Depository Receipt</i>
	l)	"Indian Depository Receipt" means any instrument in the form of a depository receipt created by a domestic depository in India and authorized by a company incorporated outside India making an issue of such depository receipts.	<i>Indian Depository Receipt</i>
	m)	"Legal Representative" means a person who in law represent the estate of a deceased Member.	<i>Legal Representative</i>
	n)	"Office" means the Registered Office for the time being of the Company.	<i>Office</i>
	o)	"Shareholder(s)" or "Member(s)" means;	<i>Shareholder or Member</i>
	-	the subscriber to the memorandum of the company who shall be deemed to have agreed to become member of the company, and on its registration, shall be entered as member in its register of members;	
	-	Every other person who agrees in writing to become a member of the company and whose name is entered in the register of members of the company.	
	-	every person holding shares of the company and whose name is entered as a beneficial owner in the records of a depository.	
	p)	"In Writing" or "Written" means and includes words printed, lithographed, represented or reproduced in any mode in a visible form.	<i>"In Writing" or "Written"</i>
	q)	Word importing the masculine gender shall include the feminine gender and vice-versa	<i>Gender</i>
	r)	"Rules" means the applicable rules for the time being in force as prescribed under relevant sections of the Act	<i>Rules</i>
	s)	Word importing the singular number include where the context admits or requires the plural number and vice versa	<i>Singular number</i>
	(II)	Unless the context otherwise requires, words or expressions contained in these Articles shall bear the same meaning as in the Act as the case may be.	<i>Expressions in the Articles to bear the same meaning in the Act</i>
	(III)	The Company Shall, on being so required by a Member, send to him within seven days of the requirement and subject to the payment of a fees of ₹. 100/- or such other fee as may be specified in the Rules for each copy of the documents specified in the Act.	<i>Copies of the Memorandum and Articles to be furnished</i>

		<b>PUBLIC COMPANY</b>	
		<p>The company is a Public Company within the meaning of section 2(71) of the Companies Act, 2013.</p> <p>“Public company” means a company which –</p> <p>a) Is not a Private Company</p> <p>Provided that a company which is a subsidiary of a company, not being a private company, shall be deemed to be public company for the purposes of this Act even where such subsidiary company continues to be a private company in its articles;</p>	
		<b>SHARE CAPITAL AND VARIATION OF RIGHTS</b>	
3	a)	The Authorized Share Capital of the Company is as stated in the Memorandum of Association of the Company. Further, Subject to the provisions of the Act, the Company may, by an ordinary resolution:	<i>Authorized Capital</i>
	-	Increase the share capital by such sum, to be divided into shares of such amount as it thinks expedient.	
	-	Consolidate and divide all or any of its share capital into shares or larger amount than its existing shares; provided that any consolidation or division which results in changes in the voting percentage of the members shall require applicable approval under the Act.	
	-	Convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination.	
	-	Sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the Memorandum of Association.	
	-	Cancel any shares which, at the date of passing of the resolution, have not been taken or agreed to be taken by any person.	
	b)	Except in so far as otherwise provided by the conditions of issue or by these Articles, any capital raised by the creation of new shares, shall be considered as part of the existing capital and shall be subject to the provisions herein contained with reference to the payment of calls and instalments, forfeiture, lien, surrender, transfer and transmission, voting and otherwise.	<i>New capital same as existing Capital</i>
4		Subject to the provision of the Act and these Articles, the shares in the capital (including any shares forming part of any increased capital) of the Company shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such term and conditions and either at a premium or at par and at such time as they may from time to time think fit	<i>Share under control of Directors</i>
5		The Company may issue Global Depository receipts in any foreign country in accordance with these Articles, the Act, the Rules and other applicable laws after passing a special resolution in its general meeting.	<i>Global Depository Receipt</i>
6		Subject to the provisions of the Act and these Articles, the Board may issue and allot shares in the capital of the Company on payment or part payment for any property or assets of any kind whatsoever sold or transferred, goods or machinery supplied or for services rendered to the Company in the conduct of its business and any shares which may be so allotted or issued as fully paid-up	<i>Directors may allot shares otherwise than in cash</i>

		or partly paid-up otherwise than for cash, and if so issued, shall be deemed to be fully paid-up or partly paid-up, as the case may be	
7		The Company may issue following kinds of shares in accordance with these Articles, the Act, the Rules and other applicable laws:	<b><i>Kinds of Shares Capital</i></b>
		Equity Share Capital:	
		(a) with voting rights; and/ or	
		(b) with differential rights as to dividend, voting or otherwise in accordance with the Rules; and	
		Preference share Capital	
8	a)	Every person whose name is entered as a member in the register of members shall be entitled to receive within two months after incorporation, in case of subscribers to the memorandum or after allotment or within one month from the date of receipt by the Company of the application for the registration of transfer or transmission or within such other period as the conditions of issue shall be provided:	<b><i>Issue of Share Certificate</i></b>
		i. one certificate for all his shares without payment of any charges: or	
		ii. Several certificates, each for one or more of his shares, upon payment of twenty rupees or such charges as may be fixed by the Board for each certificate after the first.	
		Provided that notwithstanding what is stated herein above the Board of Directors shall comply with such Rules or Regulation or requirements of Securities Exchange Board of India, any Stock Exchange, where the Companies securities are listed or the Rules made under the Act or the rules made under Securities Contracts (Regulation) Act, 1956 or any other Act, or rules applicable in this behalf.	
	b)	Every certificate shall be issued in under the seal and shall specify the shares to which it relates and the amount paid-up thereon.	<b><i>Certificate to bear seal</i></b>
	c)	In respect of any shares or shares held jointly by several persons, the company shall not be bound to issue more than one certificate, and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all such holders.	<b><i>One certificate for shares held jointly</i></b>
9	a)	A member holding shares shall have the option either to receive certificate for such shares or hold such shares in a dematerialized state with a depository. Where a person opts to hold any share with the depository, the company shall intimate such depository the details of allotment of the share to enable the depository to enter in its records the name of such person as the beneficial owner of that shares.	<b><i>option to receive share certificate or hold shares with depository</i></b>
	b)	Notwithstanding anything contained in these Articles, the Company shall be entitled to dematerialize its shares, debentures and other securities and to offer any shares, debentures or other securities proposed to be issued by it for subscription in a dematerialized form and on the same being done, the Company shall further be entitled to maintain a Register of Members/	<b><i>Company entitled to dematerialize its shares, debentures and other securities</i></b>

		Debenture holders/ other Security holders with the details of members/ debenture holders/ other security holders holding shares, debentures or other securities both in materialized and dematerialized form in any media as permitted by the Act.	
	c)	Every person subscribing to or holding securities of the Company shall have the option to receive security certificates or to hold the securities in electronic form with a Depository. If a person opts to hold his security with a Depository, the Company shall intimate such Depository the details of allotment of the security, and on receipt of the information, the Depository shall enter in its records the name of the allotted as the Beneficial Owner of the Security.	<i>Option to hold Shares in electronic or physical form</i>
	d)	Save as herein otherwise provided, the Company shall be entitled to treat the person whose name appears as the beneficial owner of the shares, debentures and other securities in the records of the Depository as the absolute owner thereof as regards receipt of dividend or bonus shares, interest/ premium on debentures and other securities and repayment thereof or for service of notices and all or any other matters connected with the Company and accordingly the Company shall not (except as ordered by the Court of competent jurisdiction or as by law required and except as aforesaid) be bound to recognize any benami trust or equity or equitable, contingent or other claim to or interest in such shares, debentures or other securities as the case may be, on the part of any other person whether or not it shall have express or implied notice thereof.	<i>Beneficial owner deemed as absolute owner</i>
	e)	In the case of transfer of shares, debentures or other securities where the Company has not issued any certificates and where such shares, debentures or other securities are being held in an electronic and fungible form, the provisions of the Depositories Act, shall apply.	<i>Shares, debentures and other securities held in electronic form</i>
	f)	Every Depository shall furnish to the Company, information about the transfer of securities in the name of the Beneficial Owner at such intervals and in such manner as may be specified by the bye-laws of the Depository and the Company in that behalf.	<i>information about transfer of securities</i>
	g)	Except as specifically provided in these Articles, the provisions relating to joint holders of shares, calls, lien on shares, forfeiture of shares and transfer and transmission of shares shall be applicable to shares held in electronic form so far as they apply to shares in physical form subject however to the provisions of the Depositories Act.	<i>Provisions to apply to shares in electronic form</i>
10	a)	If any share certificate be worn out, defaced, mutilated or torn or if there be no further space on the back for endorsement of transfer, then upon production and surrender thereof to the Company, a new certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the Company and on execution of such indemnity as the Board deems adequate, a new certificate in lieu thereof shall be given. Every certificate under this Article shall be issued on payment of	<i>Issue of new certificate in place of one defaced lost or destroyed</i>

		twenty rupees fees for each Certificate or such other fees as may be fixed by the Board.	
	b)	The company may issue new share certificates pursuant to consolidation or sub-division of share certificate(s) upon written request received from shareholder together with production and surrender of respective original share certificate(s). Every certificate under this Article shall be issued on payment of twenty rupees for each certificate.	<i>Issue of new certificate in case of consolidation or sub-division</i>
	c)	Any debentures, debenture-stock or other securities may be issued subject to the provisions of the Act and these Articles, at a discount, premium or otherwise and may be issued with an option that they shall be convertible into shares of any denomination and with any special privileges and conditions as to redemption, surrender, drawing, allotment of shares, attending (but not voting) at the general meeting and otherwise. Debentures with the right to conversion into or allotment of shares shall be issued only with the consent of the Company in the general meeting by way of a special resolution.	<i>Terms of issue of debentures</i>
		Further the Company shall have power to reissue redeemed debentures in certain case in accordance with the provisions of Act,	
11		The Provisions of the foregoing Articles relating to issue of certificates shall mutatis mutandis apply to issue of certificates for any other securities including debentures (except where the Act otherwise requires) of the Company.	<i>Provisions as to issue of certificates to apply mutatis mutandis to debentures, etc.</i>
12		Except as required by law, no person shall be recognized by the Company as holding any share upon any trust, and the Company shall not be bound by, or be compelled in any way to recognize (even when having notice thereof) any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a shares, or (except only as by these regulations or by law otherwise provided) any other rights in respect of any share except as absolute right to the entirely thereof in the registered holder.	<i>Company is not bound to recognize any interest in share other than of registered holder</i>
13	a)	The Company may exercise the powers of paying commissions conferred by the Act, to any person in connection with the subscription to its securities, provided that the rate per cent or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by the Act and the Rules,	<i>Power to pay commission in connection with securities issued</i>
	b)	The rate or amount of commission shall not exceed the rate or amount prescribed in the Act.	<i>Rate of commission in accordance with Rules</i>
	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.	<i>Mode of payment of commission</i>

14	a)	if at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of the Act, and whether or not the Company is being wound up, be varied with the consent in writing, of such number of the holders of the issued shares of that class, or with the sanction of a resolution passed at a separate meeting of the holders of the shares of that class, as prescribed by the Act.	<i>Variation of members' rights</i>
	b)	To every such separate meeting, the provisions of these Articles relating to general meetings shall mutatis mutandis apply.	<i>Provisions as to general meetings to apply mutatis mutandis to each meeting</i>
15		The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking Pari-passu therewith.	<i>Issue of further shares not to affect rights of existing members</i>
16		Subject to provisions of the Act the Board shall have the power to issue or re-issue preference shares of one or more classes which are liable to be redeemed, or converted to equity shares, on such terms and conditions and in such manner as determined by the Board in accordance with the Act.	<i>Power to issue redeemable preference shares</i>
17	a)	The Board or the Company, as the case may be, may in accordance with the Act issue further shares to:	<i>Further issue of share capital</i>
	-	persons who, at the date of offer, are holders of equity shares of the Company; such offer shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to him or any of them in favour of any other person; or	
	-	employees under any scheme of employees' stock option; or	
	-	any persons, whether or not those persons include the persons referred to in clause (i) or clause (ii) above.	
	b)	A further issue of shares may be made in any manner whatsoever as the Board may determine including by way of preferential offer or private placement, subject to and in accordance with the Act and the Rules.	<i>Mode of further issue of shares</i>
		<b>LIEN</b>	
18	a)	The Company shall have a first and paramount lien;	<i>Company's lien on shares</i>
		on every share (not being a fully paid share), for all monies (whether presently payable or not) called, or payable at a fixed time, in respect of that share; and	
		on all shares (not being fully paid shares) standing registered in the name of a single member, for all monies presently payable by him or his estate to the company; The fully paid shares shall be free from all lien and that in the case of partly paid shares the Company's lien shall be restricted to monies called or payable at a fixed time in respect of such shares.	
	-	monies called or payable at a fixed time in respect of such shares.	
		Provided that the Board may at any time declare any share to be wholly or in part exempt from the provisions of this clause.	

	b)	The Company's lien, if any, on a share shall extend to all dividends or interest, as the case may be, payable and bonuses declared from time to time in respect of such shares for any money owing to the Company.	<i>Lien to extend to dividends, etc.</i>
	c)	Unless otherwise agreed by the Board, the registration of a transfer of shares shall operate as a waiver of the Company's lien.	<i>Waiver of lien in case of registration</i>
19		The Company may sell, in such manner as the Board thinks fit, any shares on which the Company has a lien:	
		Provided that no sale shall be made:	
	-	unless a sum in respect of which the lien exists is presently payable; or	
	-	until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share or to the person entitled thereto by reason of his death or insolvency or otherwise.	
20	a)	To give effect to any such sale, the Board may authorize some person to transfer the shares sold to the purchaser thereof.	<i>Validity of sale</i>
	b)	The purchaser shall be registered as the holder of the shares comprised in any such transfer.	<i>purchaser to be registered holder</i>
	c)	The receipt of the Company for the consideration (if any) given for the share on the sale thereof shall (subject, if necessary, to execution of an instrument of transfer or a transfer by relevant system, as the case may be) constitute a good title to the share and the purchaser shall be registered as the holder of the share.	<i>Validity of Company's receipt</i>
	d)	The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings with reference to the sale.	<i>Purchaser not affected</i>
21	a)	The proceeds of the sale shall be received by the company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable.	<i>Application of proceeds of sale</i>
	b)	The residue, if any, shall, subject to a like lien for sums not presently payable as existed as existed upon the shares before the sale, be paid to the person entitled to the shares at the date of the sale.	<i>Payment of residual money</i>
	c)	in exercising its lien, the Company shall be entitled to treat the registered holder of any share as the absolute owner thereof and accordingly shall not (except as ordered by a court of competent jurisdiction or unless required by any statute) be bound to recognize any equitable or other claim to, or interest in, such share on the part of any other person, whether a creditor of the registered holder or otherwise. The company's lien shall prevail notwithstanding that it has received notice of any such claim.	<i>Outsider's lien not to affect Company's lien</i>
22		The provisions of these Articles relating to lien shall mutatis mutandis apply to any other securities including debentures of the Company.	<i>Provisions as to lien to apply mutatis mutandis to debentures, etc.</i>
<b>CALLS ON SHARES</b>			

23	a)	The Board may, from time to time, make calls upon the members in respect of any monies unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times.	<i>Board may make calls</i>
		Provided that no calls shall exceed one- fourth of the nominal value of the share or be payable at less than one month from the date fixed for the payment of the last preceding call.	
	b)	Each member shall, subject to receiving at least fourteen days' notice specifying the time or times and place of payment, pay to the Company, at the time or times and place so specified, the amount called on his shares.	<i>Notice of call</i>
	c)	The Board may, from time to time, at its discretion, extend the time fixed for the payment of any call in respect of one or more members as the Board may deem appropriate in any circumstances.	<i>Board may extend time for payment</i>
	d)	A call may be revoked or postponed at the discretion of the board	<i>Revocation or postponement of call</i>
	e)	The option or right to make call on shares shall not be given to any person except with the sanction of the Company in General Meetings. That is, it may delegate power to make calls on shares subject to approval of the shareholder in a general meeting of the company.	<i>Right to call</i>
	f)	A call shall be deemed to have been made at the time when the resolution of the Board authorizing the call was passed and may be required to be paid by instalment	<i>Call to take effect from date of Resolution</i>
	g)	The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.	<i>Liability of joint holders of shares</i>
24	a)	If a sum called in respect of a share is not paid before or on the day appointed for payment thereof (the "due date"), the person from whom the sum is due shall pay interest thereon from the due date to the time of actual payment at ten per cent per annum or at such higher rate, as may be fixed by the Board.	<i>When interest on call or instalment payable</i>
	b)	The Board shall be at liberty to waive payment of any such interest wholly or in part	<i>Board may waive interest</i>
25	a)	Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall, for the purpose of these Articles, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable.	<i>Sums deemed to be calls</i>
	b)	In case of non-payment of such sum, all the relevant provisions of these Articles as to payment of interest and expenses, forfeiture of otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.	<i>Effect of non-payment of sums</i>
26	a)	The Board may, if it thinks fit-	<i>Payment in anticipation of calls may carry interest</i>
	-	receive from any member willing to advance the same, all or any part of the monies uncalled and unpaid upon any shares held by him; and	

	-	upon all or any of the monies so advanced, may (until the same would, but for such advance, become presently payable) pay interest at such rate not exceeding, unless the company in general meeting shall otherwise direct, twelve per cent. per annum, as may be agreed upon between the Board and the member paying the sum in advance but shall not confer a right to dividend or to participate in profits.	
		Noting contained in this clause shall confer on the member;	
	-	any right to participate in profits or dividends; or	
	-	any voting rights in respect of the moneys so paid by him until the same would, but for such payment, become presently payable by him.	
	b)	if by the conditions of allotment of any shares, the whole or part of the amount of issue price thereof shall be payable by instalments, then every such instalment shall, when due, be paid to the company by the person who, for the time being and from time to time, is or shall be the registered holder of the share or the legal representative of a deceased registered holder.	<i>Instalments on shares to be duly paid</i>
27		All calls shall be made on a uniform basis on all shares falling under the same class.	<i>Calls on shares of same class to be on uniform basis</i>
		Explanation: Shares of the same nominal values on which different amounts have been paid-up shall not be deemed to fall under the same class.	
28		Neither a judgment nor a decree in favour of the Company for calls or other moneys due in respect of any shares nor any part payment or satisfaction thereof nor the receipt by the Company of a portion of any money which shall from time to time be due from any member in respect of any shares either by way of principal or interest nor any indulgence granted by the Company in respect of payment of any such money shall preclude the forfeiture of such shares as herein provided.	<i>Partial payment not to preclude forfeiture</i>
29		On the trial or hearing of any action or suit brought by the Company against any member or his legal representatives to recover any moneys claimed to be due to the Company for any call or other sum in respect of his shares, it shall be sufficient to prove that the name of the member in respect of whose shares the money is sought to be recovered, appears entered on the Register of Members as the holder, or one of the holders, at or subsequent to the date at which the money sought to be recovered is alleged to have become due, on the shares in respect of which such money is sought to be recovered, and that the amount claimed is not entered as paid in the books of the Company or the Register of Members and that the resolution making the call is duly recorded in the minute book, and that notice of such call was duly given to the member or his legal representatives sued in pursuance of these presents; and it shall not be necessary to prove the appointment of the Directors who made such call, not that a quorum of Directors was present at the meeting of the Board at which such call was made, nor that the meeting at which such call was made duly convened or constituted, nor any other matter whatsoever, but the proof of the matters aforesaid shall be conclusive or evidence of	<i>Proof on trial on suit on money on shares</i>

		the debts, and the same shall be recovered by the Company against the member or his representatives from whom the same is sought to be recovered unless it shall be proved, on behalf of such member or his representatives against the Company that the name of such member was improperly inserted in the register, on that the money sought to be recovered has actually been paid.	
30		The provisions of these Articles relating to calls shall mutatis mutandis apply to any other securities including debentures of the Company.	<i>Provisions as to calls to apply mutatis mutandis to debentures, etc.</i>
		<b>FORFEITURE OF SHARES</b>	
31		If a member fail to pay any call, or instalment of a call or any money due in respect of any share, on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or instalment remains unpaid or a judgment or decree in respect thereof remains unsatisfied in whole or in part, serve a notice on him requesting a payment of so much of the call or instalment or other money as is unpaid, together with any interest which may have accrued and all expenses that may have been incurred by the Company by reason of non-payment	<i>if call or instalment not paid notice must be given</i>
32		The notice aforesaid shall	<i>Form of Notice</i>
	-	name a further day (not being earlier than the expiry of fourteen days from the date of service of the notice) on or before which the payment required by the notice is to be made, and	
	-	state that, in the event of non-payment on or before the day so named, the shares in respect of which the call was made shall be liable to be forfeited.	
33		If the requirement of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may, at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect.	<i>In default of payment of shares to be forfeited</i>
34		Neither the receipt by the Company for a portion of any money which may from time to time be due from any member in respect of his shares, nor any indulgence that may be granted by the Company in respect of payment of any such money, shall preclude the Company from thereafter proceeding to enforce a forfeiture in respect of such shares as herein provided. Such forfeiture shall include all dividends declared or any other moneys payable in respect of the forfeited shares and not actually paid before the forfeiture.	<i>Receipt of part amount or grant of indulgence not to affect forfeiture</i>
35		When any share shall have been so forfeited, notice of the forfeiture shall be given to the defaulting member and an entry of the forfeiture with the date thereof, shall forthwith be made in the register of members but no forfeiture shall be invalidated by any omission or neglect or any failure to give such notice or make such entry as aforesaid.	<i>Entry of forfeiture in register of members</i>
36		The forfeiture of a share shall involve extinction at the time of forfeiture, of all interest in and all claims and demands against the Company, in respect of the share and all other rights incidental to the share.	<i>Effect of forfeiture</i>

37	a)	A forfeited share may be sold or otherwise disposed on such terms and in such manner as the Board thinks fit.	<i>Forfeited shares may be sold, etc.</i>
	b)	At any time before a sale, re-allotment or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.	
38	a)	A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall, notwithstanding the forfeiture, remain liable to pay, and shall pay, to the company all monies which, at the date of forfeiture, were presently payable by him to the Company in respect of the shares.	<i>Members still liable to pay money owing at the time of forfeiture</i>
	b)	All such monies payable shall be paid together with interest thereon at such rate as the board may determine, from the time of forfeiture until payment or realization. The Board may, if it thinks fit, but without being under any obligation to do so, enforce the payment of the whole or any portion of the monies due, without any allowance for the value of the shares at the time of forfeiture or waiver payment in whole or in part.	<i>Member still liable to pay money owing at time of forfeiture and interest</i>
	c)	The Liability of such person shall cease if and when the Company shall have received payment in full of all such monies in respect of the shares.	<i>Cease of liability</i>
39	a)	A duly verified declaration in writing that the declarant is a director, the manager or the secretary of the company, and that a share in the company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the shares.	<i>Certificate of forfeiture</i>
	b)	The Company may receive the consideration, if any, given for the share on any sale, re-allotment or disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of:	<i>Title of purchaser and transferee of forfeited shares</i>
	c)	The transferee shall thereupon be registered as the holder of the share.	<i>Transferee to be registered as holder</i>
	d)	The transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale, re-allotment or disposal of the share.	<i>Transferee not affected</i>
40		Upon any sale after forfeiture or for enforcing a lien in exercise of the powers hereinabove given, the Board may, if necessary, appoint some person to execute an instrument for transfer of the shares sold and cause the purchaser's name to be entered in the register of members in respect of the shares sold and after his name has been entered in the register of members in respect of such shares the validity of the sale shall not be impeached by any person.	<i>Validity of sales</i>
41		Upon any sale, re-allotment or other disposal under the provisions of the proceeding Articles, the certificate(s), if any, originally issued in respect of the relative shares shall (unless the same shall on demand by the Company has been previously surrendered to it by the defaulting member) stand cancelled and become null and void and be of no effect, and the Board shall be entitled to issue a duplicate certificate(s) in respect of the said shares to the person(s).	<i>Cancellation of share certificate in respect of forfeited shares</i>

42		The Board may, subject to the provisions of the Act, accept a surrender of any share from or by any member desirous of surrounding those on such terms as they think fit.	<i>Surrender of share certificates</i>
43		The provisions of these Articles as to forfeiture shall apply in the case of non-payment of any sum which, by the terms of issue of a share, becomes payable at fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.	<i>Sums deemed to be calls</i>
44		The provisions of these Articles as to forfeiture shall apply in the case of non-payment of any sum which, by the terms of issue of a share, becomes payable at fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.	<i>Provisions as to forfeiture of shares to apply in case of non-payment of call</i>
		<b>TRANSFER OF SHARES</b>	
45		The Company shall use a Common form of transfer. The instrument of transfer of any share in the company shall be duly executed by or on behalf of both the transferor and transferee	<i>Instrument of Transfer to be executed by transferor and transferee</i>
46	-	The Board shall not issue or register a transfer of any shares to a minor (except in case when they are fully paid) or insolvent person or person of unsound mind.	<i>No transfer to minor</i>
	-	The transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the register of members in respect thereof.	
47	a)	The board may, subject to the right of appeal conferred by the Act decline to register	
	-	the transfer of a share, not being a fully paid share, to a person of whom they do not approve, or	
	-	any transfer of shares on which the Company has a lien.	
	b)	Subject to the power of the Directors stated in Articles 63 and the provisions of this clause, transfer of shares/ debentures, in whatever lot should not be refused. However, the Company may refuse to split a Share Certificate/ Debenture Certificate into several scraps of very small denominations or to consider a proposal for transfer of Shares/ Debentures comprised in a Share Certificate/ Debenture Certificate to several parties, involving such splitting if on the face of its such splitting/ transfer appears to be unreasonable or without a genuine need or a marketable lot.	<i>Directors may refuse any application for split or consolidation of Certificate(s)</i>
48		In case of shares held in physical form, the Board may decline to recognize any instrument of transfer unless-	<i>Board may decline to recognize instrument of transfer</i>
	-	the instrument of transfer is duly executed and is in the form as prescribed in the Rules made under the Act,	
	-	the instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and	
	-	the instrument of transfer is in respect of only one class of shares.	
49		On previous notice of at least seven days or such lesser period in accordance with the Act and Rules made there under, the	

		registration of transfers may be suspended at such times and for such periods as the Board may from time to time determine:	
		Provided that such registration shall not be suspended for more than thirty days at any one time or for more than forty-five days in the aggregate in any year.	
50		Subject to the provisions of Section 59 of Companies Act, 2013, the Board may decline to register any transfer of Shares on such grounds as it thinks fit in the benefit of the company (notwithstanding that the proposed transferee be already a Member), but in such case it shall, within two (2) months from the date the instrument of transfer was lodged with the Company, send to the transferee and the transferor notice of the refusal to register such transfer giving reasons for such refusal. Provided that registration of a transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever.	
51		The Company shall keep a book called the "Register of Transfers" and therein shall be fairly and distinctly entered the particulars of every transfer or transmission of any share in the Company.	<i>Register of Transfer</i>
52		The provisions of these Articles relating to transfer of shares shall mutatis mutandis apply to any other securities including debentures of the Company	<i>Provisions as to transfer of shares to apply mutatis mutandis to debentures, etc.</i>
		<b>TRANSMISSION OF SHARES</b>	
53	a)	On the death of a member, the survivor or survivors where the member was a joint holder, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only persons recognized by the Company as having any title to his interest in the shares.	<i>Title to shares on death of a member</i>
	b)	Nothing in clause (a) shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.	<i>Estate of deceased member liable</i>
54	a)	Any person becoming entitled to a share in consequence of the death or insolvency of a member may, upon such evidence being produced as may from time to time properly be required by the Board and subject as hereinafter provided, elect, either-	
	-	to be registered himself as holder of the share; or	
	-	to make such transfer of the share as the deceased or insolvent member could have made.	
	b)	The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent member had transferred the share before his death or insolvency.	<i>Board's right unaffected</i>
	c)	The Company shall be fully indemnified by such person from all liability, if any, by actions taken by the Board to give effect to such registration or transfer.	<i>Indemnity to the Company</i>
55	a)	If a person so becoming entitled shall elect to be registered as holder of the share himself, he shall deliver or send to the	<i>Right to election of holder of share</i>

		Company a notice in writing signed by him stating that he so elects.	
	b)	If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share	<i><b>Manner of testifying election</b></i>
56		All the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfer of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the member had not occurred and the notice or transfer were a transfer signed by that member.	<i><b>Limitations applicable notice</b></i>
57		A person becoming entitled to a share be reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as a member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company	<i><b>Claimant to be entitled to same advantage</b></i>
		Provided that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the share, until the requirement of the notice have been complied with.	
58		The provisions of these Articles relating to transmission by operation of law shall mutatis mutandis apply to any other securities including debenture of the Company.	<i><b>Provisions as to transmission shall apply mutatis mutandis to debentures etc.</b></i>
59		Where shares are converted into stock;	<i><b>Shares may be converted into stock</b></i>
	a)	the holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same Articles under which, the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit:	
		Provided that the Board may, from time to time, fix the minimum amount of sock transferable so, however, that such minimum shall not exceed the nominal amount of the shares from which the stock arose:	
	b)	the holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the company, and other matters, as if they held the shares form which the stock arose, but no such privilege or advantage (except participation in the dividends and profits of the Company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage:	
	c)	such of these Articles of the Company as are applicable to paid-up shares shall apply to stock and the words "shares" and "shareholder"/ "member" shall include "stock" and "stock-holder" respectively.	

60		where two or more persons are registered as joint holders (not more than three) of any share, they shall be deemed (so far as the company is concerned) to hold the same as joint tenants with benefit of survivorship, subject to the following and other provisions contained in these Articles:	
	a)	The joint-holders of any shares shall be liable severally as well as jointly for and in respect of all calls or instalments and other payments which ought to be made in respect of such share.	<i>Liability of Joint holders</i>
	b)	on the death of any one or more of such joint- holders, the survivor or survivors shall be the only person or persons recognized by the company as having any title to the share but the Directors may require such evidence of death as they may deem fit, and nothing herein contained shall be taken to release the estate of a deceased joint-holder from any liability on shares held by him jointly with any other person.	<i>Death of one or more joint-holder</i>
	c)	Only the person whose name stands first in the register of members as one of the joint-holders of any share shall be entitled to the delivery of certificate, if any, relating to such share or to receive notice (which term shall be deemed to include all relevant documents) and any notice served on or sent to such person shall be deemed service on all the joint-holders.	<i>Delivery of certificate and giving of notice to first named holder</i>
	d)	Any one of two or more joint-holders may vote at any meeting either personally or by attorney or by proxy in respect of such shares as if he were solely entitled thereto and if more than one of such joint holders be present at any meeting personally or by proxy or by attorney then that one of such persons so present whose name stands first or higher (as the case may be) on the register in respect of such shares shall alone be entitled to vote in respect thereof.	<i>Vote of joint holders</i>
		<b>CAPITALISATION OF PROFITS</b>	
61	a)	The Company by ordinary resolution in general meeting may, upon the recommendation of the Board, resolve-	<i>Capitalization of profits</i>
	-	that it is desirable to capitalize any part of the amount for the time being standing to the credit of any of the Company's reserve accounts, or to the credit of the profit and loss account, or otherwise available for distribution; and	
	-	that such sum be accordingly set free for distribution in the manner specified in clause (b) below amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.	
	b)	The sum aforesaid shall not be paid in cash but shall be applied subject to the provision contained in clause (c) below, either in or towards:	
	-	paying up any amounts for the time being unpaid on any shares held by such members respectively	
	-	Paying up in full, unissued shares or other securities of the Company to be allotted and distributed, credited as fully paid up, to and amongst such members in the proportions aforesaid:	
	-	partly in the way specified in sub-clause (i) and partly in that specified in sub-clause (ii).	

	c)	A securities premium account and a capital redemption reverse account may, for the purpose of this regulation, be applied in the paying up of unissued shares to be issued to members of the company as fully paid bonus shares:	
	d)	The Board shall give effect to the resolution passed by the company in pursuance of this Article.	
62	a)	whenever such a resolution as aforesaid shall have been passed the Board shall	<i>Power of the Board for capitalization</i>
	-	make all appropriations and applications of the amounts resolved to be capitalized thereby, and all allotments and issues of fully paid shares or other securities, if any, and	
	-	Generally, do all acts and things required to give effect thereto.	
	b)	The Board shall have power	<i>Board's power to issue fractional certificate/ coupon etc.</i>
	-	to make such provisions, by the issue of fractional certificates/ coupons or by payment in cash or otherwise as it thinks fit, for the case of shares or other securities becoming distributable in fractions; and	
	-	to authorize any person to enter, on behalf of all the members entitled thereto, into an agreement with the company providing for the allotment to them respectively, credited as fully paid-up of any further shares or other securities to which they may be entitled upon such capitalizations, or as the case may require, for the payment by the Company on their behalf, by the application thereto of their respective proportions of profits resolved to be capitalized, of the amount or any part of the amounts remaining unpaid on their existing shares.	
	c)	Any agreement made under such authority shall be effective and binding on such members.	<i>Agreement binding on members</i>
		<b>SHARE WARRANTS</b>	
63	a)	Subject to the provisions of the Act and the approval of the Company in General Meeting the Company may issue with respect to any fully paid shares, a warrant stating that the bearer of the warrants is entitled to the shares specified therein and may provide coupons or otherwise, for payment of future dividends on the Shares specified in the warrants and may provide conditions for registering membership.	<i>Issue of Share Warrants</i>
	b)	Subject to the provisions of the Act and the approval of the Company in General Meeting , the Company may from time to time issue warrants naked or otherwise or issue coupons or other instruments and any combination of Equity Shares, Debentures, Preference Shares or any other instruments to such class of persons as the Board of Directors may deem fit with a right attached to the holder of such warrants or coupons or other instruments to subscribe to the Equity shares or other instruments within such time and at such price as the Board of Directors may decide as per the rules applicable from time to time.	
	c)	The bearer of a share warrant may, at any time, deposit the warrant at the office of the Company and so long as the warrant remains so	<i>Deposit of Share Warrant</i>

		deposited, the depositor shall have the same right of signing a requisition for calling a meeting of the Company and of attending and voting and exercising the other privileges of the member at any meeting held after the expiry of two clear days from the time of deposit, as if his name were inserted in the Register of Members as the holder of the Share included in the deposit warrant	
	-	Not more than one person shall be recognized as depositor of the share warrant.	
	-	The Company shall, on two days' written notice, return the deposited share warrant to the depositor.	
	d)	subject as herein otherwise expressly provided, no person shall as bearer of a share warrant, sign a requisition for calling a meeting of the Company or attend or vote or exercise any other privileges of a member at a meeting of the Company or be entitled to receive any notice from the Company	<i>Privileges and disabilities of the holders of share warrant</i>
	-	The bearer of a share warrant shall be entitled in all other respect to the same privileges and advantages as if he is named in the Register of Members as the holder of the Shares included in the warrant and he shall be a member of the Company.	
		<b>BUY-BACK OF SHARES</b>	
64		Notwithstanding anything contained in these Articles but subject to all applicable provisions of the Act or any other law for the time being in force, the Company may purchase its own shares or other specified securities.	<i>Buy-back of Shares</i>
		<b>GENERAL MEETINGS</b>	
65		All general meetings other than Annual General Meeting shall be called Extraordinary General Meeting.	<i>Extraordinary General Meeting</i>
66	-	The Board may, whenever it thinks fit, call an extraordinary general meeting.	<i>Power of Board to call extraordinary general meeting</i>
	-	if at any time directors capable of acting who are sufficient in number to form a quorum are not within India, any director or any two members of the company may call an extraordinary general meeting in the same manner, as nearly as possible, as that in which such a meeting may be called by the Board.	
		<b>PROCEEDINGS AT GENERAL MEETINGS</b>	
67	a)	No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business	<i>Presence of Quorum</i>
	b)	The quorum for a general meeting shall be as provided in the Act	<i>Quorum for general meeting</i>
	c)	The Chairperson, of the Company shall preside as Chairperson at every general meeting of the Company	<i>Chairperson of the meetings</i>
	d)	if there is no such Chairperson, or if he is not present within fifteen minutes after the time appointed for holding the meeting, or is unwilling to act as chairperson of the meeting, the directors present shall elect one of their members to be chairperson of the meeting.	<i>Directors to elect a chairperson</i>
	e)	if at any meeting no director is willing to act as Chairperson or if no director is present within fifteen minutes after the time appointed for holding the meeting, the members present shall elect	<i>Members to elect a chairperson</i>

		one of themselves to be chairperson of the meeting thereof by show of hands	
68		on any business at any general meeting, in case of an equality of votes, whether on a show of hands or electronically, the chairperson shall have a second or casting vote.	<i>casting vote of Chairperson at general meeting</i>
69	a)	The Company shall cause minutes of the proceedings of every general meeting of any class of members or creditors and every resolution passed by postal ballot to be prepared and signed in such manner as may be prescribed by the Rules and kept by making within thirty days of the conclusion of every such meeting concerned or passing of resolution by postal ballot entries thereof in books kept for that purpose with their pages consecutively numbered.	<i>Minutes of proceedings of meetings and resolutions passed by postal ballot</i>
	b)	There shall not be included in the minutes any matter which, in the opinion of the Chairperson of the meeting	<i>Certain matters not to be included in Minutes</i>
	-	is, or could reasonably be regarded, as defamatory of any person, or	
	-	is irrelevant or immaterial to the proceedings, or	
	-	is detrimental to the interests of the Company	
	c)	The chairperson shall exercise an absolute discretion in regard to the inclusion or non-inclusion of any matter in the minutes on the grounds specified in the aforesaid clause.	<i>Discretion of Chairperson in relation to minutes</i>
	d)	The minutes of the meeting kept in accordance with the provisions of the Act shall be evidence of the proceedings recorded therein.	<i>Minutes to be evidence</i>
70	a)	The books containing the minutes of the proceedings of any general meeting of the Company or a resolution passed by postal ballot shall:	<i>Inspection of minutes books of general meeting</i>
	-	be kept at the registered office of the Company; and	
	-	ii. be open to inspection of any member without charge, during 11.00 a.m. to 1.00 p.m. on all working days other than Saturdays.	
	b)	Any member shall be entitled to be furnished, within the time prescribed by the Act, after he has made a request in writing in that behalf to the Company and on payment of such fees as may be fixed by the Board or Committee made thereof, with a copy of any minutes referred to in clause (a) above:	<i>Members may obtain copy of minutes</i>
		Provided that a member who has made a request for provision of a soft copy of the minutes of any previous general meeting held during the period immediately preceding three financial years, shall be entitled to be furnished with the same free of cost.	
	c)	The Board, and also any person(s) authorized by it, may take any action before the commencement of any general meeting, or any meeting of a class of members in the Company, which they may think fit to ensure the security of the meeting, the safety of people attending the meeting, and the future orderly conduct of the meeting. Any decision made in good faith under this Article shall be final, and rights to attend and participate in the meeting concerned shall be subject to such decision.	<i>Powers to arrange security at meetings</i>
		<b>ADJOURNMENT OF MEETING</b>	

71	a)	The Chairperson may, with the consent of any meeting at which a quorum is present, and shall, if so, directed by the meeting, adjourn the meeting from time to time and from place to place.	<i>Chairperson may adjourn the meeting</i>
	b)	No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.	<i>Business at adjourned meeting</i>
	c)	When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting	<i>Notice of adjourned meeting</i>
	d)	Save as aforesaid, and save as provided in the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.	<i>Notice of Adjourned Meeting not required</i>
<b>VOTING RIGHTS</b>			
72	a)	Subject to any rights or restrictions for the time being attached to any class or classes of shares –	<i>Entitlement to vote on show of hands and on poll</i>
	-	on show of hands, every member present in person shall have one vote; and	
	-	one poll, the voting rights of members shall be in proportion to his share in the paid-up equity share capital of the company.	
	b)	A member may exercise his vote at a meeting by electronic means in accordance with the Act and shall vote only once.	<i>Voting through electronic means</i>
73	a)	In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders.	<i>Vote of joint holders</i>
	b)	For this purpose, seniority shall be determined by the order in which the names stand in the register of members.	<i>Seniority of names</i>
	c)	A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee or other legal guardian, and any such committee or guardian may, on a poll, vote by proxy. If any member be a minor, the vote in respect of his share or shares shall be by his guardian or any one of his guardians.	<i>How members non compos mentis and minor may vote</i>
74		Subject to the provisions of the Act and other provisions of these Articles, any person entitled under the Transmission Clause to any shares may vote at any general meeting in respect thereof as if he was the registered holder of such shares, provided that at least 48 (forty eight) hours before the time of holding the meeting or adjourned meeting, as the case may be, at which he proposes to vote, he shall duly satisfy the Board of his right to such shares unless the Board shall have previously admitted his right to vote at such meeting in respect thereof.	<i>Votes in respect of shares of deceased or insolvent members, etc.</i>
75		Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll.	<i>Business may proceed pending poll</i>
76		No member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the company have been paid.	<i>Restriction on voting rights</i>

77	a)	No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which vote objected to, is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes.	<i>No Objection can be raised to the qualification of voter</i>
	b)	Any such objection made in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive	
78		Any member whose name is entered in the register of members of the Company shall enjoy the same rights and be subject to the same liabilities as all other members of the same class.	<i>Equal rights of members</i>
		<b>PROXY</b>	
79	a)	Any member entitled to attend and vote at a general meeting may do so either personally or through his constituted attorney or through another person as a proxy on his behalf, for that meeting.	<i>Member may vote in person or otherwise</i>
	b)	The instrument appointing a proxy and the power-of attorney or other authority, if any, under which it is signed or a notarized copy of that power or authority, shall be deposited at the registered office of the Company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote and in default the instrument of proxy shall not be treated as valid.	<i>Proxies when to be deposited</i>
	c)	An instrument appointing a proxy shall be in the form, as prescribed in the Rules.	<i>Form of Proxy</i>
	d)	A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the shares in respect of which the proxy is given:	<i>Proxy to be valid notwithstanding death of the principal</i>
		Provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the Company at its office before the commencement of the meeting or adjourned meeting at which the proxy is used.	
		<b>BOARD OF DIRECTORS</b>	
80		Until otherwise determined by a General Meeting of the Company and subject to the provisions of the Act, the number of Directors shall not be less than three and not more than fifteen.	<i>Board of Directors</i>
81		Subject to the provisions of the Act and these Articles, the Managing Director or Whole- time Director shall not while he continues to hold that office, be subject to retirement by rotation but he shall be subject to the same provisions as to the resignation and removal as the other Directors of the Company and he shall ipso facto and immediately cease to be Managing Director or Whole-time Director if he chooses to hold office of Director for any cause provided that if at any time the number of Directors (including Managing Director or Whole-time Director) as are not subject to retirement by rotation shall exceed one-third of the total number of the Directors for the time being, then such of the Managing Director or Whole-time Director or two or more of them as the Directors may from time to time determine shall be liable to retirement by rotation to the extent that the number of Directors	<i>Directors not liable to retirement by rotation</i>

		not liable to retirement by rotation shall not exceed one- third of the total number of Directors for the time being.	
82		The same individual may, at the same time, be appointed as the Chairperson of the Company as well as the Managing Director or Chief Executive Officer of the Company.	<i>Same individual may be Chairperson and Managing Director/ Chief Executive Officer</i>
83	a)	The remuneration of the directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day-to-day.	<i>Remuneration of Directors</i>
	b)	The remuneration payable to the directors, including any managing or whole-time director or manager, if any, shall be determined in accordance with and subject to the provisions of the Act by an ordinary resolution passed by the Company in general meeting	<i>Remuneration of require members' consent</i>
	c)	In addition to the remuneration payable to them in pursuance of the Act, the directors may be paid all travelling, hotel and other expenses properly, incurred by them:	<i>Travelling and other expenses</i>
	-	In attending and returning from meetings of the Board of Directors or any committee thereof or general meetings of the Company; or	
	-	In connection with the business of the Company.	
		The Board may pay all expenses incurred in getting up and registering the Company.	
84		All cheques, promissory notes, drafts, hands, bills of exchange and other negotiable instruments, and all receipts for monies paid to the Company, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, by such person and in such manner as the Board shall from time to time by resolution determine.	<i>Execution of negotiable instrument</i>
85		Every director present at any meeting of the Board or of a committee thereof shall sign his name in a book to be kept for that	<i>Attendance at the meeting</i>
86	a)	Subject to the provisions of the Act, the Board shall have power at any time, and from time to time, to appoint a person as an additional director, provided the number of the directors and additional directors together shall not at any time exceed the maximum strength fixed for the Board by the Articles.	<i>Appointment of additional directors</i>
	b)	Such person shall hold office only up to the date of the next Annual General Meeting of the Company but shall be eligible for appointment by the Company as a director at that meeting subject to the provisions of the Act.	<i>Duration of office of additional director</i>
87	a)	The Board may appoint an alternate director to act for a director (hereinafter in this Article called "the Original Director") during his absence for a period of not less than three months from India. No person shall be appointed as an alternate director for an independent director unless he is qualified to be appointed as an independent director under the provisions of the Act.	<i>Appointment of alternate director</i>
	b)	An alternate director shall not hold office for a period longer than that permissible to the Original Director in whose place he has been appointed and shall vacate the office if and when the Original Director returns to India.	<i>Duration of office of alternate director</i>

	c)	If the term of office of the Original Director is determined before he returns to India the automatic reappointment of retiring directors in default of another appointment shall apply to the Original Director and not to the alternate director.	<i>Re-appointment provisions applicable to Original Director</i>
88	a)	If the office of any director appointed by the Company in general meeting is vacated before his term of office expires in the normal course, the resulting casual vacancy may, be filled by the Board of Directors at a meeting of the Board.	<i>Appointment of director to fill a casual vacancy</i>
	b)	The director so appointed shall hold office only upto the date upto which the director in whose place he is appointed would have held office if it had not been vacated.	<i>Duration of office of Director appointed to fill casual vacancy</i>
		<b>POWERS OF BOARD</b>	
89	a)	The management of the business of the Company shall be vested in the Board and the Board may exercise all such powers, and do all such acts and things, as the Company is by the memorandum of association or otherwise authorized to exercise and do, and, not hereby or by the statute or otherwise directed or required to be exercised or done by the Company in general meeting but subject nevertheless to the provisions of the Act and other laws and of the memorandum of association and these Articles and to any regulations, not being inconsistent with the memorandum of association and these Articles or the Act, from time to time made by the Company in general meeting provided that no such regulation shall invalidate any prior act of the Board which would have been valid if such regulation had not been made.	<i>General powers of the Company vested in Board</i>
	b)	Save as provided by the said Act or by these presents and subject to the restrictions imposed by the Act, the Directors may delegate all or any powers by the said Act or by the Memorandum of Association or by these presents reposed in them.	<i>Power to delegate</i>
	c)	Subject to restrictions provided in the Act, the Directors may, from time to time at their discretion raise or borrow, or secure the repayment of any loan or advance taken by the Company. Any such moneys may be raised and the payment or repayment of such moneys maybe secured in such manner and upon such terms and conditions in all respects as the Directors may think fit and, in particular by promissory notes, or by opening current accounts or by receiving deposits and advances at interest, with or without security, or by the issue of debentures or debenture-stock of the Company charged upon all or any part of the property of the Company (both present and future), including its uncalled capital for the time being, or by mortgaging, charging or pledging any lands, buildings, machinery, plants, goods or other property and securities of the Company, or by such other means as to them may seem expedient.	<i>Borrowing powers of the Board</i>
	d)	The Board of Directors shall not, except with the consent of the Company in General Meeting, borrow moneys where the moneys to be borrowed together with the moneys already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) in excess of the borrowing limits as specified in the Act.	<i>Restriction on Powers of Board</i>

	-	Any bonds, debentures, debenture-stock or other securities issued or to be issued by the Company, shall be under the Control of the Directors who may issue them upon such terms and conditions and in such manner and for such consideration as they shall consider to be for the benefit of the Company.	
		<b>PROCEEDINGS OF THE BOARD</b>	
90	a)	The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings, as it thinks fit.	<i>When meeting to be convened</i>
	b)	The Chairperson or any one Director with the previous consent of the Chairperson may, on the direction of the Chairperson may, or the company secretary, at any time, summons a meeting of the Board.	<i>Who may summon Board Meeting</i>
	c)	The quorum for a Board meeting shall be as provided in the Act.	<i>Quorum for Board Meeting</i>
	d)	The participation of directors in a meeting of the Board may be either in person or through video conferencing or audio-visual means or teleconferencing, as may be prescribed by the Rules or permitted under law.	<i>Participation at Board meetings</i>
91	a)	Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of votes.	<i>Questions at Board meeting how decided</i>
	b)	In case of an equality of votes, the chairperson of the Board, if any, shall have a second or casting vote.	<i>Casting vote</i>
92		The continuing directors may act notwithstanding any vacancy in the Board; but, if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing directors or director may act for the purpose of increasing the number of directors to that fixed for the quorum, or of summoning a general meeting of the Company, but for no other purpose.	<i>Directors not to act when number falls below minimum</i>
93	a)	The Chairperson of the Company shall be the Chairperson at meetings of the Board. In his absence, the Board may elect a chairperson of its meetings and determine the period for which he is to hold office.	<i>who to preside at meetings of the Board</i>
	b)	If no such Chairperson is elected, or if at any meeting the Chairperson is not present within fifteen minutes after the time appointed for holding the meeting, the directors present may choose one of their members to be Chairperson of the meeting.	<i>Directors to elect a chairperson</i>
94	a)	The Board may, subject to the provisions of the Act, delegate any of its powers to Committees consisting of such member or members of its body as it thinks fit.	<i>Delegation of Powers</i>
	b)	Any Committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may be imposed on it by the Board.	<i>Committee to conform to Board regulations</i>
	c)	The participation of directors in a meeting of the Committee may be either in person or through video conferencing or audio-visual means or teleconferencing, as may be prescribed by the Rules or permitted under law.	<i>Participation at Committee meetings</i>
95	a)	A Committee may elect a chairperson of its meetings unless the Board, while constituting a committee, has appointed a Chairperson of such Committee.	<i>Chairperson of Committee</i>

	b)	If no such Chairperson is elected, or if at any meeting the Chairperson is not present within fifteen minutes after the time appointed for holding the meeting, the members present may choose one of their members to be Chairperson of the meeting.	<i>Who to preside at meetings of committee</i>
96	a)	A Committee may meet and adjourn as it thinks fit.	<i>Committee to meet</i>
	b)	Questions arising at any meeting of a Committee shall be determined by a majority of votes of the members present.	<i>Questions at Committee meeting how decided</i>
	c)	In case of an equality of votes, the Chairperson of the Committee shall have a second or casting vote.	<i>Casting vote of Chairperson at Committee meeting</i>
97		All acts done in any meeting of the Board or of a Committee thereof or by any person acting as a director, shall, notwithstanding that it may be afterwards discovered that there was some defect in the appointment of any one or more of such directors or of any person acting as aforesaid, or that they or any of them were disqualified or that his or their appointment had terminated, be as valid as if every such director or such person had been duly appointed and was qualified to be a director.	<i>Acts of Board or Committee valid notwithstanding defect of appointment</i>
98		Save as otherwise expressly provided in the Act, a resolution in writing, signed, whether manually or by secure electronic mode, by a majority of the members of the Board or of a Committee thereof, for the time being entitled to receive notice of a meeting of the Board or Committee, shall be valid and effective as if it had been passed at a meeting of the Board or Committee, duly convened and held.	<i>Passing of resolution by circulation</i>
		<b>CHIEF EXECUTIVE OFFICER, MANAGER, COMPANY SECRETARY AND CHIEF FINANCIAL OFFICER</b>	
99	a)	Subject to the provisions of the Act, —	<i>Chief Executive Officer, Manager, etc.</i>
		A chief executive officer, manager, company secretary and chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any chief executive officer, manager, company secretary and chief financial officer so appointed may be removed by means of a resolution of the Board, the Board may appoint one or more chief executive officers for its multiple businesses.	
	b)	A director may be appointed as chief executive officer, manager, company secretary or chief financial officer.	<i>Director may be chief executive officer, etc.</i>
		<b>REGISTERS</b>	
100	a)	The Company shall keep and maintain at its registered office all statutory registers namely, register of charges, register of members, register of debenture holders, register of any other security holders, the register and index of beneficial owners and annual return, register of loans, guarantees, security and acquisitions, register of investments not held in its own name and register of contracts and arrangements for such duration as the Board may, unless otherwise prescribed, decide, and in such manner and containing such particulars as prescribed by the Act and the Rules. The registers and copies of annual return shall be	<i>Statutory Register</i>

		open for inspection during 11.00 a.m. to 1.00 p.m. on all working days, other than Saturdays, at the registered office of the Company by the persons entitled thereto on payment, where required, of such fees as may be fixed by the Board but not exceeding the limits prescribed by the Rules.	
	b)	The Company may exercise the powers conferred on it by the Act with regard to the keeping of a foreign register; and the Board may (subject to the provisions of the Act) make and vary such regulations as it may think fit respecting the keeping of any such register.	<i>foreign register</i>
	-	The foreign register shall be open for inspection and may be closed, and extracts may be taken there from and copies thereof may be required, in the same manner, mutatis mutandis, as is applicable to the register of members.	
	c)	The Board of Directors shall provide a Common Seal for the purpose of the Company and shall have power from time to time to destroy the same and substitute a new seal in lieu thereof and the Board shall provide for the safe custody of the Seal for the time being, under such regulations as the Board may prescribe.	<i>The Seal, its custody and use affixation of seal</i>
	-	The Common Seal of the Company shall not be affixed to any instrument except by the authority of the Board of Directors or a Committee of the Board previously given and in the presence of any one Director or any other person duly authorized by the Board, who shall sign every instrument to which the Common Seal is affixed, provided further that the certificate of shares or debentures shall be sealed in the manner and in conformity with the provisions of the Companies (Issue of share certificates) Rules, 1960 and any statutory modifications for the time being in force.	
		<b>DIVIDEND AND RESERVE</b>	
101	a)	The Company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board but the Company in general meeting may declare a lesser dividend.	<i>Company in general meeting may declare dividends</i>
	b)	Subject to the provisions of the Act, the Board may from time to time pay to the members such interim dividends of such amount on such class of shares and at such times as it may think fit.	<i>Interim Dividend</i>
	c)	The Board may, before recommending any dividend, set aside out of the profits of the Company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applied for any purpose to which the profits of the Company may be properly applied, including provision for meeting contingencies or for equalizing dividends; and pending such application, may, at the like discretion, either be employed in the business of the Company or be invested in such investments (other than shares of the Company) as the Board may, from time to time, think fit.	<i>Dividends only to be paid out of profits</i>
	d)	The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.	<i>Carry forward of profits</i>
	e)	Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but if and so long	<i>Division of profits</i>

		as nothing is paid upon any of the shares in the Company, dividends may be declared and paid according to the amounts of the shares.	
	f)	No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this Article as paid on the share.	<i>Payments in advance</i>
	g)	All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.	<i>Dividends to be apportioned</i>
	h)	The Board may deduct from any dividend payable to any member all sums of money, if any, presently payable by him to the Company on account of calls or otherwise in relation to the shares of the Company.	<i>No member to receive dividend whilst indebted to the Company and Company's right to reimbursement therefrom</i>
	i)	The Board may retain dividends payable upon shares in respect of which any person is, under the Transmission Clause hereinbefore contained, entitled to become a member, until such person shall become a member in respect of such shares.	<i>Retention of dividends</i>
	j)	Any dividend, interest or other monies payable in cash in respect of shares may be paid by electronic mode or by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct.	<i>Dividend how remitted</i>
	k)	Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.	<i>Instrument of payment</i>
	l)	Payment in any way whatsoever shall be made at the risk of the person entitled to the money paid or to be paid. The Company will not be responsible for a payment which is lost or delayed. The Company will be deemed to having made a payment and received a good discharge for it if a payment using any of the foregoing permissible means is made.	<i>Discharge to Company</i>
	m)	Any one of two or more joint holders of a share may give effective receipts for any dividends, bonuses or other monies payable in respect of such share.	<i>Receipt of one holder sufficient</i>
	n)	No dividend shall bear interest against the Company	<i>No interest on dividends</i>
	o)	The waiver in whole or in part of any dividend on any share by any document (whether or not under seal) shall be effective only if such document is signed by the member (or the person entitled to the share in consequence of the death or bankruptcy of the holder) and delivered to the Company and if or to the extent that the same is accepted as such or acted upon by the Board.	<i>Waiver of dividends</i>

	p)	No unclaimed Dividend shall be forfeited before the claim becomes barred by law, and unclaimed Dividends shall be dealt with in accordance with the applicable provisions of the Act	<i>Forfeiture of Unclaimed Dividend</i>
		<b>ACCOUNTS</b>	
102	a)	The books of account and books and papers of the Company, or any of them, shall be open to the inspection of directors in accordance with the applicable provisions of the Act and the Rules.	<i>Inspection by Directors</i>
	b)	No member (not being a director) shall have any right of inspecting any books of account or books and papers or document of the Company except as conferred by law or authorized by the Board.	<i>Restriction on inspection by members</i>
		<b>WINDING UP</b>	
103	a)	Subject to the applicable provisions of the Chapter XX of the Act and the Rules made thereunder –	<i>Winding up of Company</i>
	-	If the Company shall be wound up, the liquidator may, with the sanction of a special resolution of the Company and any other sanction required by the Act, divide amongst the members, in specie or kind, the whole or any part of the assets of the Company, whether they shall consist of property of the same kind or not.	
	-	For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members.	
	-	The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.	
		<b>INDEMNITY AND INSURANCE</b>	
104		Subject to the provisions of the Act, every director, managing director, whole-time director, manager, company secretary and other officer of the Company shall be indemnified by the Company out of the funds of the Company, to pay all costs, losses and expenses (including travelling expense) which such director, manager, company secretary and officer may incur or become liable for by reason of any contract entered into or act or deed done by him in his capacity as such director, manager, company secretary or officer or in any way in the discharge of his duties in such capacity including expenses.	<i>Directors and officers right to indemnity</i>
		<b>GENERAL POWER</b>	
105		Wherever in the Act, it has been provided that the Company shall have any right, privilege or authority or that the Company could carry out any transaction only if the Company is so authorized by its articles, then and in that case this Article authorizes and empowers the Company to have such rights, privileges or authorities and to carry out such transactions as have been permitted by the Act, without there being any specific Article in that behalf herein provided.	<i>General Power</i>

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## SECTION XII

### 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 the Company (not being contracts entered into in the ordinary course of business carried on by the Company or contracts entered into more than two years before the date of this Prospectus) which are or may be deemed material have been attached to the copy of the Prospectus delivered to the RoC for registration. Copies of the above-mentioned contracts and also the documents for inspection referred to hereunder, may be inspected at the Registered Office located at 4th Floor, Techniplex - I, Techniplex Complex Off. Veer Savarkar Flyover, Goregaon (West) Mumbai Maharashtra 400062 India between 10 a.m. and 5 p.m. on all Working Days from Bid/ Application/Issue Opening Date until the Bid/ Application/Issue Closing Date.

##### **A. Material Contracts**

1. Offer Agreement dated January 20, 2023 between our Company, Selling Shareholders and the Book Running Lead Manager.
2. Registrar Agreement dated January 13, 2023 between our Company, Selling Shareholders and the Registrar to the Offer. .
3. Share Escrow Agreement dated January 25, 2023 between our Company, Selling Shareholders, the Book Running Lead Manager and the Registrar to the Issue.
4. Escrow and Sponsor Bank Agreement dated January 25, 2023 between our Company, Selling Shareholders, the Book Running Lead Manager, Sponsor Bank, Banker to the Offer & Refund Bank and Registrar to the Issue.
5. Market Making Agreement dated January 20, 2023 between our Company, the Lead Manager and Market Maker.
6. Underwriting Agreement dated January 20, 2023 between our Company, the Book Running Lead Manager and Market Maker.
7. Tripartite agreement between the NSDL, our Company and the Registrar dated December 14, 2022
8. Tripartite agreement between the CDSL, our Company and the Registrar dated November 28, 2022

##### **B. Material Documents**

1. Certified true copies of the Memorandum and Articles of Association of our Company, as amended from time to time.
2. Copy of Certificates of Incorporation of Sealmatic India Limited
3. Resolution of the Board of Directors meeting dated November 28, 2022 authorizing the Issue.
4. Shareholders' resolution passed at the EGM dated December 21, 2022 authorizing the Issue.
5. Auditor's report for Restated Financials dated January 02, 2023 included in this Prospectus.

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6. The Statement of Tax Benefits dated January 02, 2023 from our Statutory Auditors.
  7. Consent of our Directors, Chief Financial Officer, Statutory Auditor, Book Running Lead Manager, Banker to the Company, Legal Advisor to the Issue, Registrar to the Issue, Market Maker, Underwriters and Banker to the Issue and Sponsor Bank as referred to in their specific capacities.
  8. Due Diligence Certificate(s) dated January 4, 2023 of the Book Running Lead Manager to be submitted to SEBI along with the filing of the Prospectus.
  9. Approval from BSE vide letter dated January 24, 2023 to use the name of BSE in this Issue Document for listing of Equity Shares on the SME Platform of the BSE.

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 relevant statutes

### DECLARATION BY THE COMPANY

We, hereby declare that, all the relevant provisions of the Companies Act, 2013 and the Guidelines issued by the Government of India or the Regulations or Guidelines issued by the Securities and Exchange Board of India, as the case may be, have been complied with and no statement made in the Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contract (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the Securities and Exchange Board of India Act, 1992, each as Amended or Rules made there under or Guidelines / Regulations issued, as the case may be. We further certify that all the disclosures and statements made in the Red Herring Prospectus are true and correct.

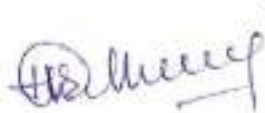
### SIGNED BY THE DIRECTORS OF OUR COMPANY:

Sd/-



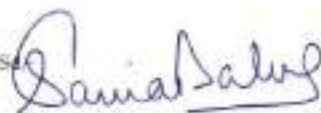
Mr. Umar A. K. Balwa  
Promoter and Managing Director

Sd/-



Mr. Mohamed Hanif Chaudhari  
Promoter and Whole Time Director

Sd/-



Ms. Samia Umar Balwa  
Non-Executive Director

Sd/-



Mr. Deepak Anant Chaugurde  
Non-Executive Independent Director

Sd/-



Mr. Ajay Balkrishna  
Non-Executive Independent Director

### SIGNED BY THE CHIEF FINANCIAL OFFICER & COMPANY SECRETARY AND COMPLIANCE OFFICER

Sd/-



Mr. Ratan Bhabulal Kandare  
Chief Financial Officer

Sd/-



Ms. Neha Pinak Chheda  
Company Secretary and Compliance Officer

Date: February 23, 2023

Place: Mumbai

#### DECLARATION BY THE SELLING SHAREHOLDERS

The undersigned Selling Shareholder hereby certifies that all the statements made by the Selling Shareholders in this Red Herring Prospectus about or in relation to itself in connection with the Offer for Sale and the equity shares offered by me in the Offer for Sale are true and correct.

Signed by Selling Shareholder

Sd/- 

Mr. Mohamed Hanif Chaudhari

Sd/- 

Mr. Rafiq Hussein Balwa

Sd/- 

Mrs. Waheeda Umar Balwa

Sd/- 

Mr. Sadik S. Chaudhari

Sd/- 

Mr. Abid Ali Chaudhari

Date: February 23, 2023

Place: Mumbai